

AWARD/CONTRACT		1. Solicitation Number		Page of Pages			
				1 55			
2. Contract Number CFOPD-23-C-032		3. Effective Date See 20C		4. Requisition/Purchase Request/Project No.			
5. Issued By Office of the Chief Financial Officer Office of Contracts 1100 - 4th Street, SW., Suite E620 Washington, DC 20024		Code		6. Administered By (If other than line 5)			
7. Name and Address of Contractor (No. Street, city, country, state and ZIP Code) Canon Solutions America, Inc. 4100 North Fairfax Drive, 2nd Floor Arlington, VA 22203 Attn: Glen Irwin, Account Executive Senior-PPS (804.548.5409) girwin@csa.canon.com		8. Delivery <input checked="" type="checkbox"/> FOB Destination <input type="checkbox"/> Other (See Schedule Section F)		9. Discount for prompt payment			
Code		Facility		10. Submit Invoices to the Address shown in Line 12 Item (2 copies unless otherwise specified)			
11. Ship to/Mark For Office of the Chief Financial Officer Office of Finance and Treasury Payment Operations 1101 4th Street, S.W., 8th Floor Washington, DC 20024 202-727-0939		Code		12. Payment will be made by Office of the Chief Financial Officer Office of Management and Administration Financial Operations/Accounts Payable https://vendorportal.dc.gov 1100 4th Street, SW Suite E600 Washington, DC 20024			
13. Contract Type: Fixed Price		14. Accounting and Appropriation Data					
15A. Item	15B. Supplies/Services			15C. Qty	15D. Unit	15E. Unit Price	15F. Amount
1	Canon Printers with Videk Upgrade			1	Job		\$173,028.00
	(Lease and Maintenance for two (2) Canon varioPRINT 6180 MICR TITAN Press Printers)						
	Additional images						NTE \$10,000.00
Total Amount of Contract						NTE \$183,028.00	
16. Table of Contents							
(X)	Section	Description	Pages	(X)	Section	Description	Pages
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x	D	Packaging and Marking	9	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
x	E	Inspection and Acceptance	10	x	K	Representations, Certifications and Other Statements of Offerors	55
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Contracting Officer will Complete Item 17 or 18 as Applicable							
17 <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>1 pdf</u> copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18 <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____, including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. Name and Title of Signer (Type or print) Francis A. McMahon, Executive Vice President				20A. Name of Contracting Officer Anthony A. Stover, CPPO; Dorothy Whisler Fortune, Esq., CPPO; or Drakus Wiggins, CPPB, CPPO			
19B. Name of Contractor DocuSigned by: <i>Francis A. McMahon, Executive Vice President</i> 74486861CBC0424... (Signature of person authorized to sign)			19C. Date Signed 08/07/2023		20B. District of Columbia 8:17 AM EDT <i>Anthony A. Stover</i> Digitally signed by Anthony A. Stover Date: 2023.08.10 11:01:21 -04'00' (Signature of Contracting Officer)		20C. Date Signed



SECTION B**CONTRACT TYPE, SUPPLIES OR SERVICES AND PRICE****B.1 GENERAL INFORMATION**

The District of Columbia Office of the Chief Financial Officer, Office of Contracts, on behalf of Office of Finance and Treasury (OFT) (the "District") requires Canon Solutions America to provide the lease and maintenance of two (2) Canon varioPRINT 6180 MICR TITAN Press Printers; Videk VP6K-S DocuVision Edge (Simplex) s/n 6227.1 and 6874.1 and upgrades; PRISMAproduction V5 Upgrade s/n YAUE744181 and 0DRG660833; Server ML350 (G10) Base s/n MXQ92505MB and MXQ92505MG.

B.2 CONTRACT TYPE

This is a Fixed Price contract.

B.3 ALL-INCLUSIVE PRICING

The stated Price Per Unit for each Contract Line-Item Number (CLIN) shall be fixed, inclusive of all of the Contractor's direct cost, indirect cost, and profit, including travel, material, and delivery costs. The price shall include all cost associated with the services described in and required by the Contract. The Total Estimated Price shall represent the price ceiling, fixed fee, or not to exceed amount of the Contract.

B.3.2 NONPROFIT FAIR COMPENSATION ACT OF 2020, D.C. Code § 2-222.01 et seq.

Nonprofit organizations, as defined in the Act, shall include in their rates the indirect costs incurred in provision of goods or performance of services under this contract pursuant to the nonprofit organization's unexpired Negotiated Indirect Cost Rate Agreement (NICRA). If a nonprofit organization does not have an unexpired NICRA, the nonprofit organization may elect to instead include in its rates its indirect costs:

- (1) As calculated using a *de minimis* rate of 10% of all direct costs under this contract;
- (2) By negotiating a new percentage indirect cost rate with the awarding agency;
- (3) As calculated with the same percentage indirect cost rate as the nonprofit organization negotiated with any District agency within the past two years; however, a nonprofit organization may request to renegotiate indirect costs rates in accordance with B.3.3; or
- (4) As calculated with a percentage rate and base amount, determined by a certified public accountant using the nonprofit organization's audited financial statements from the immediately preceding fiscal year, pursuant to the OMB Uniform Guidance and certified in writing by the certified public accountant.

B.3.3 If this contract is funded by a federal agency, indirect costs shall be consistent with the requirements for pass-through entities in 2 C.F.R. § 200.331, or any successor regulations.

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B.3.4 The Contractor shall pay its subcontractors which are nonprofit organizations the same indirect cost rates as the nonprofit organization subcontractors would have received as a prime contractor.

B.4 PRICE SCHEDULE

B.4.1 Base Year

Contract Line Item No. (CLIN)	Item Description	Unit	Quantity	Monthly Price	Total Annual Price
001	Monthly Lease Charge: Two (2) varioPRINT 6180 MICR TITAN Press Printers with Videk VP6K-S DocuVision Edge (Simplex) s/n 6227.1 and 6874.1 and upgrades.	Monthly	12	\$ 9,166.00	\$ 109,992.00
002	Monthly Maintenance Charge: PRISMAproduction V5 Upgrade s/n YAUE744181 and 0DRG660833; Server ML350 (G10) Base s/n MXQ92505MB and MXQ92505MG and upgrades.	Monthly	12	\$ 5,253.00	\$ 63,036.00
Grand Total					\$173,028.00

Contract Line Item No. (CLIN)	Item Description	Unit	Unit Price	Total Ceiling (Not-to-Exceed)
003	Additional Images per varioPRINT 6180 MICR TITAN Press Printer (exceeding the allotted 20,000 images/per month per printer)	*Click	\$0.0034	\$ 10,000.00

*A simplex page is treated as one impression. A duplex page is treated as two impressions. A ledger click is treated as two impressions.

B.4.2 Option Year One

Contract Line Item No. (CLIN)	Item Description	Unit	Quantity	Monthly Price	Total Annual Price
101	Monthly Lease Charge: Two (2) varioPRINT 6180 MICR TITAN Press Printers with Videk VP6K-S	Monthly	12	\$ 9,166.00	\$ 109,992.00

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	DocuVision Edge (Simplex) s/n 6227.1 and 6874.1 and upgrades.				
102	Monthly Maintenance Charge: PRISMAproduction V5 Upgrade s/n YAUE744181 and 0DRG660833; Server ML350 (G10) Base s/n MXQ92505MB and MXQ92505MG and upgrades.	Monthly	12	\$ 5,253.00	\$ 63,036.00
Grand Total					\$173,028.00

Contract Line Item No. (CLIN)	Item Description	Unit	Unit Price	Total Ceiling (Not-to-Exceed)
103	Additional Images per varioPRINT 6180 MICR TITAN Press Printer (exceeding the allotted 20,000 images/per month per printer)	*Click	\$0.0034	\$ 10,000.00

*A simplex page is treated as one impression. A duplex page is treated as two impressions. A ledger click is treated as two impressions.

B.4.3 Option Year Two

Contract Line Item No. (CLIN)	Item Description	Unit	Quantity	Monthly Price	Total Annual Price
201	Monthly Lease Charge: Two (2) varioPRINT 6180 MICR TITAN Press Printers with Videk VP6K-S DocuVision Edge (Simplex) s/n 6227.1 and 6874.1 and upgrades.	Monthly	12	\$ 9,166.00	\$ 109,992.00
202	Monthly Maintenance Charge: PRISMAproduction V5 Upgrade s/n YAUE744181 and 0DRG660833; Server ML350 (G10) Base s/n MXQ92505MB and MXQ92505MG and upgrades.	Monthly	12	\$ 5,253.00	\$ 63,036.00
Grand Total					\$173,028.00

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Contract Line Item No. (CLIN)	Item Description	Unit	Unit Price	Total Ceiling (Not-to-Exceed)
203	Additional Images per varioPRINT 6180 MICR TITAN Press Printer (exceeding the allotted 20,000 images/per month per printer)	*Click	\$0.0034	\$ 10,000.00

*A simplex page is treated as one impression. A duplex page is treated as two impressions. A ledger click is treated as two impressions.

B.4.4 Option Year Three

Contract Line Item No. (CLIN)	Item Description	Unit	Quantity	Monthly Price	Total Annual Price
301	Monthly Lease Charge: Two (2) varioPRINT 6180 MICR TITAN Press Printers with Videk VP6K-S DocuVision Edge (Simplex) s/n 6227.1 and 6874.1 and upgrades.	Monthly	12	\$ 9,166.00	\$ 109,992.00
302	Monthly Maintenance Charge: PRISMAproduction V5 Upgrade s/n YAUE744181 and 0DRG660833; Server ML350 (G10) Base s/n MXQ92505MB and MXQ92505MG and upgrades.	Monthly	12	\$ 5,253.00	\$ 63,036.00
Grand Total					\$173,028.00

Contract Line Item No. (CLIN)	Item Description	Unit	Unit Price	Total Ceiling (Not-to-Exceed)
303	Additional Images per varioPRINT 6180 MICR TITAN Press Printer (exceeding the allotted 20,000 images/per month per printer)	*Click	\$0.0034	\$ 10,000.00

*A simplex page is treated as one impression. A duplex page is treated as two impressions. A ledger click is treated as two impressions.

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B.4.5 Option Year Four

Contract Line Item No. (CLIN)	Item Description	Unit	Quantity	Monthly Price	Total Annual Price
401	Monthly Maintenance Charge: Two (2) varioPRINT 6180 MICR TITAN Press Printers with Videk VP6K-S DocuVision Edge (Simplex) s/n 6227.1 and 6874.1 and upgrades.	Monthly	12	\$ 9,166.00	\$ 109,992.00
402	Monthly Maintenance Charge: PRISMAproduction V5 Upgrade s/n YAUE744181 and 0DRG660833; Server ML350 (G10) Base s/n MXQ92505MB and MXQ92505MG and upgrades.	Monthly	12	\$ 5,253.00	\$ 63,036.00
Grand Total					\$173,028.00

Contract Line Item No. (CLIN)	Item Description	Unit	Unit Price	Total Ceiling (Not-to-Exceed)
403	Additional Images per varioPRINT 6180 MICR TITAN Press Printer (exceeding the allotted 20,000 images/per month per printer)	*Click	\$0.0034	\$ 10,000.00

*A simplex page is treated as one impression. A duplex page is treated as two impressions. A ledger click is treated as two impressions.

[End of Section B]

SECTION C

DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 SCOPE

The District of Columbia Office of Finance and Treasury (OFT) requires Canon Solutions America to provide the lease and maintenance of two (2) Canon Titan 6180 Press printers with Videk software update.

C.2 [Intentionally Deleted]

C.3 BACKGROUND

- C.3.1 OFT is made up of several areas that have specific responsibilities to carry out the mission of the agency. One of these areas, the Payment Operations Center, is responsible for printing and disbursing all District's checks, earnings statements, W2's, etc. The Payment Operations Center is located on the 8th Floor of 1101 4th Street, N.W., Washington, DC 20024.
- C.3.2 OFT intends to reduce check production by transitioning District payments to other electronic forms of distribution i.e., Automated Clearing House (ACH) and Pre-paid Debit Cards. However, the District intends, for the next five (5) years, to maintain its dependency on paper checks as a means of payment for its vendors, employees, and constituents. Two (2) high-capacity printers will continue to be required for the purpose of producing checks.
- C.3.3 OFT has already purchased two (2) Canon Prisma Print Servers that will work in conjunction with the new Canon Titan 6180 Press printers. In addition, OFT has a contract with Applied Technology Services who provides the Check Write system; GMC Inspire, created by Quadiant.

C.4 REQUIREMENTS

C.4.1 Lease

- C.4.1.1 The Contractor shall provide the lease of two (2) Canon Titan (6180) printers with a Videk software upgrade (Videk SN 6227.1 and 6874.1 upgrade; Prisma SN YAUE744181, ODRG660833), in accordance with the leasing terms and conditions set forth in **Attachment J.4.**
- C.4.1.2 The Lease shall include Prisma Production upgrade, Videk Camera upgrade, back on service charge evaluation, systems implementation, delivery, installation, and training.

C.4.2 Maintenance

- C.4.2.1 The Contractor shall provide monthly maintenance for the two (2) leased printers, Prisma Production and Videk cameras (Prisma SN MXQ92505MB), in accordance with the maintenance terms and conditions set forth in **Attachment J.3.**

C.4.2.2 The maintenance shall include the following:

- a. Back on service charge evaluation;
- b. 1x5, 2 Hour average response time; and
- c. Service provided by Canon PPS for all solution components.

C.4.3 Images

C.4.3.1 The leasing of the printers shall include an allotment of 20,000 images on each printer per month for a total of 40,000 per month.

C.4.3.2 Once the District has exhausted the allotted 40,000 images in the month, the overage cost line item set forth in the pricing schedule (Section B.4) will apply. If the not-to-exceed estimated ceiling for the overage cost line item is reached, the Contractor is not obligated to allow the District to continue to print images unless a modification is executed by both parties.

C.4.3.3 The Contractor and the COTR will monitor the burn rate against the not-to-exceed estimated ceiling for the overage cost line item for each contract term and notify the Contracting Officer if, and when, the burn rate reaches seventy-five percent (75%) of the not-to-exceed ceiling for any contract term.

[End of Section C]

SECTION D**PACKAGING AND MARKING****D.1 PACKAGING**

All reports and deliverables that are in “hard copy” and physically transported through the U.S. mail or private courier services are to be securely packaged using the Contractor’s best practices.

D.2 MARKING

- D.2.1 Unless otherwise specified herein, all reports and deliverables delivered under this contract must be plainly marked, stating the Contractor’s name, contract number and addressed to the recipient, including the name of the office or floor, and the recipient’s office telephone number as noted in the contract.
- D.2.2 In case of carload lots, the Contractor shall tag the car, stating Contractor’s name and contract number. Any failure to comply with these instructions will place the material at the Contractor’s risk.
- D.2.3 Deliveries by rail, water, truck or otherwise, must be within working hours and in ample time to allow for unloading and if necessary, the storing of the materials or supplies before closing time. Deliveries at any other time will not be accepted unless specific arrangements have been previously made with the contact person identified in the contract at the delivery point.

[End of Section D]

SECTION E**INSPECTION, ACCEPTANCE AND WARRANTY OF SERVICES****E.1 INSPECTION**

- E.1.1 All supplies and services provided by the Contractor under this contract shall be subject to inspection by the Contracting Officer's Technical Representative ("COTR") identified in Section G.1 (b).
- E.1.2 Inspection of Supplies
- (a) Definition. "Supplies," as used in this clause, includes, but is not limited to components, end products, and lots of supplies.
 - (b) The Contractor shall be responsible for the materials or supplies covered by this contract until they are delivered at the designated point, but the Contractor shall bear all risk on rejected materials or supplies after notification of rejection. Upon the Contractor's failure to cure within ten (10) days after date of written notification, the District may return the rejected materials or supplies to the Contractor at the Contractor's risk and expense as detailed in subsection (k).
 - (c) The Contractor shall tender to the District for acceptance only supplies that have been inspected in accordance with the Contractor's inspection policies for conformity with contract requirements. The District may perform reviews and evaluations as reasonably necessary to ascertain compliance with this paragraph. These reviews and evaluations shall be conducted in a manner that will not unduly delay the contract work. The right of review, whether exercised or not, does not relieve the Contractor of the obligations under this contract.
 - (d) The District has the right to inspect and test all supplies called for by the contract, to the extent practicable, upon date of receipt, and in any event before acceptance. The District will perform inspections and tests in a manner that will not unduly delay the work. The District assumes no contractual obligation to perform any inspection and test for the benefit of the Contractor unless specifically set forth elsewhere in the contract.
 - (e) The District has the right either to reject or to require correction of nonconforming supplies. Supplies are nonconforming when they are defective in material or workmanship or otherwise not in conformity with contract requirements. The District may reject nonconforming supplies and shall follow the RMA outline in subsection k below.
 - (f) The Contractor shall remove supplies rejected or required to be corrected. However, the Contracting Officer may require or permit correction in place, promptly after notice, by and at the expense of the Contractor. The Contractor shall not tender for acceptance corrected or rejected supplies without disclosing the former rejection or requirement for correction, and when required, shall disclose the corrective action taken.
 - (g) Contractor shall replace, or correct rejected supplies that are required to be replaced or corrected within ten (10) days. Unless the Contractor corrects or replaces the supplies within the delivery schedule, the Contracting Officer may request their expedited delivery.
 - (h) The District will accept or reject supplies as promptly as practicable after delivery, unless otherwise provided in the contract. District failure to inspect and accept or reject the supplies shall not relieve the Contractor from responsibility, nor impose liability upon the District, for

non-conforming supplies.

- (i) Inspections and tests by the District do not relieve the Contractor of responsibility for defects or other failures to meet contract requirements discovered before acceptance. Acceptance shall be conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or as otherwise provided in the contract.
- (j) If acceptance is not conclusive for reasons in section E.1.2 (b), such supplies that are determined to be defective or damaged upon inspection promptly at time of receipt will be returned to the Contractor. The District will contact the Contractor at parts@csa.canon.com detailing the error or damage, and the contractor will create an RMA and provided instructions for returning the items at the Contractor's expense. Contractor will also replace any defective or damaged supplies at the Contractor's expense. At the end of the contract, the District is responsible for promptly contacting the Contractor at parts@csa.canon.com to arrange the return of any unused supplies at the Contractor's expense.

E.1.3 Inspection of Services

- (a) Definition. "Services" as used in this clause includes services performed, workmanship, and material furnished or utilized in the performance of services.
- (b) The Contractor shall provide and maintain an inspection system acceptable to the District covering the services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the District during contract performance and for as long afterwards as the contract requires.
- (c) The District has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract. The District will perform inspections and tests in a manner that will not unduly delay the work.
- (d) If any of the services do not conform to the contract requirements, the District may require the Contractor to perform these services again in conformity with contract requirements, at no increase in contract amount. When the defects in services cannot be corrected by performance, the District may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements and reduce the contract price to reflect value of services performed. If the Contractor fails to promptly perform the services again or take the necessary action to ensure future performance in conformity to contract requirements, the District may (1) by contract or otherwise, perform the services and charge the Contractor any cost incurred by the District that is directly related to the performance of such services, or (2) terminate the contract for default.

E.2 ACCEPTANCE

Acceptance of all products and services provided under this contract shall be performed by the COTR. Acceptance means approval by the COTR of specific services as partial or complete performance of the contract. Acceptance of products means that the equipment and/or software operates in conformance with the manufacturer or developer's published specifications. Acceptance shall occur at completion of installation and shall not be unreasonably withheld or delayed. The equipment/software will be deemed accepted five (5) business day following the installation date, provided that COTR has not provided Contractor with a notice of defect.

E.3 WARRANTY OF SERVICES

E.3.1 The time period for this warranty provision is the life of the contract plus all active options and extensions and runs concurrently with Contractor's maintenance services.

E.3.2 Warranty Provision

(a) Notwithstanding inspection and acceptance by the District or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this contract. The Contracting Officer shall give written notice of any defect or nonconformance to the Contractor within 30 days from the date of discovery.

This notice shall state either:

(1) That the Contractor shall correct or re-perform any defective or nonconforming services; or

(2) That the District does not require correction or reperformance.

(b) If the Contractor is required to correct or reperform, it shall be at no cost to the District, and any services corrected or reperformed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or reperform, the Contracting Officer may, by contract or otherwise, correct or replace with similar services and charge to the Contractor the cost occasioned to the District thereby, or make an equitable adjustment in the contract price.

(c) If the District does not require correction or reperformance, the Contracting Officer shall make an equitable adjustment in the contract price.

(d) THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR (TO THE EXTENT ALLOWED BY LAW) STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE.

[End of Section E]

SECTION F**PERIOD OF PERFORMANCE AND DELIVERABLES****F.1 TERM OF CONTRACT**

The term of the contract shall be for a period of one year from the Contract Effective Date.

F.2 OPTION TO EXTEND THE TERM OF THE CONTRACT

- F.2.1 The District may extend the term of this contract for a period of Four (4) one-year option periods, or successive fractions thereof, by written notice to the Contractor before the expiration of the contract; provided that the District will give the Contractor preliminary written notice of its intent to extend before the contract expires. The preliminary notice does not commit the District to an extension. The exercise of this option is subject to the availability of funds at the time of the exercise of this option.
- F.2.2 If the District exercises this option, the extended contract shall be considered to include this option provision.
- F.2.3 The price for the option period shall be as specified in Section B of the contract.

F.3 DELIVERABLES

- F.3.1 The Contractor shall perform the activities required to successfully complete the District's requirements and submit each deliverable to the COTR identified in Section G in accordance with Section C.
- F.3.2 The Contractor shall submit to the District, as a deliverable, the report described in Section I.31 that is required by the 51% District Residents New Hires Requirements and First Source Employment Agreement. If the Contractor does not submit the report as part of the deliverables, final payment to the Contractor shall not be paid pursuant to Section G.6, if applicable.

[End of Section F]

SECTION G**CONTRACT ADMINISTRATION****G.1 CONTRACT ADMINISTRATORS****(a) Contracting Officer**

- i. The Contracting Officer (or “CO”) for this contract is:

Anthony A. Stover, CPPO
Contracting Officer
Office of the Chief Financial Officer
1100 4th St. SW, Suite E620
Washington, DC 20024
Telephone: (202) 442-7122
E-mail address: Anthony.stover@dc.gov

- ii. The Contracting Officer is the only official authorized to legally bind the District and make changes to the requirements, terms and conditions of this contract. Only the Contracting Officer can increase, decrease, extend or terminate this contract. All other changes are unauthorized.
- iii. The Contractor shall not comply with any order, directive or request that changes or modifies the requirements of this contract, unless issued in writing and signed by the Contracting Officer.
- iv. In the event the Contractor effects any change at the instruction or request of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the contract price to cover any cost increase incurred as a result thereof.

(b) Contracting Officer Technical Representative (COTR)

- i. The COTR for this contract is:

Joseph Cobb
Payment Operations Manager
Office of Finance & Treasury (OFT)
1101 4th St. S.W., 8th Floor
Washington, DC 20024
Telephone: (202) 727-0939
E-mail address: Joseph.Cobb@dc.gov

- ii. The COTR is responsible for general administration of the contract and advising the Contracting Officer as to the Contractor’s compliance or noncompliance with the contract. The COTR has the responsibility of ensuring the work conforms to the

requirements of the contract and such other responsibilities and authorities as may be specified in the contract. These include:

- a. Keeping the Contracting Officer fully informed of any technical or contractual difficulties encountered during the performance period and advising the Contracting Officer of any potential problem areas under the contract;
 - b. Coordinating site entry for Contractor personnel, if applicable;
 - c. Reviewing invoices for completed work and approving invoices if the Contractor's costs are consistent with the negotiated amounts and progress is satisfactory and commensurate with the rate of expenditure;
 - d. Reviewing and approving invoices for deliverables to ensure receipt of goods and services.
 - e. Timely processing of invoices and vouchers in accordance with the District's payment provisions; and
 - f. Maintaining a file that includes all contract correspondence, modifications, records of inspections and invoice or vouchers.
- iii. The COTR does NOT have the authority to:
- a. Award, agree to, or sign any contract, delivery order or task order. Only the Contracting Officer shall make contractual agreements, commitments or modifications;
 - b. Grant deviations from or waive any of the terms and conditions of the contract;
 - c. Increase the dollar limit of the contract or authorize work beyond the dollar limit of the contract,
 - d. Authorize the expenditure of funds by the Contractor;
 - e. Change the period of performance; or
 - f. Authorize the use of District property, except as specified under the contract.
- iv. The Contractor will be fully responsible for any changes not authorized in advance, in writing, by the Contracting Officer; may be denied compensation or other relief for any additional work performed that is not so authorized; and may also be required, at no additional cost to the District, to take all corrective action necessitated by reason of the unauthorized changes.

G.2 INVOICE PAYMENT

- G.2.1 The District will make payments to the Contractor, upon the submission of proper invoices, at the prices stipulated in this contract, for supplies delivered and accepted or services performed and accepted, less any discounts, allowances or adjustments provided for in this contract.
- G.2.2 The District will pay the Contractor on or before the 30th day after receiving a proper invoice from the Contractor. The District reserves the right to conduct post payment reviews or audits.

- G.2.3 Unless otherwise specified in this contract, and with presentation of a properly executed invoice:
- a) Payment will be made on completion and acceptance of each item for which the price is stated in the Pricing Schedule in Section B,
 - b) Payment will be made on completion and acceptance of each percentage or milestone of work in accordance with the prices stated in the Pricing Schedule in Section B, or
 - c) Payment may be made on partial deliveries of goods and services accepted by the District if the Contractor requests it and the amount due on the deliveries warrants it as determined by the District.

G.3 INVOICE SUBMITTAL

- G.3.1 The Contractor shall create and submit payment requests in an electronic format through the DC Vendor Portal, <https://vendorportal.dc.gov>.
- G.3.2 The Contractor shall submit proper invoices on a monthly basis or as otherwise specified in Section G.4.
- G.3.3 To constitute a proper invoice, the Contractor shall enter all required information into the Portal after selecting the applicable purchase order number which is listed on the Contractor's profile.

G.4 THE QUICK PAYMENT ACT

G.4.1 Interest Penalties to Contractors

- G.4.1.1 The District will pay interest penalties on amounts due to the Contractor under the Quick Payment Act, D.C. Official Code § 2-221.01 *et seq.*, as amended, for the period beginning on the day after the required payment date and ending on the date on which payment of the amount is made. Interest shall be calculated at the rate of at least 1% per month. No interest penalty shall be paid if payment for the completed delivery of the item of property or service is made on or before the required payment date. The required payment date shall be:

G.4.1.1.1 The date on which payment is due under the terms of this contract; or

G.4.1.1.2 [Intentionally Deleted]

G.4.1.1.3 [Intentionally Deleted]

G.4.1.1.4 30 calendar days, excluding legal holidays, after receipt of a proper invoice for the amount of the payment due.

- G.4.1.2 No interest penalty shall be due to the Contractor if payment for the completed delivery of goods or services is made on or before:

G.4.1.2.1 [Intentionally Deleted]

G.4.1.2.2 [Intentionally Deleted]

G.4.1.2.3 15th day after any other required payment date.

G.4.1.3 Any amount of an interest penalty which remains unpaid at the end of any 30-day period shall be added to the principal amount of the debt and thereafter interest penalties shall accrue on the added amount.

G.4.2 Payments to Subcontractors

G.4.2.1 The Contractor shall take one of the following actions within seven (7) days of receipt of any amount paid to the Contractor by the District for work performed by any subcontractor under the contract:

G.4.2.1.1 Pay the subcontractor(s) for the proportionate share of the total payment received from the District that is attributable to the subcontractor(s) for work performed under the contract; or

G.4.2.1.2 Notify the CO and the subcontractor(s), in writing, of the Contractor's intention to withhold all or part of the subcontractor's payment and state the reason for the nonpayment.

G.4.2.2 The Contractor shall pay subcontractors or suppliers interest penalties on amounts due to the subcontractor or supplier beginning on the day after the payment is due and ending on the date on which the payment is made. Interest shall be calculated at the rate of at least 1% per month. No interest penalty shall be paid on the following if payment for the completed delivery of the item of property or service is made on or before the:

G.4.2.2.1 [Intentionally Deleted]

G.4.2.2.2 [Intentionally Deleted]

G.4.2.2.3 15th day after any other required payment date.

G.4.2.3 Any amount of an interest penalty which remains unpaid by the Contractor at the end of any 30-day period shall be added to the principal amount of the debt to the subcontractor and thereafter interest penalties shall accrue on the added amount.

G.4.2.4 A dispute between the Contractor and subcontractor relating to the amounts or entitlement of a subcontractor to a payment or a late payment interest penalty under the Quick Payment Act does not constitute a dispute to which the District is a party. The District may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

G.4.3 Subcontract requirements

G.4.3.1 The Contractor shall include in each subcontract under this contract a provision requiring the subcontractor to include in its contract with any lower-tier subcontractor or supplier the payment and interest clauses required under paragraphs (1) and (2) of D.C. Official Code § 2-221.02(d).

- G.4.3.2 The Contractor shall include in each subcontract under this contract a provision that obligates the Contractor, at the election of the subcontractor, to participate in negotiation or mediation as an alternative to administrative or judicial resolution of a dispute between them.

G.5 ASSIGNMENT OF CONTRACT PAYMENTS

- G. 5.1 The Contractor may assign funds due or to become due as a result of the performance of this contract to a bank, trust company, or other financing institution.

- G.5.2 Any assignment shall cover all unpaid amounts payable under this contract and shall not be made to more than one party.

- G.5.3 Notwithstanding an assignment of contract payments, the Contractor, not the assignee, is required to prepare invoices. Where such an assignment has been made, the original copy of the invoice must refer to the assignment and must show that payment of the invoice is to be made directly to the assignee as follows:

“Pursuant to the instrument of assignment dated _____, make payment of this invoice to (name and address of assignee).”

G.6 FIRST SOURCE AGREEMENT REQUEST FOR FINAL PAYMENT

- G.6.1 For contracts subject to the 51% District Residents New Hires Requirement and First Source Employment Agreement, final requests for payment shall be accompanied by the report or a waiver of compliance pursuant to Section I.31.

- G.6.2 No final payment shall be made to the Contractor until the CFO has received the Contracting Officer’s final determination or approval of waiver of the Contractor’s compliance with 51% District Residents New Hires Requirement and First Source Employment Agreement requirements.

[End of Section G]

SECTION H

SPECIAL CONTRACT REQUIREMENTS

H.1 STAFFING

The Contractor shall not employ or permit the employment of any unfit or unqualified person or persons not skilled in the tasks assigned to them by the contractor. The Contractor shall at all times employ sufficient labor to carry out functions and services in the manner and time prescribed by the Contract. The Contractor shall be responsible to the District for all acts and omissions of the Contractor's employees, agents and subcontractors and the Contractor shall enforce strict discipline among the Contractor's employees, agents and subcontractors performing the services under the Contract. Any person employed by the Contractor shall, at the written request of the District, and within the District's sole discretion, be removed for any legally permissible reason, immediately by the Contractor from work relating to the Contract. Contractor shall use commercially reasonable efforts to comply with such request. The District acknowledges that Contractor's technical staff is highly trained, and an immediate replacement may not be readily available. Contractor shall not be in default of this Agreement due to delays in providing services while replacing an employee removed under this provision.

H.2 SUBCONTRACTS

The Contractor hereunder shall not subcontract any of the Contractor's work or services to any subcontractor without the prior, written consent of the Contracting Officer in consultation with the COTR. Any such subcontract shall specify that the Contractor and the subcontractor shall be subject to every provision of this Contract. Notwithstanding any such subcontract approved by the District, the Contractor shall remain liable to the District for all Contractor's work and services required hereunder, including any work conducted by a subcontractor.

H.3 CERTIFIED BUSINESS ENTERPRISE SUBCONTRACTING REQUIREMENTS

H.3.1 Beneficiaries of all non-construction contracts for government-assisted projects in excess of \$250,000, unless a waiver has been approved by the Director of the Department of Small and Local Business Development in accordance with D.C. Code §2-218.51, are required to:

- (a) Subcontract at least 35% of the dollar volume to small business enterprises, as defined in D.C. Code §2-218.32; or
- (b) If there are insufficient qualified small business enterprises to completely fulfill the requirement set forth in H.3.1(a), then the subcontracting requirement may be satisfied by subcontracting 35% of the dollar volume to any qualified certified business enterprises, as defined in D.C. Code §§2-218.31-39a; provided, that all reasonable efforts shall be made to ensure that qualified small business enterprises are significant participants in the overall subcontracting work.
- (c) For each government-assisted project for which a certified business enterprise is utilized to meet the subcontracting requirements set forth above in H.3.1(a) or H.3.1(b), the certified

business enterprise shall perform at least 35% of the contracting effort with its own organization and resources.

- (d) Beneficiaries certified as a small business enterprise, local business enterprise, or disadvantaged business enterprise shall not have to comply with Sections H.3.1(a) or H.3.1(b).

H.3.2

- (a) For each government-assisted project for which a certified business enterprise is selected as a Beneficiary and is granted points or a price reduction pursuant to D.C. Code §2-218.43 or is selected through a set-aside program, the certified business enterprise shall perform at least 35% of the contracting effort with its own organization and resources and, if it subcontracts, 35% of the subcontracted effort shall be with certified business enterprises. A certified business enterprise prime contractor that performs less than 35% of the contracting effort shall be subject to enforcement actions under D.C. Official Code § 2-218.63.
- (b) For each government-assisted project for which a certified joint venture is selected as a Beneficiary and is granted points or a price reduction pursuant to D.C. Code §2-218.43 or is selected through a set-aside program, the certified business enterprise shall perform at least 50% of the contracting effort with its own organization and resources and, if it subcontracts, 35% of the subcontracted effort shall be with certified business enterprises. If the certified business enterprise member of the certified joint venture prime contractor performs less than 50% of the contracting effort, the certified joint venture shall be subject to enforcement actions under D.C. Official Code § 2-218.63.
- (c) For each government-assisted project of \$1 million or less for which a certified business enterprise is selected as a Beneficiary and is granted points or a price reduction pursuant to D.C. Code §2-218.43 or is selected through a set-aside program, the certified business enterprise shall perform at least 50% of the on-site work with its own workforce.

H.3.3 [Intentionally Deleted]

H.3.4 A Beneficiary's subcontracting plan shall specify all of the following:

- (a) The name and address of the subcontractor;
- (b) A current certification number of the small or certified business enterprise;
- (c) The scope of work to be performed by the subcontractor; and
- (d) The price to be paid by the Beneficiary to the subcontractor.

H.3.5 No Beneficiary shall be allowed to amend the subcontracting plan filed except with the consent of the Director of the Department of Small and Local Business Development. Any reduction in the dollar volume of the subcontracted portion resulting from such amendment of the plan shall inure to the benefit of the District.

H.3.6 No multiyear contracts or extended contracts, which are not in compliance with D.C. Code §2-218.46 or this Section H.3 at the time of the contemplated exercise of the option or extension, shall be renewed or extended, and any such option or extension shall be void.

- H.3.7 A Beneficiary shall submit to the Contracting Officer, project manager, and the Director of the Department of Small and Local Business Development (at compliance.enforcement@dc.gov) copies of the executed contracts with the subcontracts identified in the subcontracting plan. Failure to submit copies of the executed contracts shall render the underlying contract voidable by the District.
- H.3.8 The Beneficiary shall provide written notice to the Department of Small and Local Business Development upon the initiation and completion of a project.
- H.3.9 Within 15 days after the end of each quarter, the Beneficiary shall provide a quarterly report to the Department of Small and Local Business Development (at compliance.enforcement@dc.gov), the Contracting Officer, and the project manager which shall include a list of each subcontractor identified in the subcontracting plan and for each subcontract:
- (a) The price to be paid by the contractor to the subcontractor;
 - (b) A description of the goods procured or the services contracted for;
 - (c) The amount paid by the contractor to the subcontractor under the subcontract; and
 - (d) A copy of the fully executed subcontract, if it was not provided in a prior quarterly report. If not included, the Beneficiary shall not receive credit toward the subcontracting requirements of this section for that subcontract.
- The Beneficiary shall go to <https://dslbd.dc.gov> → Scroll down to SBE Forms under the section ‘Stay in Compliance’ → Click on that link & select ‘District Agency Compliance’ in order to access the DSLBD forms for beneficiaries to use for reporting requirements. The Beneficiary may further contact DSLBD at (202) 727-3900 for instructions on SBE Forms.
- H.3.10 The Beneficiary shall meet on an annual basis with the Department of Small and Local Business Development, the Contracting Officer, and the project manager to provide an update of the subcontracting plan for utilization of small business enterprises and certified business enterprises. The Department of Small and Local Business development shall provide the Beneficiary with a 30-day written notice of the meeting.
- H.3.11 A Beneficiary and/or certified business enterprise subject to this section, that fails to meet the requirements of this section shall be subject to penalties set forth in D.C. Code §2-218.63.
- H.3.12 Waiver of Subcontracting Requirements
- (a) The Director of the Department of Small and Local Business Development may waive the subcontracting requirements only if there is insufficient market capacity for the goods and services that comprise the project and such lack of capacity leaves the contractor commercially incapable of achieving the subcontracting requirements.
 - (b) [Intentionally Deleted]
 - (c) [Intentionally Deleted]

- (d) The Beneficiary should provide the following information in its waiver request to the Contracting Officer to demonstrate the Beneficiary's good faith efforts to secure involvement by a Certified Business Enterprise:
- i. Whether the Beneficiary advertised in general circulation, trade association, or other media outlets concerning the subcontracting opportunity;
 - ii. Whether the Beneficiary provided written notice to a reasonable number of certified business enterprises that their interest in the subcontracting opportunity was being solicited;
 - iii. Whether the Beneficiary conducted any pre-solicitation or pre-bid conferences to inform certified business enterprises of the subcontracting opportunity;
 - iv. Whether the Beneficiary provided sufficient time to allow certified business enterprises to participate effectively in its efforts to secure involvement by a certified business enterprise;
 - v. Whether the Beneficiary followed up responses of interest by conducting negotiations with certified business enterprises;
 - vi. Whether rejections by the Beneficiary of certified business enterprises as being unqualified were based on sound reasoning and thorough investigation of their capabilities;
 - vii. Whether the Beneficiary made efforts to assist interested certified business enterprises in obtaining bonding, lines of credit, or insurance required by the Beneficiary;
 - viii. Whether the Beneficiary effectively used the services of the Department of Small and Local Business Development, (202) 727-3900 and <http://dslbd.dc.gov>, in recruiting qualified certified business enterprises; and
 - ix. Whether bids submitted by certified business enterprises were excessive or noncompetitive based upon a review of prevailing market conditions.
- (e) While the information described in (d) above will assist the Director of the Department of Small and Local Business Development in reviewing the waiver request, it does not guarantee that a waiver will, in fact, be approved. Additional factors may be considered and additional information may be requested from the Beneficiary to support the waiver request.

H.3.13 In additional to the information provided by the Beneficiary, the Contracting Officer will include the following information in its written request for a waiver:

- (a) The number of certified business enterprises, if any, qualified to perform the elements of the work that comprise the project;
- (b) A summary of the market research or outreach conducted to analyze the relevant market; and
- (c) The consideration given to alternate methods for acquiring the work to be subcontracted in order to make the work more amenable to being performed by certified business enterprises.

H.3.14 For purposes of this Section H.3, the term:

- (a) “Beneficiary” means a business enterprise that is the prime contractor or developer on a government-assisted project.
- (b) “Government-assisted project” means:
- i. A contract executed by an agency on behalf of the District or pursuant to statutory authority that involves District funds or, to the extent not prohibited by federal law, funds that the District administers in accordance with a federal grant or otherwise;
 - ii. A project funded in whole or in part by District funds;
 - iii. A project that receives a loan or grant from a District agency;
 - iv. A project that receives bonds or notes or the proceeds thereof issued by a District agency, including tax increment financing or payment in lieu of tax bonds and notes, or industrial revenue bonds;
 - v. A project that receives District tax exemptions or abatements that are specific to the project and not to the nature of the entity undertaking the project, such as a religious institution or nonprofit corporation; or
 - vi. A development project conducted pursuant to a disposition under section 1 of An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801).

H.3.15 Notwithstanding the requirements set forth in this Section H.3, a Beneficiary, and any other certified business enterprise subject to this section, shall fully comply with the requirements set forth in D.C. Code §§ 2-218.46, 2-218.51. If there is a conflict between the requirements set forth in this Section H.3 and D.C. Code §§ 2-218.46, 2-218.51, the requirements set forth in D.C. Code §§ 2-218.46, 2-218.51 shall govern.

H.4 WARRANTIES

- H.4.1 The Contractor warrants and agrees that it is lawfully organized and constituted under all federal, state and local laws, ordinances and other authorities of its domicile and is otherwise in full compliance with all legal requirements of its domicile.
- H.4.2 The Contractor warrants and agrees that it is of legal authority and capacity to enter into and perform under the Contract, and that it has the financial ability to perform its obligations under such Contract.
- H.4.3 The Contractor warrants and agrees that it has been duly authorized to operate and do business in all places where it will be required to do business under the Contract that it has obtained or will obtain all necessary licenses and permits required in connection with such Contract; and that it will fully comply with all laws, decrees, labor standards and regulations of its domicile and wherever performance occurs during the term of such Contract.
- H.4.4 The Contractor warrants and agrees that it has no present interest and shall not acquire any interest which would conflict in any manner with its duties and obligations under the Contract.
- H.4.5 The Contractor warrants and agrees that all systems analysis, systems design and programming pursuant to the Contract or for use in its performance there under has been and shall be

prepared or done in a high quality, professional and competent manner using only qualified personnel.

- H.4.6 The Contractor further represents and warrants that all programs implemented in its performance under the contract shall meet the performance standards required there under and shall correctly and accurately perform their intended functions on the equipment per manufacturer published specifications supplied by the District or Contractor.
- H.4.7 The Contractor warrants and agrees that all services provided by it under the Contract shall be performed in a prompt, high quality, professional and competent manner using only qualified personnel.
- H.4.8 The Contractor warrants and agrees that it will not take any action inconsistent with any of the terms, conditions, agreements, or covenants set forth in this Contract without the express written consent of the District.
- H.4.9 The Contractor warrants and agrees that it shall provide maintenance services to keep all equipment running in compliance with the manufacturer's published specifications. The District shall use such equipment only in the ordinary course of its performance under the Contract and shall not permit such equipment to be used in violation of any applicable law, regulation or policy of insurance. The Contractor agrees to develop a maintenance and replacement schedule in compliance with manufacturer's recommendations. and agrees to comply with that schedule. The Contractor shall make appointments for any preventive maintenance.
- H.4.10 The Contractor warrants and agrees that it shall not sell, assign, lease, transfer, pledge, hypothecate, or otherwise dispose of any component of any goods, system proposed in the Contract or any interest therein, or permit any of it to become a fixture or accession to other goods or property without the prior written consent of the District.

H.5 DISCLOSURE OF LITIGATION

The Contractor shall provide complete disclosure of any material civil or criminal litigation or indictment either threatened or pending involving the Contractor that may affect its ability to materially perform and complete its functions under this Contract. The Contractor shall also disclose any material litigation threatened or pending for subcontractors, consultants, and/or lobbyists. For purposes of this section, material refers to any action or pending action that a reasonable person knowledgeable in the industry would consider relevant or any development such a person would want to be aware of in order to stay fully apprised of the total mix of information relevant to the industry and its operations. This is a continuing disclosure requirement; any litigation commencing after submission of a response to a solicitation or execution of a contract shall be disclosed in a written statement within fifteen (15) days of its occurrence. The Contractor shall be required to file with the District comprehensive monthly reports regarding all threatened or pending litigation involving the Contractor's District of Columbia operations and all threatened or pending litigation that may be considered material to the overall operations of the Contractor.

H.6 CONTINUITY OF SERVICES

The Contractor recognizes that the services provided under this contract are vital to the District of Columbia and must be continued without interruption and that, upon contract expiration or termination (for other than default by the District), a successor, either the District Government or another Contractor, at the District's option, may continue to provide these services. If another Contractor is awarded a future contract for performance of the required services, the original Contractor shall cooperate fully with the District and the new Contractor in any transition activities that the Contracting Officer deems necessary during the term of the contract. To that end, the Contractor agrees to exercise its best efforts and cooperation to affect an orderly and efficient transition to a successor. The Contractor and the District shall agree via a modification on compensation for additional services. In no event shall Contractor be required to disclose any of its Confidential Information to the new service provider or the District.

H.7 BACKGROUND CHECK REQUIREMENTS

- H.7.3 The District may also request that contractors (1) cooperate with official inquiries by responding to questions truthfully and under oath when required, whether orally or in writing, (2) pursuant to subpoena and subject to applicable law, provide documents and other information of official interest, and (3) attend Contractor's business integrity/ethics training. Request made under items 1 and 2 shall be sent to Canon's legal department at Legal@csa.canon.com with a copy overnighted to the attention of the Contractor's General counsel.
- H.7.2 The Contractor shall perform the following background checks on all employees at the time of hire:
- a. Criminal background for the previous seven (7) years to the extent permitted by law
 - Federal
 - National database check
 - State/County (depending on availability) of residence
 - b. National Sex Offender Registry
 - c. Global Risk Report (US Patriot Act Compliance)
 - d. Education Verification (highest level completed)
 - e. Employment Verification for the previous seven (7) years, to the extent available
 - f. Social Security Trace
 - g. Driving Record, where required

Confirmation of the Contractor's background checks will act as certification.

H.8 DIVERSION, REASSIGNMENT AND REPLACEMENT OF KEY PERSONNEL

The key personnel specified in the contract are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified key personnel for any reason, the Contractor shall notify the CO at least thirty (30) calendar days in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the

impact upon the contract. The Contractor shall obtain written approval of the CO for any proposed substitution of key personnel.

H.9 ADVISORY AND ASSISTANCE SERVICES

This contract is a “non-personal services contract”. The Contractor and the Contractor’s employees: (1) shall perform the services specified herein as independent contractors, not as employees of the government; (2) shall be responsible for their own management and administration of the work required and bear sole responsibility for complying with any and all technical, schedule, financial requirements or constraints attendant to the performance of this contract; (3) shall be free from supervision or control by any government employee with respect to the manner or method of performance of the service specified; but (4) shall, pursuant to the government’s right and obligation to inspect, accept or reject work, comply with such general direction of the CO, or the duly authorized representative of the CO as is necessary to ensure accomplishment of the contract objectives.

H.10 OCFO/OCIO CYBERSECURITY AWARENESS TRAINING

In the OCFO’s ongoing effort to protect OCFO data, networks, and computers against cyber attackers all Contractor personnel, including direct or indirect employees and any employed by a subcontractor, assigned to the Contract shall take and must pass the OCFO/OCIO Cybersecurity Awareness Training at the District’s direction. The training is web-based, designed to heighten cybersecurity awareness so that the OCFO is less likely to become a victim of cybercrimes. The training is typically completed in one to two hours. The training shall be taken and must be passed annually by all Contractor personnel, during the term of the Contract.

H.11 PURCHASES OF IT HARDWARE AND EQUIPMENT

The Contractor shall provide only the most current models, components, and accessories in new, fully operational, factory sealed condition, with all applicable licenses. The Contractor warrants and represents that the equipment is eligible for the manufacturer's normal and extended warranty and support within the United States to Authorized Users. Previously owned, damaged, refurbished, remanufactured, counterfeit, "gray market" or substitute third party items will not be accepted. The offeror shall provide evidence of its authorized reseller agreement or certification with its proposal.

[End of Section H]

SECTION I**CONTRACT CLAUSES****I.1 LAWS AND REGULATIONS INCORPORATED BY REFERENCE**

To the extent applicable, the provisions of the following acts, together with the provisions of applicable regulations made pursuant to said acts are hereby incorporated by reference into this contract, together with the laws and regulations of the District of Columbia:

- A. Contract Work Standards Act of August 13, 1962, also known as the Contract Work Hours and Safety Standards Act of 1962, 76 Stat. 357-360.
- B. Buy American Act, Act of March 3, 1983, c.212, Title III, 47 Stat. 1520, as amended.
- C. Walsh-Healy Public Contracts Act, Act of June 30, 1936, c.881, 49 Stat. 2036, as amended. (Applies only when contract is \$10,000 or more).
- D. Mayor's Order 85-85, dated June 10, 1985, as amended, entitled: "Compliance with Equal Opportunity Obligations in Contracts."
- E. Public Law 93-112, Rehabilitation Act of 1973, Section 504, as amended.
- F. Mayor's Order 83-265, dated November 9, 1983, entitled: Employment Agreement Goals and Objectives for all District of Columbia Projects."
- G. D.C. Law 5-93, dated May 9, 1984, the First Source Employment Agreement Act of 1984.
- H. Protecting Pregnant Workers Fairness Act of 2016, D.C. Official Code § 32-1231.01 et seq. (PPWF Act)
- I. Unemployed Anti-Discrimination Act of 2012, D.C. Official Code § 32-1361 et seq.
- J. Fair Criminal Record Screening Amendment Act of 2014, effective December 17, 2014 (D.C. Law 20-152)
- K. Title I of the Way to Work Amendment Act of 2006, effective June 8, 2006 (D.C. Law 16-118, D.C. Official Code §2-220.01 et seq.), as amended, ("Living Wage Act of 2006") which applies to all contracts for services in the amount \$100,000 or more in a 12-month period. The current living wage rate, the Living Wage Act Fact Sheet which includes exemption information, and the Living Wage Act Poster may be found at <https://does.dc.gov/service/office-wage-hour-compliance-0> or contact the Department of Employment Services at (202) 724-7000.

I.2 WAIVER

The waiver of any breach of the contract will not constitute a waiver of any subsequent breach thereof, or a waiver of the contract.

I.3 INDEMNIFICATION

- I.3.1 The Contractor agrees to defend, indemnify and hold harmless the District, its officers, agencies, departments, agents, and employees (collectively the “District”) from and against any and all third party claims, losses, liabilities, penalties, fines, forfeitures, demands, causes of action, suits, costs and expenses incidental thereto (including cost of defense and attorneys’ fees), for bodily injury (including death) or damage to tangible personal property to the extent caused by the negligence or willful misconduct of the Contractor, Contractor’s officers, employees, agents, servants, subcontractors, or any other person acting for or by permission of the Contractor in performance of this Contract.. The Contractor shall also repair or replace any District tangible personal property that is damaged by the negligence or willful misconduct of Contractor, Contractor’s officers, employees, agents, servants, subcontractors, or any other person acting for or by permission of the Contractor while performing work hereunder.
- I.3.2 The indemnification obligation under this section shall not be limited by the existence of any insurance policy or by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any subcontractor and shall survive the termination of this Contract. The District agrees to give the Contractor prompt written notice of any claim of indemnity under this section. Additionally, Contractor shall have the right and sole authority to control the defense or settlement of such claim, provided that District provides reasonable cooperation required in connection with the settlement at Contractor expense.

I.4 TRANSFER

No contract or any interest therein shall be transferred by the parties to whom the award is made; such transfer will be null and void and will be cause to annul the contract.

I.5 TAXES

- (a) The Government of the District of Columbia is exempt from and will not pay Federal Excise Tax, Transportation Tax, and the District of Columbia Sales and Use Taxes.
- (b) Tax exemption certificates are no longer issued by the District for Federal Excise Tax. The following statement may be used by the supplier when claiming tax deductions for Federal Excise Tax exempt items sold to the District.

“The District of Columbia Government is Exempt from Federal Excise Tax – Registration No. 52-73-0206-K, Internal Revenue Service, Baltimore, Maryland.”

Exempt from Maryland Sales Tax, Registered with The Comptroller of The Treasury – Exemption No. 09339

“The District of Columbia Government is Exempt from Sales and Use Tax – Registration No. 53-600, The District of Columbia Office of Tax and Revenue.”

I.6 OFFICIALS NOT TO BENEFIT

- I.6.1 Unless a determination is made as provided herein, no officer or employee of the District will be admitted to any share or part of this contract or to any benefit that may arise therefrom, and any contract made by the Contracting Officer or any District employee authorized to execute contracts in which they or an employee of the District will be personally interested shall be void, and no payment shall be made thereon by the District or any officer thereof, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit. A District employee shall not be a party to a contract with the District and will not knowingly cause or allow a business concern or other organization owned or substantially owned or controlled by the employee to be a party to such a contract, unless a written determination has been made by the head of the procuring agency that there is a compelling reason for contracting with the employee, such as when the District’s needs cannot reasonably otherwise be met. (Procurement Practices Reform Act of 2010, D.C. Law 18-0371, D.C. Official Code, section 2-359.10, and Chapter 18 of the DC Personnel Regulations)
- I.6.2 The Contractor represents and covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Contractor further covenants not to employ any person having such known interests in the performance of the contract.

I.7 DISPUTES

All disputes arising under or relating to this contract shall be resolved as provided herein.

- (a) **Claims by a Contractor against the District:** Claim, as used in paragraph (a) of this clause, means a written assertion by the Contractor seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant.
- (1) All claims by a Contractor against the District arising under or relating to a contract shall be in writing and shall be submitted to the Contracting Officer for a decision. The Contractor’s claim shall contain at least the following:
 - (i) A description of the claim and the amount in dispute;
 - (ii) Data or other information in support of the claim;
 - (iii) A brief description of the Contractor’s efforts to resolve the dispute prior to filing the claim; and
 - (iv) The Contractor’s request for relief or other action by the Contracting Officer.
 - (2) The Contracting Officer may meet with the Contractor in a further attempt to resolve the claim by agreement.

- (3) The Contracting Officer shall issue a decision on any claim within 120 calendar days after receipt of the claim. Whenever possible, the CO shall take into account factors such as the size and complexity of the claim and the adequacy of the information in support of the claim provided by the Contractor.
 - (4) The Contracting Officer's written decision shall do the following:
 - (i) Provide a description of the claim or dispute;
 - (ii) Refer to the pertinent contract terms;
 - (iii) State the factual areas of agreement and disagreement;
 - (iv) State the reasons for the decision, including any specific findings of fact, although specific findings of fact are not required and, if made, shall not be binding in any subsequent proceeding;
 - (v) If all or any part of the claim is determined to be valid, determine the amount of monetary settlement, the contract adjustment to be made, or other relief to be granted;
 - (vi) Indicate that the written document is the contracting officer's final decision; and
 - (vii) Inform the Contractor of the right to seek further redress by appealing the decision to the Contract Appeals Board.
 - (5) Failure by the Contracting Officer to issue a decision on a contract claim within 120 days of receipt of the claim will be deemed to be a denial of the claim, and will authorize the commencement of an appeal to the Contract Appeals Board as authorized by D.C. Official Code § 2-360.04.
 - (6) If a Contractor is unable to support any part of his or her claim and it is determined that the inability is attributable to a material misrepresentation of fact or fraud on the part of the Contractor, the Contractor shall be liable to the District for an amount equal to the unsupported part of the claim in addition to all costs to the District attributable to the cost of reviewing that part of the Contractor's claim. Liability this paragraph (a)(6) shall be determined within six (6) years of the commission of the misrepresentation of fact or fraud.
 - (7) Pending final decision of an appeal, action, or final settlement, a Contractor shall proceed diligently with performance of the contract in accordance with the decision of the Contracting Officer.
- (b) **Claims by the District against a Contractor:** Claim as used in paragraph (b) of this clause, means a written demand or written assertion by the District seeking, as a matter of right, the payment of money in a sum certain, the adjustment of contract terms, or other relief arising under or relating to this contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant.
- (1) The Contracting Officer shall decide all claims by the District against a Contractor arising under or relating to a contract.

- (2) The Contracting Officer shall send written notice of the claim to the Contractor. The Contracting Officer's written decision shall do the following:
- (i) Provide a description of the claim or dispute;
 - (ii) Refer to the pertinent contract terms;
 - (iii) State the factual areas of agreement and disagreement;
 - (iv) State the reasons for the decision, including any specific findings of fact, although specific findings of fact are not required and, if made, shall not be binding in any subsequent proceeding;
 - (v) If all or any part of the claim is determined to be valid, determine the amount of monetary settlement, the contract adjustment to be made, or other relief to be granted;
 - (vi) Indicate that the written document is the Contracting Officer's final decision; and
 - (vii) Inform the Contractor of the right to seek further redress by appealing the decision to the Contract Appeals Board.
- (3) The Contracting Officer shall support the decision by reasons and shall inform the Contractor of its rights as provided herein.
- (4) Before or after issuing the decision, the CO may meet with the Contractor to attempt to resolve the claim by agreement.
- (5) The authority contained in this paragraph (b) shall not apply to a claim or dispute for penalties or forfeitures prescribed by statute or regulation which another District agency is specifically authorized to administer, settle, or determine.
- (6) This paragraph shall not authorize the Contracting Officer to settle, compromise, pay, or otherwise adjust any claim involving fraud.
- (c) Decisions of the Contracting Officer shall be final and not subject to review unless an administrative appeal or action for judicial review is timely commenced by the Contractor as authorized by D.C. Official Code §2-360.04.
- (d) Pending the final decision of an appeal, action, or final settlement, the Contractor shall proceed diligently with performance of the contract in accordance with the decision of the Contracting Officer.

I.8 CHANGES

- (a) The CO may, at any time, by written order, and without notice to the surety, if any, make changes in the contract within the general scope hereof. If such change causes an increase or decrease in the cost of performance of the contract, or in the time required for performance, or changes the scope of the services being provided an equitable adjustment shall be made. Any claim for adjustment for a change within the general scope must be asserted within ten (10) days from the date the change is ordered; provided, however, that

the CO, if he or she determines that the facts justify such action, may receive, consider, and adjust any such claim asserted at any time prior to the date of final settlement of the contract. If the parties fail to agree upon the adjustment to be made, the dispute shall be determined as provided in **Section I.7 Disputes**.

- (b) The District shall not require the Contractor, and the Contractor shall not require a subcontractor, to undertake any work that is beyond the original scope of the contract or subcontract, including work under a District-issued change order, when the additional work increases the contract price beyond the not-to-exceed price or negotiated maximum price of the contract, unless the CO:
- (1) Agrees with the Contractor, and if applicable the subcontractor, on a price for the additional work;
 - (2) Obtains a certification of funding to pay for the additional work;
 - (3) Makes a written, binding commitment with the Contractor to pay for the additional work within thirty (30) days after the Contractor submits a proper invoice; and
 - (4) Provides the Contractor with written notice of the funding certification.
- (c) The Contractor shall include in its subcontracts a clause that requires the Contractor to:
- (1) Within five (5) business days of its receipt of notice of the approved additional funding, provide the subcontractor with notice of the amount to be paid to the subcontractor for the additional work to be performed by the subcontractor;
 - (2) Pay the subcontractor any undisputed amount to which the subcontractor is entitled for the additional work within ten (10) days of receipt of payment from the District; and
 - (3) Notify the subcontractor and CO in writing of the reason(s) the Contractor withholds any payment from a subcontractor for the additional work.
- (d) Neither the District, Contractor, nor any subcontractor may declare another party to be in default, or assess, claim, or pursue damages for delays until the parties agree on a price for the additional work.

I.9 TERMINATION FOR DEFAULT

- A. The District may, subject to the provisions of paragraph C., below, by written notice of default to the Contractor, terminate the whole or any part of this contract in any one of the following circumstances: (i) If the Contractor fails to make delivery of the supplies or to perform the services within the time specified within the project work plan or any extension thereof; or (ii) If the Contractor fails to perform any of the other material provisions of this contract, or so fails to make reasonable efforts progress as to endanger performance of this contract in accordance with its terms and in either of these two circumstances does not cure such failure within a period of thirty (30) days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.
- B. In the event the District terminates this contract in whole or part as provided in paragraph A. above, the District may procure, upon such terms and in such manner as the Contracting Officer may deem appropriate, supplies or service substantially similar to those so

terminated; and the Contractor shall be liable to the District for any excess costs for substantially similar supplies or services. Provided, that the Contractor shall continue the performance of this contract to the extent not terminated under provisions of this clause. The Contractor shall work with any subsequent contractor to ensure a smooth transfer of information for a period of sixty (60) days, pursuant to Section H.6 above.

- C. Except with respect to defaults of subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not restricted to, acts of God or of public enemy, acts of the District or Federal Government in either their sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of the subcontractor, and if such default arises out of causes beyond the control of both the Contractor and the subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess cost for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.
- D. If this contract is terminated as provided in paragraph A., above, the District in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the District, in the manner and to the extent directed by the Contracting Officer, (i) completed supplies, (ii) such partially completed supplies and materials, information, and contract rights (herein after called "manufacturing materials") as the Contractor has specifically produced or specifically produced or specifically acquired for the performance being terminated; and the Contractor, shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the District has an interest. Payment for completed supplies delivered to and accepted by the District shall be at the contract price. Payment for manufacturing materials delivered to and agreed upon by the Contractor and Contracting Officer; failure to agree to such amount shall be a dispute concerning a question of fact. The District may withhold from amounts otherwise due the Contractor for such completed supplies or manufacturing materials such sums as the Contracting Office determines to be necessary to protect the District against loss because of outstanding liens or claims of former lien holders.
- E. If, after notice of termination of this contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provision of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of the parties shall, if the contract contains a clause providing for a termination for convenience be the same as if the notice of termination had been issued pursuant to such clause. Section I.10 "Termination for Convenience."
- F. The rights and remedies of the District provided in this clause shall not be exclusive and are in addition to any rights and remedies provided by law or under this contract.
- G. As used in paragraph C., above, the terms "subcontractor" and "subcontractors" means subcontractor(s) at any tier.

I.10 TERMINATION FOR CONVENIENCE

- (a) The Lease may be terminated for convenience per Section 19 in Attachment J.4. The Lease may also be terminated for non-appropriation per Section 27 in Attachment J.4. The District may terminate performance of work under this contract in whole, if the Contracting Officer determines that a termination is in the District's interest, with at least ninety (90) days prior written notice. The Contracting Officer shall terminate by delivering to the Contractor a Notice of Termination specifying the extent of termination and effective date.
- (b) After receipt of a Notice of Termination, and except as directed by the Contracting Officer, the Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this clause:
- (1) Stop work as specified in the notice.
 - (2) Place no further subcontracts or orders (referred to as subcontracts in this clause) for materials, services, or facilities, except as necessary to complete the continued portion of the contract.
 - (3) Terminate all contracts to the extent they relate to the work terminated.
 - (4) Assign to the District, as directed by the Contracting Officer, all rights, title and interest of the Contractor under the subcontracts terminated, in which case the District will have the right to settle or pay any termination settlement proposal arising out of those terminations.
 - (5) With approval or ratification to the extent required by the Contracting Officer, settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts. The approval or ratification will be final for purposes of this clause.
 - (6) As directed by the Contracting Officer, transfer title and deliver to the District (i) the fabricated or unfabricated parts, work in process, completed work, supplies, and other materials produced or acquired for the work terminated, and (ii) the completed or partially completed plans, drawings, information, and other property that, if the contract has been completed, would be required to be furnished to the District.
 - (7) Complete performance of the work not terminated.
 - (8) Take any action that may be necessary, or that the Contracting Officer may direct, for the protection and preservation of the property related to this contract that is in the possession of the Contractor and in which the District has or may acquire an interest.
 - (9) Use its best efforts to sell, as directed or authorized by the Contracting Officer, any property of the types referred to in subparagraph (6) above; provided, however, that the Contractor (i) is not required to extend credit to any purchaser and (ii) may

acquire the property under the conditions prescribed by, and at prices approved by, the Contracting Officer. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by the District under this contract, credited to the price or cost of the work, or paid in any other manner directed by the Contracting Officer.

- (c) After the expiration of ninety (90) days (or such longer period as may be agreed to) after receipt by the Contracting Officer of acceptable inventory schedules, the Contractor may submit to the Contracting Officer a list, certified as to quantity and quality of termination inventory not previously disposed of excluding items authorized for disposition by the Contracting Officer. The Contractor may request the District to remove those items or enter into an agreement for their storage. Within fifteen (15) days, the District will accept title to those items and remove them or enter into a storage agreement. The Contracting Officer may verify the list upon removal of the items, or if stored, within forty-five (45) days from submission of the list, and shall correct the list, as necessary, before final settlement.
- (d) After termination, the Contractor shall submit a final termination settlement proposal to the Contracting Officer in the form and with the certification prescribed by the Contracting Officer. The Contractor shall submit the proposal promptly, but no later than one year from the effective date of termination, unless extended in writing by the Contracting Officer upon written request of the Contractor within this one-year period. However, if the Contracting Officer determines that the facts justify it, a termination settlement proposal may be received and acted on after one year or any extension. If the Contractor fails to submit the proposal within the time allowed, the Contracting Officer may determine, on the basis of information available, the amount, if any, due to the Contractor because of the termination and shall pay the amount determined.
- (e) Subject to paragraph (d) above, the Contractor and the Contracting Officer may agree upon the whole or any part of the amount to be paid because of the termination. The amount may include a reasonable allowance for profit on work done. However, the agreed amount, whether under this paragraph (e) or paragraph (f) below, exclusive of costs shown in subparagraph (f)(3) below, may not exceed the total contract price as reduced by (1) the amount of payment previously made and (2) the contract price of work not terminated. The contract shall be amended, and the Contractor paid the agreed amount. Paragraph (f) below shall not limit, restrict, or affect the amount that may be agreed upon to be paid under this paragraph.
- (f) If the Contractor and the Contracting Officer fail to agree on the whole amount to be paid because of the termination work, the Contracting Officer shall pay the Contractor the amounts determined by the Contracting Officer as follows, but without duplication of any amounts agreed on under paragraph (e) above:
 - (1) The contract price for completed supplies or services accepted by the District (or sold or acquired under subparagraph (b)(9) above) not previously paid for, adjusted for any saving of freight and other charges.
 - (2) The total of:

- (i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but excluding any costs attributable to supplies or services paid or to be paid under subparagraph (f)(1) above;
 - (ii) The cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the contract if not included in subparagraph (f)(1) above; and
 - (iii) A sum, as profit on subparagraph f(1) above, determined by the Contracting Officer to be fair and reasonable; however, if it appears that the Contractor would have sustained a loss on the entire contract had it been completed, the Contracting Officer shall allow no profit under this subparagraph (iii) and shall reduce the settlement to reflect the indicated rate of loss.
- (3) The reasonable cost of settlement of the work terminated, including-
- (i) Accounting, legal, clerical, and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data;
 - (ii) The termination and settlement of subcontractors (excluding the amounts of such settlements); and
 - (iii) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.
- (g) Except for normal spoilage, and except to the extent that the District expressly assumed the risk of loss, the Contracting Officer shall exclude from the amounts payable to the Contractor under paragraph (f) above, the fair value as determined by the Contracting Officer, of property that is destroyed, lost, stolen, or damaged so as to become undeliverable to the District or to a buyer.
- (h) The Contractor shall have the right of appeal, under the Disputes clause, from any determination made by the Contracting Officer under paragraphs (d), (f) or (j), except that if the Contractor failed to submit the termination settlement proposal within the time provided in paragraph (d) or (j), and failed to request a time extension, there is no right of appeal. If the Contracting Officer has made a determination of the amount due under paragraph (d), (f) or (j), the District will pay the Contractor (1) the amount determined by the Contracting Officer if there is no right of appeal or if no timely appeal has been taken, or (2) the amount finally determined on an appeal.
- (i) In arriving at the amount due the Contractor under this clause, there shall be deducted:
- (1) All unliquidated advances or other payments to the Contractor under the termination portion of the contract;
 - (2) Any claim which the District has against the Contractor under this contract; and

- (3) The agreed price for, or the proceeds of sale of, materials, supplies, or other things acquired by the Contractor or sold under the provisions of this clause and not recovered by or credited to the District.
- (j) If the termination is partial, the Contractor may file a proposal with the Contracting Officer for an equitable adjustment of the price(s) of the continued portion of the contract. The Contracting Officer shall make any equitable adjustment agreed upon. Any proposal by the Contractor for an equitable adjustment under this clause shall be requested within ninety (90) days from the effective date of termination unless extended in writing by the Contracting Officer.
- (k) (1) The District may, under the terms and conditions it prescribes, make partial payments and payments against costs incurred by the Contractor for the terminated portion of the contract, if the Contracting Officer believes the total of these payments will not exceed the amount to which the Contractor shall be entitled.
- (2) If the total payments exceed the amount finally determined to be due, the Contractor shall repay the excess to the District upon demand together with interest computed at the rate of 10 percent (10%) per year. Interest shall be computed for the period from the date the excess payment is received by the Contractor to the date the excess payment is repaid. Interest shall not be charged on any excess payment due to a reduction in the Contractor's termination settlement proposal because of retention or other disposition of termination inventory until 10 days after the date of the retention or disposition, or a later date determined by the Contracting Officer because of the circumstances.
- (l) Unless otherwise provided in this contract or by statute, the Contractor shall maintain all records and documents relating to the terminated portion of this contract for 3 years after final settlement. This includes all books and other evidence bearing on the Contractor's costs and expenses under this contract. The Contractor shall make these records and documents available to the District, at the Contractor's office, at all reasonable times, without any direct charge. If approved by the Contracting Officer, photographs, micrographs, or other authentic reproductions may be maintained instead of original records and documents.

I.11 TERMINATION OF CONTRACTS FOR CERTAIN CRIMES AND VIOLATIONS

- A. The District may terminate without liability any contract and may deduct from the contract price or otherwise recover the full amount of any fee, commission, percentage, gift, or consideration paid in violation of this title if:
- (1) the Contractor has been convicted of a crime arising out of or in connection with the procurement of any work to be done or any payment made under this contract.
- (2) There has been any breach or violation of:
- (A) Any provision of the District of Columbia Procurement Practices Reform Act of 2010, (D.C. Law 18-371; D.C. Official Code §§ 2-351.01, et seq., or

(B) The contract provision against contingent fees.

- B. If a contract is terminated pursuant to this section, the Contractor: (i) May be paid only the actual costs of the work performed to the date of termination, plus termination costs, if any; and (ii) shall refund all profits or fixed fees realized under the contract.
- C. The rights and remedies contained in this Clause are in addition to any other rights or remedies provided by law, and the exercise of any of them is not a waiver of any other right or remedy provided by law.

I.12 EXAMINATION OF THE BOOKS

- I.12.1 The Contractor shall establish and maintain books, records, and documents (including electronic storage media) in accordance with generally accepted accounting principles and practices which sufficiently and properly reflect all revenues and expenditures of funds provided by the District (amounts paid to Contractor) under the contract that results from this solicitation. The Contractor shall retain all records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to the contract for a period of three (3) years after termination of the contract, or if an audit has been initiated and audit findings have not been resolved at the end of three (3) years, the records shall be retained until resolution of the audit findings or any litigation which may be based on the terms of the contract. The Contractor shall assure that these records shall be subject at all reasonable times to inspection, review, or audit by Federal, District, or other personnel duly authorized by the Contracting Officer.
- I.12.2 The Contracting Officer, the DC Inspector General, OCFO, and the District of Columbia Auditor, and/or any of their duly authorized representatives shall, until three years after final payment, have the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to the contract.

I.13 NON-DISCRIMINATION CLAUSE

- (a) The Contractor shall not discriminate in any manner against any employee or applicant for employment that would constitute a violation of the District of Columbia Human Rights Act, approved December 13, 1977, as amended (D.C. Law 2-38; D.C. Official Code §2-1402.11) (2001 Ed.) (“Act” as used in this Section). The Contractor shall include a similar clause in all subcontracts, except subcontracts for standard commercial supplies or raw materials. In addition, Contractor agrees and any subcontractor shall agree to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause as provided in Section 251 of the Act.
- (b) Pursuant to rules of the Office of Human Rights, published on August 15, 1986 in the D.C. Register, Mayor’s Order 2002-175 (10/23/02), 49 DCR 9883 and Mayor’s Order 2006-151 (11/17/06), 52 DCR 9351, the following clauses apply to this contract:
- (1) The Contractor shall not discriminate against any employee or applicant for employment because of actual or perceived: race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, gender identity or

expression, familial status, family responsibilities, disability, matriculation, political affiliation, genetic information, source of income, or place of residence or business. Sexual harassment is a form of sex discrimination which is prohibited by the Act. In addition, harassment based on any of the above protected categories is prohibited by the Act.

- (2) The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their actual or perceived: race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, gender identity or expression, familial status, family responsibilities, disability, matriculation, political affiliation, genetic information, source of income, or place of residence or business.

The affirmative action shall include, but not be limited to the following:

- (a) employment, upgrading or transfer;
 - (b) recruitment or recruitment advertising;
 - (c) demotion, layoff, or termination;
 - (d) rates of pay, or other forms of compensation; and
 - (e) selection for training and apprenticeship.
- (3) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Agency, setting forth the provisions in subsections (b)(1) and (b)(2) concerning non-discrimination and affirmative action.
 - (4) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment pursuant to the non-discrimination requirements set forth in subsection (b)(2).
 - (5) The Contractor agrees to send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the contracting agency, advising the said labor union or workers' representative of that contractor's commitments under this nondiscrimination clause and the Act, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - (6) The Contractor agrees to permit access to his books, records and accounts pertaining to its employment practices, by the Chief Procurement Officer or designee, or the Director of Human Rights or designee, for purposes of investigation to ascertain compliance with this chapter, and to require under the terms of any subcontractor agreement each subcontractor to permit access of such subcontractor's books, records, and accounts for such purposes.
 - (7) The Contractor agrees to comply with the provisions of this chapter and with all guidelines for equal employment opportunity applicable in the District of Columbia adopted by the Director of the Office of Human Rights, or any authorized official.

- (8) The Contractor shall include in every subcontract the equal opportunity clauses, subsections (b)(1) through (b)(9) of this section, so that such provisions shall be binding upon each subcontractor or vendor.
- (9) The Contractor shall take such action with respect to any subcontract as the Contracting Officer may direct as a means of enforcing these provisions, including sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or Contractor as a result of such direction by the Contracting Officer, the Contractor may request the District to enter into such litigation to protect the interest of the District.

I.14 SERVICE CONTRACT ACT OF 1965

Definitions:

“Act”, as used in this clause, means the Service Contract Act of 1965, as amended (41 U.S.C. 351- 358). “Contractor” as used in this clause, means the prime Contractor or any subcontractor at any tier. “Service employee” as used in this clause, means any person (other than a person employed in a bona fide executive, administrative, or professional capacity as defined in 29 CFR 541) engaged in performing a Government contract nor exempted under 41 U.S.C. 356, the principal purpose of which is to furnish services in the United States as defined in section 22.1001 of the Federal Acquisition Regulation. It includes all such persons regardless of the actual or alleged contractual relationship between them and a contractor.

- A. **Applicability.** To the extent that the Act applies, this contract is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor (29CFR 4). All interpretations of the Act in Subpart C of 29 CFR 4 are incorporated in this contract by reference. This clause does not apply to contracts or subcontracts administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C, 29 CFR 4.
- B. **Compensation:** (i) The Contractor shall pay not less than the minimum wage and shall furnish fringe benefits to each service employee under this contract in accordance with wages and benefits determined by the Secretary of Labor or the Secretary’s authorized representative, as specified in any attachments to this contract; (ii) If there is an attachment, the Contractor shall classify any class of service employees not listed in it, but to be employed under this contract. The classification shall provide a reasonable relationship to those listed in the attachment. The Contractor shall pay that class wages and fringe benefits determined by agreement of the interested parties: The contracting agency, the Contractor, and the employees who will perform the contract or their representatives. If the interested parties do not agree, the Contracting Officer shall submit the question, with a recommendation for final determination to the Office of Government Contract Wage Standards, Wage and Hour Division Employment Standards Administration (ESA), and the Department of Labor. Failure to pay such employees the compensation agreed upon by the interested parties or finally determined by ESA is a contract violation. (iii) If the term of this contract is more than one (1) year, the minimum wages and fringe benefits required for

service employees under this contract shall be subject to adjustment after 1 year and not less often than once every two (2) years under wage determinations issued by ESA.

- C. **Minimum Wage.** In the absence of a minimum wage attachment for this contract, the Contractor shall not pay any service or other employees performing this contract less than the minimum wage specified by section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206). Nothing in this clause shall relieve the Contractor of any other legal or contractual obligations to pay a higher wage to any employee.
- D. **Successor Contracts.** If this contract succeeds a contract subject to the Act under which substantially the same services were furnished and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, then, in the absence of a minimum wage attachment to this contract, the Contractor may not pay any service employee performing this contract less than the wages and benefits, including those accrued and any prospective increases, provided for under that agreement. No Contractor may be relieved of this obligation unless the limitations of 29 CFR 4.1c (b) apply or unless the Secretary of Labor or the Secretary's authorized representative - (i) Determines that the agreement under the predecessor was not the result of arms-length negotiations, or (ii) Finds, after a hearing under 29 CFR 4.10, that the wages and benefits provided for by that agreement vary substantially from those prevailing for similar services in the locality.
- E. **Notification to Employees.** The Contractor shall notify each service employee commencing work on this contract of the minimum wage and any fringe benefits required to be paid or shall post a notice of these wages and benefits in a prominent and accessible place at the work site, using such poster as may be provided by the Department of Labor.
- F. **Safe and sanitary working conditions.** The Contractor shall not permit services called for by this contract to be performed in building or surroundings or under working conditions provided by or under the control or supervision of the Contractor that are unsanitary, hazardous, or dangerous to the health or safety of service employees. The Contractor shall comply with the health standards applied under 29 CFR Part 1925.
- G. **Records.** The Contractor shall maintain for three (3) years from the completion of the work, and make available for inspection and transcription by authorized ESA representatives, a record of the following:
- (i) For each employee subject to the Act –
 - (a) Name and address;
 - (b) Work classification or classifications, rate or rates of wages and fringe benefits provided;
 - (c) Rate or rates of payments in lieu of fringe benefits, and total daily and weekly compensation;
 - (d) Daily and weekly hours worked; and
 - (e) Any deductions, rebates, or refunds from total daily and weekly compensation.
 - (ii) For those classes of service employees not included in any wage determination attached to this contract, wage rates or fringe benefits determined by the interested

parties or by ESA under the terms of paragraph (B)(iii) of this clause. A copy of the report required by paragraph (D) of this clause will fulfill this requirement.

- H. **Withholding of Payments and Termination of Contract:** The Contracting Officer shall withhold from the prime contractor under this or any other government contract with the prime contractor any sums the Contracting Officer, or an appropriate officer of the Labor Department, decides may be necessary to pay underpaid employees. Additionally, any failure to comply with the requirements of this clause may be grounds for termination for default.
- I. **Contractor's Report:** (i) If there is a wage determination attachment to this contract and any classes of service employees not listed on it are to be employed under the contract, the Contractor shall report promptly to the Contracting Officer the wages to be paid and the fringe benefits to be provided each of these classes, when determined under paragraph C. of this clause. (ii) If wages to be paid or fringe benefits to be furnished any service employee(s) under the contract are covered in collective bargaining agreement effective at any time when the contract is being performed, the prime Contractor shall provide to the Contracting Officer a copy of the agreement and full information on the application and accrual of wages and benefits (including any prospective increases) to service employees working on the contract. The prime Contractor shall report when contract performance begins, in the case of agreements then in effect, and shall report subsequently effective agreements, provisions, or amendments promptly after they are negotiated.
- J. **Variations, tolerances, and exemptions involving employment:** Notwithstanding any of the provisions in this clause, the following employees may be employed in accordance with the following variations, tolerances, and exemptions authorized by the Secretary of Labor: (i) In accordance with regulations issued under Section 14, of the Fair Labor Standards Act of 1938 by the Administrator of the Wage and Hour Division, ESA(29 CFR 520, 521, 524 and 525), apprentices, student learners, and workers whose earning capacity is impaired by age or by physical or mental deficiency or injury, may be employed at wages lower than the minimum wages otherwise required by section 2(a)(1) or 2(b)(1) of the Service Contract Act, without diminishing any fringe benefits or payments in lieu of these benefits required under section 2(a)(2) of the Act. (ii) The Administrator will issue certificates under the Act for employing apprentices, and student learners, disabled persons, or disabled clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of minimum wages, but without changing requirements concerning fringe benefits for supplementary cash payments in lieu of these benefits; (iii) The Administrator may also withdraw, annul, or cancel such certificates under 29 CFR 525 and 528; and (iv) an employee engaged in an occupation in which the employee customarily and regularly receives more than \$30 a month in tips credited by the employer against the minimum wage required by section 2(a)(1) of the Act or section 2(b)(1) of the Act, in accordance with regulations in 29 CFR 531. However, the amount of credit shall not exceed 40 percent of the minimum rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

I.15 RECOVERY OF DEBTS OWED THE DISTRICT

The Contractor hereby agrees that the District may use all or any portion of any consideration or refund due to the Contractor under the present contract to satisfy in whole or part, any debt due the District.

I.16 NON-DISCLOSURE AGREEMENT

- A. The Contractor shall maintain as confidential and shall not disclose to third parties without the District's prior written consent, any District information including, but not limited to, the District's business activities, practices, systems, conditions, products, services, public information and education plans and related materials, and game and marketing plans.
- B. The Contractor shall at all times obtain the prior written approval from the Contracting Officer before it, any of its officers, agents, employees or subcontractors, either during or after expiration or termination of the contract, make any statement, or issue any material, for publication through any medium of communication, bearing on the work performed or data collected under this contract.
- C. No information regarding the Contractor's performance of the contract shall be disclosed by the Contractor to anyone other than District Government officials unless written approval is obtained in advance from the Contracting Officer.
- D. The District shall ensure that its personnel do not disclose to any non-District person or organization information concerning the process the Contractor uses to provide services under the awarded contract.

I.17 GOVERNMENT PROPERTY

Contractor use of Government property shall be governed by Chapter 41 of Title 27 of the D.C. Municipal Regulations.

I.18 RIGHTS IN DATA**A. Definitions**

- 1. "Products" - A deliverable under any contract that may include commodities, services and/or technology furnished by or through Contractor, including existing and custom Products, such as, but not limited to: a) recorded information, regardless of form or the media on which it may be recorded; b) document research; c) experimental, developmental, or engineering work; d) licensed software; e) components of the hardware environment; f) printed materials (including but not limited to training manuals, system and user documentation, reports, drawings); g) third party software; h) modifications, customizations, custom programs, program listings, programming tools, data, modules, components; and i) any intellectual property embodied therein, whether in tangible or intangible form, including but not limited to utilities, interfaces, templates, subroutines, algorithms, formulas, source code, and object code.

2. “Existing Products” - Tangible Products and intangible licensed Products that exist prior to the commencement of work under the contract. Existing Products must be identified on the Product prior to commencement of work or else will be presumed to be Custom Products.
3. “Custom Products” - Products, preliminary, final or otherwise, which are created or developed by Contractor, its subcontractors, partners, employees, resellers or agents for the District under the contract.
4. “District” – The District of Columbia and its agencies.

B. Title to Project Deliverables

The Contractor acknowledges that it is commissioned by the District to perform services detailed in the contract. The District shall have ownership and rights for the duration set forth in the contract to use, copy, modify, distribute, or adapt Products as follows:

1. Existing Products: Title to all Existing Licensed Product(s), whether or not embedded in, delivered or operating in conjunction with hardware or Custom Products, shall: (1) remain with Contractor or third party proprietary owner, who retains all rights, title and interest (including patent, trademark or copyrights). Effective upon payment, the District is granted an irrevocable, non-exclusive, worldwide, paid-up license to use, execute, reproduce, display, perform, adapt (unless Contractor advises the District as part of Contractor’s proposal that adaptation will violate existing agreements or statutes and Contractor demonstrates such to the District’s satisfaction) and distribute Existing Product to District users up to the license capacity stated in the contract with all license rights necessary to fully effect the general business purpose(s) of the project or work plan or contract; and (2) be licensed in the name of the District. The District agrees to reproduce the copyright notice and any other legend of ownership on any copies authorized under this paragraph.

C. Transfers or Assignments of Existing or Custom Products by the District

The District may transfer or assign Existing or Custom Products and the licenses thereunder to another District agency. Nothing herein shall preclude the Contractor from otherwise using the related or underlying general knowledge, skills, ideas, concepts, techniques and experience developed under a project or work plan in the course of Contractor’s business.

D. Subcontractor Rights

Whenever any data, including computer software, are to be obtained from a subcontractor under the contract, the Contractor shall use this clause, **Rights in Data**, in the subcontract, without alteration, and no other clause shall be used to enlarge or diminish the District’s or the Contractor’s rights in that subcontractor data or computer software which is required for the District.

E. Source Code Escrow

1. For all computer software furnished to the District with the restricted rights specified in section B.1 of this clause, the Contractor will maintain the code, as well as update / upgrade it. As long as the District holds a valid support agreement with Contractor.
2. The Contractor does not provide copies of source code to any customers, including the District.
3. The Contractor shall update the source code, as well as any corrections or enhancements to the source code, for each new release of the Product in the same manner as provided while the District maintains a valid support agreement, and upon written request shall certify such updating of source code escrow to the District in writing.

I.19 PATENT INDEMNIFICATION

The Contractor shall defend, indemnify and hold harmless the District against any third party claim that the Equipment or Software (but specifically excluding NOLI Products) infringes a third party's United States patent, copyright or other intellectual property right and Contractor shall pay resulting costs, damages and attorneys' fees finally awarded, provided that the District promptly notifies Contractor in writing of the claim and fully cooperates with Contractor and Contractor has sole control of the defense and all related settlement negotiations. Contractor's obligation under this Section is conditioned on the District's agreement that if such Equipment/Software, or the use thereof, becomes, or in Contractor's opinion is likely to become, the subject of such a claim, the District shall permit Contractor, at Contractor's option and expense, either to procure the right for the District to continue using the Equipment/Software or to replace or modify the Equipment/Software so that it becomes non-infringing, and if neither of the foregoing alternatives is available on terms which are reasonable in Contractor's judgment, the District shall return the Equipment/Software upon request by Contractor, or Contractor may terminate access to and use of any Software hosted by Contractor or a third party hosting services providers. Upon such return or termination, Contractor shall refund: (i) the applicable Equipment purchase price or (for Software licensed on a perpetual basis) the Software license fee, each to the extent paid by the District, less depreciation deducted on a five year straight-line basis or (ii) for Software licensed on a subscription basis, Contractor will return any prepaid but unused subscription license fees as of the date use of or access to the Software is terminated. Contractor shall have no liability for any claim based upon or any damages attributable to: (i) the combination, operation or use of the Equipment or Software with equipment or software not supplied or authorized in writing by Contractor; (ii) modification of the Equipment or Software; (iii) Equipment or Software made, developed or modified pursuant to specifications or objectives furnished by the District; or (iv) the District's throughput that may infringe third party intellectual property rights. The foregoing states the entire obligation and liability of Contractor with respect to infringement of patents, copyrights or other intellectual property rights.

I.20 RESERVED

I.21 APPROPRIATION OF FUNDS

The District's liability under this contract is contingent upon the future availability of appropriated monies with which to make payment for the contract purposes. The legal liability on the part of the District for payment of any money shall not arise unless and until such monies shall have been provided. The District's obligation to pay under this contract is subject to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§1341, 1342, 1349, 1351; (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 (2001); (iii) D.C. Official Code § 47-105 (2001); and (iv) D.C. Official Code § 1-204.46 (2001), as the foregoing statutes may be amended from time to time. Any expenditures under the contract in excess of the encumbered budget authority are subject to appropriation or additional budget authority.

I.22 MULTIYEAR CONTRACT

If funds are not appropriated or otherwise made available for the continued performance in a subsequent year of a multiyear contract, the contract for the subsequent year shall be terminated, either automatically or in accordance with the termination clause of this contract. Unless otherwise provided for in this contract, the effect of termination is to discharge both the District and the Contractor from future performance of the Contract, but not from their existing obligations. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred, but not amortized in the price of the supplies or services delivered under the Contract.

I.23 RESERVED**I.24 CONTRACTS IN EXCESS OF \$1 MILLION DOLLARS**

Any contract in excess of one million dollars (\$1,000,000) within a 12-month period shall not be binding or give rise to any claim or demand against the District unless first approved by the Council of the District of Columbia and signed by the Contracting Officer.

I.25 CONTRACTS THAT CROSS FISCAL YEARS

Continuation of this contract beyond the current fiscal year is contingent upon future fiscal appropriations.

I.26 RESERVED**I.27 AMERICANS WITH DISABILITIES ACT OF 1990 (“ADA”)**

During the performance of the contract, the Contractor and any of its subcontractors shall comply with the ADA. The ADA makes it unlawful to discriminate in employment against a qualified individual with a disability. See 42 U.S.C. § 12101 et seq.

I.28 FREEDOM OF INFORMATION ACT (“FOIA”)

The District of Columbia’s Freedom of Information Act, at D.C. Official Code § 2-532 (a)(3), requires the District to make available for inspection and copying any record produced or collected pursuant to a District contract with a private contractor to perform a public function, to the same extent as if the record were maintained by the agency on whose behalf the contract is made. If the Contractor receives a request for such information, the Contractor shall immediately send the request to the COTR designated in subsection G.1 who will provide the request to the FOIA Officer for the agency with programmatic responsibility in accordance with the D.C. Freedom of Information Act. If the agency with programmatic responsibility receives a request for a record maintained by the Contractor pursuant to the contract, the COTR will forward a copy to the Contractor. In either event, the Contractor is required by law to provide all responsive records to the COTR within the timeframe designated by the COTR. The FOIA Officer for the agency with programmatic responsibility will determine the releasability of the records. The District will reimburse the Contractor for the costs of searching and copying the records in accordance with D.C. Official Code § 2-532 and Chapter 4 of Title 1 of the *D.C. Municipal Regulations*.

I.29 RESERVED**I.30 INSURANCE**

A. GENERAL REQUIREMENTS. The Contractor at its sole expense shall procure and maintain, during the entire period of performance under this contract, the types of insurance specified below. The Contractor shall have its insurance broker or insurance company submit a Certificate of Insurance to the CO giving evidence of the required coverage prior to commencing performance under this contract. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of the insurer(s) have been provided to the CO. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia or in the jurisdiction where the work is to be performed and have an A.M. Best Company rating of A- / VII or higher. The Contractor shall require all of its subcontractors to carry the same insurance required herein.

All required Commercial General, Commercial Auto, Umbrella and Workers’ Compensation policies shall contain a waiver of subrogation provision in favor of the Government of the District of Columbia, such requirement may be met with production of blanket endorsements.

The Government of the District of Columbia shall be included in all policies required hereunder to be maintained by the Contractor and its subcontractors (except for workers’ compensation, professional liability, cyber liability and crime) as an additional insureds for claims against The Government of the District of Columbia relating to this contract, with the understanding that any affirmative obligation imposed upon the insured Contractor or its subcontractors (including without limitation the liability to pay premiums) shall be the sole obligation of the Contractor or its subcontractors, and not the additional insured. The additional insured status under the Contractor’s and its subcontractors’ Commercial General Liability insurance policies shall be effected using the most current ISO Additional Insured

Endorsement form CG 20 10 (or CG 20 10 **and** CG 20 37) or such other endorsement or combination of endorsements providing coverage at least as broad. The Contractor and its subcontractors' Commercial General liability policy shall be endorsed using the most current ISO form CG 20 01 04 13 or its equivalent so as to indicate that such policy provides primary coverage (without any right of contribution by any other insurance, reinsurance or self-insurance, including any deductible or retention, maintained by an Additional Insured) for claims against the additional insured arising out of the performance of this Statement of Work by the Contractor or its subcontractors, or anyone for whom the Contractor or its subcontractors may be liable. This policy shall include a separation of insureds clause applicable to the additional insured.

If the Contractor and/or its subcontractors maintain broader coverage and/or higher limits than the minimums shown below, the District requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Contractor and subcontractors.

1. Commercial General Liability Insurance ("CGL") - The Contractor shall provide evidence to the CO with respect to the services performed that it carries a CGL policy, written on an occurrence (not claims-made) basis, on the most current Insurance Services Office, Inc. ("ISO") form CG 00 01 (or another occurrence-based form with coverage at least as broad including ongoing and completed operations of the Contractor, including ongoing and completed operations under all subcontracts, and including claims for bodily injury, including sickness, disease or death of persons, injury to or destruction of property, including loss of use resulting therefrom, personal and advertising injury, and including coverage for liability arising out of an Insured Contract (including the tort liability of another assumed in a contract) and acts of terrorism (whether caused by a foreign or domestic source). Such coverage shall have limits of liability of not less than \$1,000,000 each occurrence, a \$2,000,000 general aggregate (including a per location or per project aggregate limit endorsement, if applicable) limit, a \$1,000,000 personal and advertising injury limit, and a \$1,000,000 products-completed operations aggregate limit.
2. Commercial Automobile Liability Insurance - The Contractor shall provide evidence to the CO of commercial (business) automobile liability insurance written on the most current ISO form CA 00 01 (or another form with coverage at least as) including coverage for all owned, hired, borrowed and non-owned vehicles used by the Contractor, with minimum per accident limits equal to the greater of (i) the limits set forth in the Contractor's commercial automobile liability policy or (ii) \$1,000,000 per occurrence combined single limit for bodily injury and property damage.
3. i) Workers' Compensation Insurance - The Contractor shall provide evidence to the CO of Workers' Compensation insurance in accordance with the statutory mandates of the District of Columbia or the jurisdiction in which the contract is performed.

ii) Employer's Liability Insurance - The Contractor shall provide evidence to the CO of employer's liability insurance as follows: \$500,000 per accident for injury; \$500,000 per employee for disease; and \$500,000 for policy disease limit.

- iii) All insurance required by this paragraph 3 shall include a blanket waiver of subrogation endorsement for the benefit of the Government of the District of Columbia.
4. Commercial Crime Insurance - The Contractor shall provide a Crime policy including 3rd party fidelity to cover the dishonest acts of the Contractor and its employees which result in a loss to the District. The policy shall provide a limit of \$100,000 per occurrence.
 5. Cyber Liability Insurance - The Contractor shall provide evidence to the Contracting Officer of Cyber Liability Insurance, with limits not less than \$5,000,000 per occurrence or claim, \$5,000,000 aggregate. Coverage shall include, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses. This insurance requirement will be considered met if the general liability insurance includes an affirmative cyber endorsement for the required amounts and coverages. Shared limits with the Professional Liability coverage will be acceptable.
 6. Installation Floater Insurance - For projects involving District property being installed, fabricated or erected by a contractor, the contractor shall provide an installation floater policy with a limit equal to the full contract value. The policy shall cover property while located at the project site, at temporary locations, or in transit; deductibles will be the sole responsibility of the contractor.
 7. Professional Liability Insurance (Errors & Omissions) - The Contractor shall provide Professional Liability Insurance (Errors and Omissions) to cover liability resulting from error or omission in the performance of professional services under this Contract. The policy shall provide limits of \$5,000,000 per claim or per occurrence for each wrongful act and \$5,000,000 annual aggregate. The Contractor warrants that any applicable retroactive date precedes the date the Contractor first performed any professional services for the Government of the District of Columbia and that continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least ten years after the completion of the professional services. Shared limits with the Cyber Liability coverage will be acceptable.
 8. Commercial Umbrella or Excess Liability - The Contractor shall provide evidence to the CO of commercial umbrella or excess liability insurance with minimum limits equal to \$5,000,000 per occurrence and \$5,000,000 in the annual aggregate, following the form and in excess of the Commercial General Liability, Commercial Auto and Employer's Liability policies. **The aforementioned 3** liability coverages must be scheduled under the umbrella and/or excess policy. The insurance required under this paragraph shall be written in a form that annually reinstates all required limits. Coverage shall be primary to any insurance, self-insurance or reinsurance maintained by the District and the "other insurance" provision must be amended in accordance with this requirement and principles of vertical exhaustion.

- B. **PRIMARY AND NONCONTRIBUTORY INSURANCE.** The Commercial General Liability, Commercial Automobile and Umbrella insurance required herein shall be primary to and will not seek contribution from any other insurance, reinsurance or self-insurance including any deductible or retention, maintained by the Government of the District of Columbia.
- C. **DURATION.** The Contractor shall carry all required insurance until all contract work is accepted by the District of Columbia and shall carry listed coverages for ten years for construction projects following final acceptance of the work performed under this contract and two years for non-construction related contracts.
- D. **LIABILITY.** These are the required minimum insurance requirements established by the District of Columbia. **HOWEVER, THE REQUIRED MINIMUM INSURANCE REQUIREMENTS PROVIDED ABOVE WILL NOT IN ANY WAY LIMIT THE CONTRACTOR'S LIABILITY UNDER THIS CONTRACT.**
- E. **CONTRACTOR'S PROPERTY.** The Contractor and subcontractors are solely responsible for any loss or damage to their personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia.
- F. **MEASURE OF PAYMENT.** The District shall not make any separate measure or payment for the cost of insurance and bonds. The Contractor shall include all of the costs of insurance and bonds in the contract price.
- G. **NOTIFICATION.** Should any of the above described policies of insurance be canceled before the expiration date thereof, notice will be delivered in accordance with the policy provision. The Contractor will also provide the CO with an updated Certificate of Insurance should its insurance coverages renew during the contract.
- H. **CERTIFICATES OF INSURANCE.** The Contractor shall submit certificates of insurance giving evidence of the required coverage as specified in this section prior to commencing work. Certificates of insurance must reference the corresponding contract number. Evidence of insurance shall be submitted to:

The Government of the District of Columbia

And a copy sent via email to:

Office of Management and Administration

Office of Contracts

Attn: Sharon Guilford, Sharon.Guilford@dc.gov

The CO may request, and the Contractor shall promptly deliver updated certificates of insurance, endorsements indicating the required coverages, and/or other evidence of the insurance policies. If the insurance initially obtained by the Contractor expires prior to completion of the contract, renewal certificates of insurance and additional insured and other endorsements shall be furnished to the CO prior to the date of expiration of all such

initial insurance. For all coverage required to be maintained after completion, an additional certificate of insurance evidencing such coverage shall be submitted to the CO on an annual basis as the coverage is renewed (or replaced).

- I. DISCLOSURE OF INFORMATION. The Contractor agrees that the District may disclose the name and contact information of its insurers to any third party which presents a claim against the District for any damages or claims resulting from or arising out of work performed by the Contractor, its agents, employees, servants, or subcontractors in the performance of this contract.
- J. CARRIER RATINGS. All Contractor's and its subcontractors' insurance required in connection with this contract shall be written by insurance companies with an A.M. Best Insurance Guide rating of at least A- VII (or the equivalent by any other rating agency) and licensed in the in the District.

I.31 51% DISTRICT RESIDENTS' NEW HIRES REQUIREMENTS AND FIRST SOURCE EMPLOYMENT AGREEMENT

- I.31.1 For contracts for services in the amount of \$300,000 or more, the Contractor shall comply with the First Source Employment Agreement Act of 1984, as amended, D.C. Official Code § 2-219.01 et seq. (First Source Act).
- I.31.2 The Contractor shall enter into and maintain during the term of the contract, a First Source Employment Agreement (Employment Agreement) with the District of Columbia Department of Employment Service's (DOES), in which the Contractor shall agree that:
 - (a) The first source for finding employees to fill all jobs created in order to perform the contract shall be the First Source Register; and
 - (b) The first source for finding employees to fill any vacancy occurring in all jobs covered by the Employment Agreement shall be the First Source Register.
- I.31.3 The Contractor shall not begin performance of the contract until its Employment Agreement has been accepted by DOES. Once approved, the Employment Agreement shall not be amended except with the approval of DOES.
- I.31.4 The Contractor agrees that at least 51% of the new employees hired to perform the contract shall be District residents.
- I.31.5 The Contractor's hiring and reporting requirements under the First Source Act and any rules promulgated thereunder shall continue for the term of the contract.
- I.31.6 The CO may impose penalties, including monetary fines of 5% of the total amount of the direct and indirect labor costs of the contract, for a willful breach of the Employment Agreement, failure to submit the required hiring compliance reports, or deliberate submission of falsified data.

- I.31.7 If the Contractor does not receive a good faith waiver, the CO may also impose an additional penalty equal to 1/8 of 1% of the total amount of the direct and indirect labor costs of the contract for each percentage by which the Contractor fails to meet its hiring requirements.
- I.31.8 Any contractor which violates, more than once within a 10-year timeframe, the hiring or reporting requirements of the First Source Act shall be referred for debarment for not more than five (5) years.
- I.31.9 The contractor may appeal any decision of the CO pursuant to this clause to the D.C. Contract Appeals Board as provided in Section I.7.
- I.31.10 The provisions of the First Source Act do not apply to nonprofit organizations which employ 50 employees or less.
- I.31.11 The provisions of the First Source Act do not apply to nonprofit organizations which employ 50 employees or less.

I.32 COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the District will have the right to terminate the contract without liability or in its discretion to deduct from the contract price or consideration or otherwise recover, the full amount of the commission, percentage, brokerage, or contingent fee.

I.33 HEALTH AND SAFETY STANDARDS

Items delivered under this contract shall conform to all requirements of the Occupational Safety and Health Act of 1970, as amended (“OSHA”), and Department of Labor Regulations under OSHA, and all Federal requirements in effect at time of bid opening/proposal submission.

I.34 FORCE MAJEURE

Neither the Contractor nor the District shall be deemed in default or otherwise liable hereunder due to either party’s inability to perform by reason of any fire, earthquake, flood, epidemic, accident, explosion, casualty, strike, lockout, labor controversy, riot, civil disturbance, act of public enemy, embargo, war, act of God, or any municipal, county, state or national ordinance or law, or any executive, administrative or judicial orders (which judicial orders are not the result of any act or omission to act which would constitute a default hereunder), or any failure or delay of any transportation, power or other essential thing required, or similar causes beyond the parties control.

I.35 GOVERNING LAW

This contract shall be governed by, and construed in accordance with, the laws of the District of

Columbia, including, but not limited to, the District of Columbia Procurement Practices Reform Act of 2010, (D.C. Law 18-371; D.C. Official Code §§ 2-351.01, et seq. and D.C. MUN. REGS. tit. 27.

I.36 ORDER OF PRECEDENCE

A conflict in language shall be resolved by giving precedence to the document in the highest order of priority that contains language addressing the issue in question. The following documents are incorporated into the contract by reference and made a part of the contract in the following order of precedence:

- (1) Contract
- (2) Contract Attachments
- (3) Revised Pricing dated June 8, 2023 (email)
- (4) Contractor Proposal dated May 18, 2023

[End of Section I]

SECTION J
ATTACHMENTS

The following Attachments are hereby incorporated:

- J.1 U.S. Department of Labor Wage Determination No. 2015-4281, Revision 26, Dated 05/10/2023
- J.2 Doing Business with Integrity
- J.3 CSA Maintenance Terms
- J.4 CSA Lease Agreement 1530 (06/18)

[End of Section J]

SECTION K

REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

K.1 AUTHORIZED OFFICERS

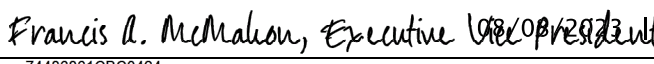
The Contractor shall list the names of persons authorized to negotiate on the Contractor’s behalf in connection with this solicitation (list names, titles, and telephone numbers of the authorized negotiators):

- Glen Irwin, Sr. Account Executive 804.548.5409
- Paul Murphy, V.P. Major Accounts and Vertical Markets 847.706.3411
- Jan Sarsten, Sr. Contract Specialist 561.997.3351
- Lee-Ann Faerber Contracts Advisor 561.299.6572

K.2 PENDING LEGAL CLAIMS AGAINST THE DISTRICT

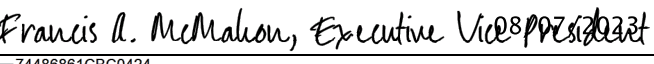
The Offeror must disclose any pending legal claims against the District. Pending legal claims includes, but is not limited to, Federal and District court litigation, administrative actions such as contract appeals or protests, claims for money damages from the District, and any other type of action (court or administrative) against the District. Offerors with pending legal claims against the District are not automatically precluded from contract award. If Offerors does not have any pending legal claims against the District, please indicate this below.

The Contractor hereby certifies that the information provided above is true, correct and complete.

DocuSigned by:
 12:42 PM EDT
 74486861C8C0424...
 Signature/Title Date
 Francis A. McMahon, Executive Vice President

K.3 TERMS AND CONDITIONS CERTIFICATION

The Contractor hereby certifies that it has read, understands, acknowledges, and agrees to comply with the terms and conditions as set forth in this solicitation/contract/resultant contract, **without exception.**

DocuSigned by:
 8:17 AM EDT
 74486861C8C0424...
 Signature/Title Date
 Francis A. McMahon, Executive Vice President



[End of Section K]

<p>"REGISTER OF WAGE DETERMINATIONS UNDER THE SERVICE CONTRACT ACT By direction of the Secretary of Labor</p>	<p>U.S. DEPARTMENT OF LABOR EMPLOYMENT STANDARDS ADMINISTRATION WAGE AND HOUR DIVISION WASHINGTON D.C. 20210</p>
<p>Daniel W. Simms Director</p>	<p>Division of Wage Determinations</p>
<p>Wage Determination No.: 2015-4281 Revision No.: 26 Date Of Last Revision: 05/10/2023</p>	

Note: Contracts subject to the Service Contract Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658.

<p>If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:</p>	<p>Executive Order 14026 generally applies to the contract. The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.</p>
<p>If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:</p>	<p>Executive Order 13658 generally applies to the contract. The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.</p>

The applicable Executive Order minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the Executive Orders is available at www.dol.gov/whd/govcontracts.

States: District of Columbia, Maryland, Virginia

Area: District of Columbia Statewide
 Maryland Counties of Calvert, Charles, Prince George's
 Virginia Counties of Alexandria, Arlington, Fairfax, Falls Church, Fauquier, Loudoun, Manassas, Manassas Park, Prince William, Stafford

****Fringe Benefits Required Follow the Occupational Listing****

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		19.72
01012 - Accounting Clerk II		22.15
01013 - Accounting Clerk III		24.77
01020 - Administrative Assistant		38.21
01035 - Court Reporter		28.71
01041 - Customer Service Representative I		16.73
01042 - Customer Service Representative II		18.25
01043 - Customer Service Representative III		20.48
01051 - Data Entry Operator I		17.09
01052 - Data Entry Operator II		18.65
01060 - Dispatcher, Motor Vehicle		23.66
01070 - Document Preparation Clerk		19.93
01090 - Duplicating Machine Operator		19.93

01111 - General Clerk I	17.51
01112 - General Clerk II	19.12
01113 - General Clerk III	21.47
01120 - Housing Referral Assistant	26.03
01141 - Messenger Courier	19.79
01191 - Order Clerk I	17.71
01192 - Order Clerk II	19.32
01261 - Personnel Assistant (Employment) I	20.17
01262 - Personnel Assistant (Employment) II	22.56
01263 - Personnel Assistant (Employment) III	25.15
01270 - Production Control Clerk	26.81
01290 - Rental Clerk	19.99
01300 - Scheduler, Maintenance	20.87
01311 - Secretary I	20.87
01312 - Secretary II	23.35
01313 - Secretary III	26.03
01320 - Service Order Dispatcher	21.16
01410 - Supply Technician	38.21
01420 - Survey Worker	21.66
01460 - Switchboard Operator/Receptionist	17.45
01531 - Travel Clerk I	20.59
01532 - Travel Clerk II	22.45
01533 - Travel Clerk III	24.24
01611 - Word Processor I	18.62
01612 - Word Processor II	20.92
01613 - Word Processor III	23.39
05000 - Automotive Service Occupations	
05005 - Automobile Body Repairer, Fiberglass	28.60
05010 - Automotive Electrician	26.35
05040 - Automotive Glass Installer	24.82
05070 - Automotive Worker	24.82
05110 - Mobile Equipment Servicer	21.35
05130 - Motor Equipment Metal Mechanic	27.74
05160 - Motor Equipment Metal Worker	24.82
05190 - Motor Vehicle Mechanic	27.74
05220 - Motor Vehicle Mechanic Helper	19.53
05250 - Motor Vehicle Upholstery Worker	23.17
05280 - Motor Vehicle Wrecker	24.82
05310 - Painter, Automotive	26.35
05340 - Radiator Repair Specialist	24.82
05370 - Tire Repairer	17.47
05400 - Transmission Repair Specialist	27.74
07000 - Food Preparation And Service Occupations	
07010 - Baker	17.68
07041 - Cook I	18.44
07042 - Cook II	21.44
07070 - Dishwasher	16.05***
07130 - Food Service Worker	16.20
07210 - Meat Cutter	21.58
07260 - Waiter/Waitress	15.53***
09000 - Furniture Maintenance And Repair Occupations	
09010 - Electrostatic Spray Painter	25.01
09040 - Furniture Handler	14.06***
09080 - Furniture Refinisher	22.55
09090 - Furniture Refinisher Helper	16.71
09110 - Furniture Repairer, Minor	19.82
09130 - Upholsterer	19.86
11000 - General Services And Support Occupations	
11030 - Cleaner, Vehicles	15.75***
11060 - Elevator Operator	15.87***
11090 - Gardener	24.11
11122 - Housekeeping Aide	16.87
11150 - Janitor	16.87
11210 - Laborer, Grounds Maintenance	18.22
11240 - Maid or Houseman	16.04***

11260 - Pruner	17.39
11270 - Tractor Operator	22.05
11330 - Trail Maintenance Worker	18.22
11360 - Window Cleaner	17.67
12000 - Health Occupations	
12010 - Ambulance Driver	24.09
12011 - Breath Alcohol Technician	26.39
12012 - Certified Occupational Therapist Assistant	35.59
12015 - Certified Physical Therapist Assistant	33.02
12020 - Dental Assistant	23.78
12025 - Dental Hygienist	50.57
12030 - EKG Technician	39.45
12035 - Electroneurodiagnostic Technologist	39.45
12040 - Emergency Medical Technician	24.09
12071 - Licensed Practical Nurse I	23.60
12072 - Licensed Practical Nurse II	26.39
12073 - Licensed Practical Nurse III	29.42
12100 - Medical Assistant	20.85
12130 - Medical Laboratory Technician	30.04
12160 - Medical Record Clerk	23.61
12190 - Medical Record Technician	27.06
12195 - Medical Transcriptionist	20.72
12210 - Nuclear Medicine Technologist	43.80
12221 - Nursing Assistant I	14.54***
12222 - Nursing Assistant II	16.35
12223 - Nursing Assistant III	17.84
12224 - Nursing Assistant IV	20.04
12235 - Optical Dispenser	25.02
12236 - Optical Technician	23.50
12250 - Pharmacy Technician	20.24
12280 - Phlebotomist	22.95
12305 - Radiologic Technologist	39.19
12311 - Registered Nurse I	30.40
12312 - Registered Nurse II	36.78
12313 - Registered Nurse II, Specialist	36.78
12314 - Registered Nurse III	44.14
12315 - Registered Nurse III, Anesthetist	44.14
12316 - Registered Nurse IV	52.91
12317 - Scheduler (Drug and Alcohol Testing)	32.71
12320 - Substance Abuse Treatment Counselor	28.96
13000 - Information And Arts Occupations	
13011 - Exhibits Specialist I	24.30
13012 - Exhibits Specialist II	30.10
13013 - Exhibits Specialist III	36.82
13041 - Illustrator I	24.49
13042 - Illustrator II	30.33
13043 - Illustrator III	37.10
13047 - Librarian	42.46
13050 - Library Aide/Clerk	19.29
13054 - Library Information Technology Systems Administrator	38.33
13058 - Library Technician	23.58
13061 - Media Specialist I	27.67
13062 - Media Specialist II	30.94
13063 - Media Specialist III	34.50
13071 - Photographer I	20.30
13072 - Photographer II	22.87
13073 - Photographer III	28.64
13074 - Photographer IV	34.67
13075 - Photographer V	41.62
13090 - Technical Order Library Clerk	24.23
13110 - Video Teleconference Technician	30.57
14000 - Information Technology Occupations	
14041 - Computer Operator I	25.18
14042 - Computer Operator II	28.19

14043 - Computer Operator III	31.42
14044 - Computer Operator IV	34.89
14045 - Computer Operator V	38.68
14071 - Computer Programmer I	(see 1)
14072 - Computer Programmer II	(see 1)
14073 - Computer Programmer III	(see 1)
14074 - Computer Programmer IV	(see 1)
14101 - Computer Systems Analyst I	(see 1)
14102 - Computer Systems Analyst II	(see 1)
14103 - Computer Systems Analyst III	(see 1)
14150 - Peripheral Equipment Operator	25.18
14160 - Personal Computer Support Technician	34.89
14170 - System Support Specialist	40.07
15000 - Instructional Occupations	
15010 - Aircrew Training Devices Instructor (Non-Rated)	38.18
15020 - Aircrew Training Devices Instructor (Rated)	46.20
15030 - Air Crew Training Devices Instructor (Pilot)	55.38
15050 - Computer Based Training Specialist / Instructor	38.18
15060 - Educational Technologist	46.20
15070 - Flight Instructor (Pilot)	55.38
15080 - Graphic Artist	38.26
15085 - Maintenance Test Pilot, Fixed, Jet/Prop	55.38
15086 - Maintenance Test Pilot, Rotary Wing	55.38
15088 - Non-Maintenance Test/Co-Pilot	55.38
15090 - Technical Instructor	32.11
15095 - Technical Instructor/Course Developer	39.27
15110 - Test Proctor	25.91
15120 - Tutor	25.91
16000 - Laundry, Dry-Cleaning, Pressing And Related Occupations	
16010 - Assembler	18.47
16030 - Counter Attendant	18.47
16040 - Dry Cleaner	21.11
16070 - Finisher, Flatwork, Machine	18.47
16090 - Presser, Hand	18.47
16110 - Presser, Machine, Drycleaning	18.47
16130 - Presser, Machine, Shirts	18.47
16160 - Presser, Machine, Wearing Apparel, Laundry	18.47
16190 - Sewing Machine Operator	21.99
16220 - Tailor	22.87
16250 - Washer, Machine	19.35
19000 - Machine Tool Operation And Repair Occupations	
19010 - Machine-Tool Operator (Tool Room)	29.55
19040 - Tool And Die Maker	35.89
21000 - Materials Handling And Packing Occupations	
21020 - Forklift Operator	22.38
21030 - Material Coordinator	26.81
21040 - Material Expediter	26.81
21050 - Material Handling Laborer	17.58
21071 - Order Filler	16.95
21080 - Production Line Worker (Food Processing)	22.38
21110 - Shipping Packer	18.17
21130 - Shipping/Receiving Clerk	18.17
21140 - Store Worker I	17.59
21150 - Stock Clerk	21.28
21210 - Tools And Parts Attendant	22.38
21410 - Warehouse Specialist	22.38
23000 - Mechanics And Maintenance And Repair Occupations	
23010 - Aerospace Structural Welder	41.02
23019 - Aircraft Logs and Records Technician	32.52
23021 - Aircraft Mechanic I	38.95
23022 - Aircraft Mechanic II	41.02
23023 - Aircraft Mechanic III	43.02
23040 - Aircraft Mechanic Helper	27.42
23050 - Aircraft, Painter	36.99
23060 - Aircraft Servicer	32.52

23070 - Aircraft Survival Flight Equipment Technician	36.99
23080 - Aircraft Worker	34.84
23091 - Aircrew Life Support Equipment (ALSE) Mechanic I	34.84
23092 - Aircrew Life Support Equipment (ALSE) Mechanic II	38.95
23110 - Appliance Mechanic	22.98
23120 - Bicycle Repairer	17.98
23125 - Cable Splicer	37.49
23130 - Carpenter, Maintenance	27.50
23140 - Carpet Layer	22.54
23160 - Electrician, Maintenance	30.37
23181 - Electronics Technician Maintenance I	34.31
23182 - Electronics Technician Maintenance II	36.43
23183 - Electronics Technician Maintenance III	38.36
23260 - Fabric Worker	26.61
23290 - Fire Alarm System Mechanic	29.84
23310 - Fire Extinguisher Repairer	24.53
23311 - Fuel Distribution System Mechanic	37.07
23312 - Fuel Distribution System Operator	28.53
23370 - General Maintenance Worker	23.61
23380 - Ground Support Equipment Mechanic	38.95
23381 - Ground Support Equipment Servicer	32.52
23382 - Ground Support Equipment Worker	34.84
23391 - Gunsmith I	24.53
23392 - Gunsmith II	28.51
23393 - Gunsmith III	31.87
23410 - Heating, Ventilation And Air-Conditioning Mechanic	30.17
23411 - Heating, Ventilation And Air Contidioning Mechanic (Research Facility)	31.78
23430 - Heavy Equipment Mechanic	29.69
23440 - Heavy Equipment Operator	27.40
23460 - Instrument Mechanic	33.14
23465 - Laboratory/Shelter Mechanic	30.27
23470 - Laborer	17.83
23510 - Locksmith	32.72
23530 - Machinery Maintenance Mechanic	30.29
23550 - Machinist, Maintenance	31.20
23580 - Maintenance Trades Helper	18.27
23591 - Metrology Technician I	33.14
23592 - Metrology Technician II	34.91
23593 - Metrology Technician III	36.61
23640 - Millwright	29.89
23710 - Office Appliance Repairer	22.96
23760 - Painter, Maintenance	22.76
23790 - Pipefitter, Maintenance	31.30
23810 - Plumber, Maintenance	29.73
23820 - Pneudraulic Systems Mechanic	31.87
23850 - Rigger	34.16
23870 - Scale Mechanic	28.51
23890 - Sheet-Metal Worker, Maintenance	29.06
23910 - Small Engine Mechanic	23.01
23931 - Telecommunications Mechanic I	37.06
23932 - Telecommunications Mechanic II	39.03
23950 - Telephone Lineman	39.78
23960 - Welder, Combination, Maintenance	27.58
23965 - Well Driller	28.79
23970 - Woodcraft Worker	31.87
23980 - Woodworker	24.53
24000 - Personal Needs Occupations	
24550 - Case Manager	20.75
24570 - Child Care Attendant	16.47
24580 - Child Care Center Clerk	20.53
24610 - Chore Aide	15.60***

24620 - Family Readiness And Support Services Coordinator	20.75
24630 - Homemaker	20.75
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	38.36
25040 - Sewage Plant Operator	28.60
25070 - Stationary Engineer	38.36
25190 - Ventilation Equipment Tender	27.00
25210 - Water Treatment Plant Operator	28.60
27000 - Protective Service Occupations	
27004 - Alarm Monitor	24.90
27007 - Baggage Inspector	19.39
27008 - Corrections Officer	29.35
27010 - Court Security Officer	30.66
27030 - Detection Dog Handler	21.69
27040 - Detention Officer	29.35
27070 - Firefighter	31.96
27101 - Guard I	19.39
27102 - Guard II	21.69
27131 - Police Officer I	33.25
27132 - Police Officer II	36.96
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	18.60
28042 - Carnival Equipment Repairer	20.33
28043 - Carnival Worker	14.23***
28210 - Gate Attendant/Gate Tender	19.88
28310 - Lifeguard	13.98***
28350 - Park Attendant (Aide)	22.24
28510 - Recreation Aide/Health Facility Attendant	16.24
28515 - Recreation Specialist	27.56
28630 - Sports Official	17.71
28690 - Swimming Pool Operator	23.63
29000 - Stevedoring/Longshoremen Occupational Services	
29010 - Blocker And Bracer	35.06
29020 - Hatch Tender	35.06
29030 - Line Handler	35.06
29041 - Stevedore I	32.73
29042 - Stevedore II	37.23
30000 - Technical Occupations	
30010 - Air Traffic Control Specialist, Center (HFO) (see 2)	48.97
30011 - Air Traffic Control Specialist, Station (HFO) (see 2)	33.77
30012 - Air Traffic Control Specialist, Terminal (HFO) (see 2)	37.19
30021 - Archeological Technician I	20.86
30022 - Archeological Technician II	23.34
30023 - Archeological Technician III	28.90
30030 - Cartographic Technician	28.90
30040 - Civil Engineering Technician	34.36
30051 - Cryogenic Technician I	32.01
30052 - Cryogenic Technician II	35.36
30061 - Drafter/CAD Operator I	20.86
30062 - Drafter/CAD Operator II	23.34
30063 - Drafter/CAD Operator III	26.01
30064 - Drafter/CAD Operator IV	32.01
30081 - Engineering Technician I	22.92
30082 - Engineering Technician II	25.72
30083 - Engineering Technician III	28.79
30084 - Engineering Technician IV	35.64
30085 - Engineering Technician V	43.61
30086 - Engineering Technician VI	52.76
30090 - Environmental Technician	28.90
30095 - Evidence Control Specialist	28.90
30210 - Laboratory Technician	28.21
30221 - Latent Fingerprint Technician I	37.63
30222 - Latent Fingerprint Technician II	41.56
30240 - Mathematical Technician	35.01

30361 - Paralegal/Legal Assistant I	24.57
30362 - Paralegal/Legal Assistant II	30.45
30363 - Paralegal/Legal Assistant III	37.23
30364 - Paralegal/Legal Assistant IV	45.04
30375 - Petroleum Supply Specialist	35.36
30390 - Photo-Optics Technician	28.90
30395 - Radiation Control Technician	35.36
30461 - Technical Writer I	31.20
30462 - Technical Writer II	38.15
30463 - Technical Writer III	46.16
30491 - Unexploded Ordnance (UXO) Technician I	31.12
30492 - Unexploded Ordnance (UXO) Technician II	37.66
30493 - Unexploded Ordnance (UXO) Technician III	45.14
30494 - Unexploded (UXO) Safety Escort	31.12
30495 - Unexploded (UXO) Sweep Personnel	31.12
30501 - Weather Forecaster I	32.01
30502 - Weather Forecaster II	38.93
30620 - Weather Observer, Combined Upper Air Or	(see 2) 26.01
Surface Programs	
30621 - Weather Observer, Senior	(see 2) 28.90
31000 - Transportation/Mobile Equipment Operation Occupations	
31010 - Airplane Pilot	37.66
31020 - Bus Aide	16.66
31030 - Bus Driver	23.92
31043 - Driver Courier	20.34
31260 - Parking and Lot Attendant	16.01***
31290 - Shuttle Bus Driver	19.93
31310 - Taxi Driver	17.71
31361 - Truckdriver, Light	22.24
31362 - Truckdriver, Medium	24.14
31363 - Truckdriver, Heavy	26.16
31364 - Truckdriver, Tractor-Trailer	26.16
99000 - Miscellaneous Occupations	
99020 - Cabin Safety Specialist	18.36
99030 - Cashier	14.39***
99050 - Desk Clerk	15.36***
99095 - Embalmer	34.10
99130 - Flight Follower	31.12
99251 - Laboratory Animal Caretaker I	17.93
99252 - Laboratory Animal Caretaker II	19.60
99260 - Marketing Analyst	37.98
99310 - Mortician	34.10
99410 - Pest Controller	21.91
99510 - Photofinishing Worker	20.52
99710 - Recycling Laborer	22.98
99711 - Recycling Specialist	28.16
99730 - Refuse Collector	20.95
99810 - Sales Clerk	15.66***
99820 - School Crossing Guard	18.02
99830 - Survey Party Chief	31.00
99831 - Surveying Aide	19.26
99832 - Surveying Technician	29.45
99840 - Vending Machine Attendant	17.03
99841 - Vending Machine Repairer	21.64
99842 - Vending Machine Repairer Helper	17.03

***Workers in this classification may be entitled to a higher minimum wage under Executive Order 14026 (\$16.20 per hour) or 13658 (\$12.15 per hour). Please see the Note at the top of the wage determination for more information. Please also note that the minimum wage requirements of Executive Order 14026 and 13658 are not currently being enforced as to contracts or contract-like instruments entered into

with the federal government in connection with seasonal recreational services or seasonal recreational equipment rental for the general public on federal lands.

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors, applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is the victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: \$4.80 per hour, up to 40 hours per week, or \$192.00 per week or \$832.00 per month

HEALTH & WELFARE EO 13706: \$4.41 per hour, up to 40 hours per week, or \$176.40 per week, or \$764.40 per month*

*This rate is to be used only when compensating employees for performance on an SCA-covered contract also covered by EO 13706, Establishing Paid Sick Leave for Federal Contractors. A contractor may not receive credit toward its SCA obligations for any paid sick leave provided pursuant to EO 13706.

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor, 3 weeks after 5 years, and 4 weeks after 15 years. Length of service includes the whole span of continuous service with the present contractor or successor, wherever employed, and with the predecessor contractors in the performance of similar work at the same Federal facility. (Reg. 29 CFR 4.173)

HOLIDAYS: A minimum of eleven paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Washington's Birthday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 CFR 4.174)

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) COMPUTER EMPLOYEES: This wage determination does not apply to any individual employed in a bona fide executive, administrative, or professional capacity, as defined in 29 C.F.R. Part 541. (See 41 C.F.R. 6701(3)). Because most Computer Systems Analysts and Computer Programmers who are paid at least \$27.63 per hour (or at least \$684 per week if paid on a salary or fee basis) likely qualify as exempt computer professionals under 29 U.S.C. 213(a)(1) and 29 U.S.C. 213(a)(17), this wage determination may not include wage rates for all occupations within those job families. In such instances, a conformance will be necessary if there are nonexempt employees in these job families working on the contract.

Job titles vary widely and change quickly in the computer industry, and are not determinative of whether an employee is an exempt computer professional. To be exempt, computer employees who satisfy the compensation requirements must also have a primary duty that consists of:

(1) The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;

(2) The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;

(3) The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or

(4) A combination of the aforementioned duties, the performance of which requires the same level of skills. (29 C.F.R. 541.400).

Any computer employee who meets the applicable compensation requirements and the above duties test qualifies as an exempt computer professional under both section 13(a)(1) and section 13(a)(17) of the Fair Labor Standards Act. (Field Assistance Bulletin No. 2006-3 (Dec. 14, 2006)). Accordingly, this wage determination will not apply to any exempt computer employee regardless of which of these two exemptions is utilized.

2) AIR TRAFFIC CONTROLLERS AND WEATHER OBSERVERS - NIGHT PAY & SUNDAY PAY: If you work at night as part of a regular tour of duty, you will earn a night differential and receive an additional 10% of basic pay for any hours worked between 6pm and 6am. If you are a full-time employed (40 hours a week) and Sunday is part of your regularly scheduled workweek, you are paid at your rate of basic pay plus a Sunday premium of 25% of your basic rate for each hour of Sunday work which is not overtime (i.e. occasional work on Sunday outside the normal tour of duty is considered overtime work).

**** HAZARDOUS PAY DIFFERENTIAL ****

An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordnance, explosives, and incendiary materials. This includes work such as screening, blending, dying, mixing, and pressing of sensitive ordnance, explosives, and pyrotechnic compositions such as lead azide, black powder and photoflash powder.

All dry-house activities involving propellants or explosives. Demilitarization, modification, renovation, demolition, and maintenance operations on sensitive ordnance, explosives and incendiary materials. All operations involving re-grading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with, or in close proximity to ordnance, (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands, face, or arms of the employee engaged in the operation, irritation of the skin, minor burns and the like; minimal damage to immediate or adjacent work area or equipment being used. All operations involving, unloading, storage, and hauling of ordnance, explosive, and incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance, explosives, and incendiary material differential pay.

**** UNIFORM ALLOWANCE ****

If employees are required to wear uniforms in the performance of this contract (either by the terms of the Government contract, by the employer, by the state or local law, etc.), the cost of furnishing such uniforms and maintaining (by laundering or dry cleaning) such uniforms is an expense that may not be borne by an employee where such cost reduces the hourly rate below that required by the wage determination. The Department of Labor will accept payment in accordance with the following standards as compliance:

The contractor or subcontractor is required to furnish all employees with an adequate number of uniforms without cost or to reimburse employees for the actual cost of the uniforms. In addition, where uniform cleaning and maintenance is made

the responsibility of the employee, all contractors and subcontractors subject to this wage determination shall (in the absence of a bona fide collective bargaining agreement providing for a different amount, or the furnishing of contrary affirmative proof as to the actual cost), reimburse all employees for such cleaning and maintenance at a rate of \$3.35 per week (or \$.67 cents per day). However, in those instances where the uniforms furnished are made of "wash and wear" materials, may be routinely washed and dried with other personal garments, and do not require any special treatment such as dry cleaning, daily washing, or commercial laundering in order to meet the cleanliness or appearance standards set by the terms of the Government contract, by the contractor, by law, or by the nature of the work, there is no requirement that employees be reimbursed for uniform maintenance costs.

**** SERVICE CONTRACT ACT DIRECTORY OF OCCUPATIONS ****

The duties of employees under job titles listed are those described in the "Service Contract Act Directory of Occupations", Fifth Edition (Revision 1), dated September 2015, unless otherwise indicated.

**** REQUEST FOR AUTHORIZATION OF ADDITIONAL CLASSIFICATION AND WAGE RATE, Standard Form 1444 (SF-1444) ****

Conformance Process:

The contracting officer shall require that any class of service employee which is not listed herein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination), be classified by the contractor so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination (See 29 CFR 4.6(b)(2)(i)). Such conforming procedures shall be initiated by the contractor prior to the performance of contract work by such unlisted class(es) of employees (See 29 CFR 4.6(b)(2)(ii)). The Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be paid to all employees performing in the classification from the first day of work on which contract work is performed by them in the classification. Failure to pay such unlisted employees the compensation agreed upon by the interested parties and/or fully determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract. (See 29 CFR 4.6(b)(2)(v)). When multiple wage determinations are included in a contract, a separate SF-1444 should be prepared for each wage determination to which a class(es) is to be conformed.

The process for preparing a conformance request is as follows:

- 1) When preparing the bid, the contractor identifies the need for a conformed occupation(s) and computes a proposed rate(s).
- 2) After contract award, the contractor prepares a written report listing in order the proposed classification title(s), a Federal grade equivalency (FGE) for each proposed classification(s), job description(s), and rationale for proposed wage rate(s), including information regarding the agreement or disagreement of the authorized representative of the employees involved, or where there is no authorized representative, the employees themselves. This report should be submitted to the contracting officer no later than 30 days after such unlisted class(es) of employees performs any contract work.
- 3) The contracting officer reviews the proposed action and promptly submits a report of the action, together with the agency's recommendations and pertinent information including the position of the contractor and the employees, to the U.S. Department of Labor, Wage and Hour Division, for review (See 29 CFR 4.6(b)(2)(ii)).
- 4) Within 30 days of receipt, the Wage and Hour Division approves, modifies, or disapproves the action via transmittal to the agency contracting officer, or

notifies the contracting officer that additional time will be required to process the request.

5) The contracting officer transmits the Wage and Hour Division's decision to the contractor.

6) Each affected employee shall be furnished by the contractor with a written copy of such determination or it shall be posted as a part of the wage determination (See 29 CFR 4.6(b)(2)(iii)).

Information required by the Regulations must be submitted on SF-1444 or bond paper.

When preparing a conformance request, the ""Service Contract Act Directory of Occupations"" should be used to compare job definitions to ensure that duties requested are not performed by a classification already listed in the wage determination. Remember, it is not the job title, but the required tasks that determine whether a class is included in an established wage determination. Conformances may not be used to artificially split, combine, or subdivide classifications listed in the wage determination (See 29 CFR 4.152(c)(1))."



**GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER**

DOING BUSINESS WITH INTEGRITY

Introduction

You are receiving this because you are a contractor or a vendor who does repeated business with the Office of the Chief Financial Officer (OCFO), Government of the District of Columbia, or you are an organization or individual outside the OCFO with whom we frequently interact.

Our purpose is to advise you of the high expectation of integrity that we strive to bring to bear in all of our business relationships.

Environment of Trust

The Office of the Chief Financial Officer is committed to maintaining working relationships that are founded on fair and honest exchanges in all of our business interactions. Our employees are held to high standards of ethical behavior in the conduct of their official business.

We want to share these expectations of ethical business practices with you to ensure that our business relationships are conducted with the highest level of honesty and integrity.

OCFO Code of Conduct for Employees

The OCFO Code of Conduct imparts three fundamental values for employees:

- Employees should conduct themselves in such a manner as to maintain and enhance the integrity and professional reputation of the OCFO organization
- Employees should not use their position to secure unwarranted privileges, awards, or exemptions for themselves or others
- Employees should avoid real or perceived conflicts of interest between the employee's private interest and the employee's official duties.

For your reference, the OCFO Code of Conduct can be accessed electronically at www.cfo.dc.gov. Go to Information, click on Integrity and Oversight, then click on Integrity Documents to reach the Code of Conduct.

Confidentiality of Financial and Other Information

We expect our employees to maintain absolute confidentiality concerning all information that they obtain, observe, or create relating to the financial affairs of those we do business with. We vigorously investigate any compromise of confidentiality by employees or any attempts to improperly obtain such information by private parties or businesses.

Bribery and Conflict of Interest

In addition to our standards of conduct, there are certain criminal statutes in the federal criminal code relating to bribery and conflict of interest that apply not only to employees of the federal government, but also to employees of the District of Columbia.

- The offer of anything of value in expectation of specific performance by a government employee is a crime, and even the appearance of such activity should be avoided.
- Employees may not accept anything of value (other than their government salaries) for the performance of their duties. This is outlined below under Gratuities and Other Gift Rules.
- Our employees are required to report all offers of bribes and gratuities to us, and we ensure that these matters are investigated and addressed. Likewise, we encourage anyone who believes they may have been solicited for a bribe or gratuity by an OCFO employee to report the matter immediately, as indicated at the end of this document.
- We also expect our employees to avoid conflicts of interest or the appearance of conflicts of interest. A particularly sensitive issue for government employees is the offer of employment with a company doing business with the OCFO. At any point when a government employee is considering employment with a private company that has a business relationship with the government, that employee must discontinue work on any assignment involving that company or face the very real possibility of violating conflict of interest statutes. This could also jeopardize the company's eligibility to be awarded government contracts.
- Employees are also expressly forbidden from performing official duties in situations involving friends, relatives or persons or businesses with whom they, or their family members, have a financial relationship. At any point where such a relationship is discovered or develops, the employee must discontinue their involvement in the official matter. For the employee and the business entity to continue to conduct official business after such a conflict is evident, would be inappropriate and possibly illegal.

Gratuities

It is always gratifying to hear that our staff has provided exemplary service to those with whom we do business. Sometimes, however, the expression of appreciation is made in a form that is inappropriate for government employees to accept.

OCFO employees are prohibited by law from accepting money or other things of value as an appreciation for a job well done. Sometimes even the mere offer of something of value may violate bribery and gratuity statutes. A more appropriate expression of gratitude for the service rendered is a letter to the employee's supervisor. If you don't know who that is, you may simply send your letter to the Office of the Chief Financial Officer, and it will be routed to the proper official.

Other Gift Rules

Gifts of food and/or beverages, even during holiday seasons and other celebratory occasions, are not acceptable if the giver has a business relationship of any kind with the D.C. Government. Such offers, while well-intentioned, tend to give the impression of a special relationship between the giver and the government employee.

This rule does not apply to the offer and acceptance of an insignificant item, such as a soft drink, coffee, donuts and other modest items of food and refreshments when not offered as part of a meal. Additional information on gift rules and exceptions is contained in OCFO Code of Conduct, which can be accessed electronically at www.cfo.dc.gov. Go to Information, click on Integrity and Oversight, then click on Integrity Documents to reach the Code of Conduct.

Compliance with Contracting Rules and Regulations

Ensuring compliance with the provisions of contracts is an important expectation of government employees. Even so, we have seen examples where the rules were not followed, usually based on the "need to get the job done." Such behavior puts both the government employee and the contractor in jeopardy.

If modifications to existing contracts are necessary, they should be formally pursued in accordance with OCFO contracting rules and regulations. No work outside the specifications of a contract should be performed without an approved contract modification. Performing work outside of contract specifications or beyond authorized funding, could result in a default for the contractor and denial of payment for such work. In the more extreme cases, failure to comply with contracting regulations could be considered fraud and may be investigated as a criminal violation.

Reporting Misconduct, Fraud, Waste and Abuse

The OCFO has a zero tolerance policy for fraud and misconduct involving its employees and programs. Similarly, we do not tolerate attempts to corrupt our employees.

The Office of Integrity and Oversight is an independent entity of the OCFO with responsibility for protecting the integrity of the OCFO and preventing fraud and other misconduct in OCFO programs. OIO conducts investigations of alleged employee misconduct and works closely with federal and District law enforcement agencies in investigating criminal offenses affecting the integrity of the OCFO.

We all want the government's business to be conducted fairly, impartially, and with the highest degree of integrity. The best way to ensure this is to report any indication that illegal acts or administrative misconduct may have occurred. Here is how you can report such matters, by telephone, in person, mail, or electronically:

OCFO Office of Integrity and Oversight

1100 4th Street, S.W.; Suite 750-E
Washington, DC 20024
(202) 442-6433

In addition to receiving your report, investigators are available to discuss any questions or concerns you may have about the matter. Reporting can also be done electronically at the OCFO website: www.cfo.dc.gov. Under Information, click on the Integrity and Oversight link, and then click on Reporting Incidents and Concerns.

OCFO Confidential Hotline

In order to address any concern about reporting anonymously, the OCFO has contracted with an independent, third-party organization that provides a confidential hotline service. This hotline is available for reporting allegations of OCFO employee misconduct, and fraud, waste and abuse involving OCFO programs.

Reports can be made by telephone to this toll-free hotline, which is staffed 24 hours a day, at 1-877-252-8805, or it can be accessed at www.ocfo.ethicspoint.com.

District of Columbia Office of the Inspector General

Reports of fraud, waste and abuse may be reported to the Office of the Inspector General by telephone at 1-800-521-1639, or electronically at www.oig.dc.gov.

Attachment J.3 Agreement Terms and Conditions

Common Terms

1.0 DEFINITIONS.

- a. **Agreement** means this J.3 Agreement and all schedules, amendments, and/or addenda attached hereto or made a part thereof.
- b. **Confidential Information** means Firmware, Software, Documentation, technical service manuals, service bulletins, databases, customer lists, pricing, results, discounts and/or such other information as is marked as "confidential" by a party hereto, pursuant to the terms contained herein.
- c. **CSA** means Canon Solutions America, Inc.
- d. **Customer** means the business entity defined on the first page of this Customer Agreement.
- e. **Documentation** means documents and other materials provided to Customer to support use of Product(s).
- f. **Educational Services** means training provided by CSA.
- g. **Equipment** means printing and/or scanning equipment, including accessories and ancillary equipment each and all of which is identified in the Solution Summary.
- h. **Firmware** means software embedded in Equipment in object code form, incidental to operation of the Equipment.
- i. **Installation** means the Equipment is ready for commercial operation in accordance with manufacturer's published specifications.
- j. **Installation Site** means the Customer's "Ship To" address specified in the Solution Summary and to which Customer requests that CSA ship the Equipment or Software. Delivery will be made to the Installation Site.
- k. **Maintenance** means the repair and/or replacement of parts, subassemblies, and Firmware to keep the Product(s), in good working order per manufacturer's or CSA's written specifications, as the case may be.
- l. **Product** means Equipment, Maintenance, Professional Services and Educational Services provided hereunder.
- m. **Software** means each software programs provided by CSA, whether Firmware or provided via separate media or download and any Software revisions or updates related thereto that is set forth in the Solution Summary.

Trade-In Specific Terms and Conditions				
In case of a conflict between the Trade-In Specific Terms and Conditions and any other terms herein, the Trade-In Specific Terms and Conditions shall prevail				
In order to receive the pricing set forth in the Contract for the Equipment replacing the equipment and products set forth herein (the "Trade-in Products"), Customer hereby agrees that (i) in the case of Trade-In Products owned by Customer, Customer warrants that it has clear and merchantable title to all such Trade-In Products and Customer shall, at CSA's discretion and direction, either scrap such Trade-In Products on site or allow CSA to remove the Trade-In Products and Customer hereby sells, transfers and assigns to CSA all right, title and interest in and to all such Trade-In Products and all embedded software provided therewith; or (ii) in the case of Trade-In Products leased from Canon Financial Services, Inc. ("CFS"), Customer shall allow CSA to remove the Trade-In Products and return them to CFS; or, (iii) in the case of non-CSA Trade-In Products leased by Customer from a third party (referred to in this form as a "Competitive Displacement"), Customer shall, to the extent permitted under Customer's agreement with its lessor, either return said third party products to the lessor or acquire title to and dispose of such Trade-In Products. In all cases described above, Customer warrants to CSA that it has full right and authority to enter into this agreement and agrees that CSA shall not have any liability to Customer or any third party whatsoever.				
	Model	Serial Number	Removal Method	Equipment Location
CSA Trade-In	VP6160MP	800230122	By CSA	1101 4TH ST SW WASHINGTON, DC 20024-4457
CSA Trade-In	VP6160MP	800230195	By CSA	Physical address is the same, just a different location number

Transaction Specific Terms and Conditions
In case of a conflict between the Transaction Specific Terms and Conditions and any other terms herein, the terms in the Transaction Specific Terms and Conditions shall prevail.
Terms and Conditions
Shipping charges are not included for supplies, staples, field replaceable units, Consumables, expendables or any other materials and Customer shall be responsible for shipping charges.
The above listed Equipment may or may not include a listing of components typically featured in such Equipment model(s). CSA may modify, add to, or omit any such components as it deems necessary, so long as such change results in no material adverse effect on the Equipment's performance.
Environmental conditions are critical to proper equipment operation and must be maintained per the product specifications. Should Customer fail to maintain environmental conditions for the Equipment, at its sole discretion, CSA may suspend service coverage. Upon environmental remediation, based on a CSA service evaluation, the Equipment may require service due to the environmental conditions or lapse of service, which will be billed at current time and material rates pursuant to the Agreement.
Customer acknowledges receipt of the Site Survey which is incorporated herein by reference.
The financed amount on the J.4 Attachment: Canon Financial Services Municipal Lease Agreement includes the Monthly Maintenance Charges from October 1, 2022 through June 1, 2023 for PSML350G10 s/n MXQ92505MB, PSML350G10 s/n MXQ92505MG, PPSERV5U s/n 0DRG660833 and PPSERV5U s/n YAUE744181.

Product Specific Terms and Conditions	
In case of a conflict between the Product Specific Terms and Conditions and any other terms herein except those in the Transaction Specific Terms and Conditions, the terms in the Product Specific Terms and Conditions shall prevail.	
Configuration Type	Terms and Conditions
varioPRINT 6180 MICR TITAN	Staples for the VP6000 are considered a consumable item and are not included in the maintenance charge listed.
varioPRINT 6180 MICR TITAN	Toner in the amount, which on average, covers six- and one-half percent (6.5%) of letter sized media for non-MICR toner or five percent (5%) of letter sized media for MICR/Wax toner of the media is included. Toner usage in excess of

		<p>6.5% coverage for non-MICR toner or in excess of 5% for MICR/Wax toner shall be at Customer's expense. CSA has the right to reconcile toner usage exceeding these coverage percentages on a quarterly basis and Customer shall pay for any toner used in excess of these amounts.</p> <p>Customer agrees to perform Key Operator Maintenance on the VarioPrint 6180. KOM is defined as replacement of spiral cleaners when indicated on the VarioPrint 6180 operator panel (spiral cleaners supplied by CSA). In the event Customer does not perform KOM on the VarioPrint 6180, the Monthly Usage Charge (MUC) shall be increased by ten percent (10%) or Customer shall be charged a standard call out rate for each replacement of spiral cleaners performed by CSA.</p>
	<p>varioPRINT 6180 MICR TITAN</p>	<p>CSA offers this limited warranty to you as a MICR customer. If the number of checks rejected for substandard magnetic ink coding as a percentage of the total number of checks processed (called the "Reject Rate") exceeds 1% in any two consecutive monthly periods, CSA will credit your account in an amount equal to the charge assessed against you by your banking customer for the rejected checks for such two month period as reflected in the Account Analysis Statement provided to you by your banking customer. The amount of the credit shall not exceed the maintenance Service Charge for equipment on which the output is produced for such two month period and the following terms shall apply:</p> <p>You must provide CSA with the monthly Account Analysis Statement provided to you by your banking customer and ask CSA for the credit in writing within 30 days of receiving the second consecutive Account Analysis Statement from your banking customer. CSA will review the Account Analysis Statements and determine the Reject Rate. If the Reject Rate exceeds 1% in both of two consecutive monthly periods (as set forth in the Account Analysis Statements, CSA will credit your account in an amount equal to the charge assessed against you by your banking customer for the rejected checks for such two month period up to the amount of the maintenance Service Charge for equipment on which the output is produced for such two month period.</p> <p>Only one (1) credit for any two month period will be provided to you. No more than one (1) credit per year will be provided during the term of the maintenance agreement.</p> <p>The check design and forms used must conform (i) to the ASC X9B ANSI accredited specifications for MICR documents and (ii) to CSA paper specifications for MICR printers.</p> <p>CSA approved MICR inks and MICR font must be used for MICR documents. This limited warranty is void if MICR inks or MICR fonts that are not approved by CSA are used on MICR documents for which a claim is made under this limited warranty.</p> <p>While running jobs and in order to file a claim under this limited warranty, you must:</p> <ul style="list-style-type: none"> (a) Visually and machine verify check character quality of MICR line after every 10,000 images run; and If the check fails (b) readability test, test adjacent check and insure the MICR tester is calibrated; and (c) Verify proper alignment using the MICR gauge; and (d) If no problem can be found, record the readability (5) and save a copy of the check and immediately contact CSA service. <p>Failure to perform any of the above tests and provide CSA the opportunity to remedy the issue which results in the unacceptable Reject Rate voids this limited warranty.</p> <p>Submission of a claim under this limited warranty constitutes certification by you that all negotiable documents on the Account Analysis Statement were products on the equipment covered by the maintenance agreement and that you met (or have met) all other conditions of this limited warranty.</p>

2.0 This Agreement governs the provision of Products identified in the Solution Summary and/or Solution Details and shall be in effect from the earlier to occur of: (i) the date the Agreement, signed by Customer, is countersigned by CSA; or, (ii) shipment of the Product; or, (iii) performance of any Professional Services and/or Maintenance. All acquisitions are subject to credit approval.

"Equipment" means hardware that is New/Newly Manufactured, Factory Produced New Model, Like New, Remanufactured, Refurbished or Used. "New/Newly Manufactured" shall mean equipment that has been newly assembled, and which may contain a limited number of used components that have been thoroughly inspected and tested to assure product performance and reliability specifications. "Factory Produced New Model" shall mean equipment that has been subject to a process of disassembly, cleaning, refinishing, replacement of defective components with new or used components and has been converted to new-model status. Such equipment is newly serialized equipment. Customer is the first user of this equipment, which is fully tested to assure product performance and reliability specifications. "Like New" means equipment previously on trial, used as a demo unit, shown at a trade show or equipment with nominal foot/copy count. All Like New equipment has been maintained by CSA, has not been pre-owned by any other party and has a nominal foot/copy count from a controlled pre-production environment. "Remanufactured" shall mean equipment that has been subject to a process of disassembly, cleaning, refinishing, and replacement of defective components with new or used components and is fully tested to assure product performance and reliability specifications. Meters have been reset to zero. "Refurbished" means equipment that has been under CSA maintenance and has been tested to ensure full functionality and reliability to specifications. "Used" means equipment that has been maintained under CSA's authorized technical standards. Used equipment is offered without warranty.

3. Delivery; Risk of Loss; Insurance

Risk of loss shall pass to Customer upon delivery to Customer's loading dock. From the time of delivery until Customer's payment obligations have been satisfied, Customer agrees (a) to give CSA prompt written notice of any damage to or loss of the Equipment or any occurrence arising from the possession, use, or operation of the Equipment resulting in death, bodily injury or damage to property; and (b) to maintain, at its expense, comprehensive general liability including property insurance covering the Equipment in an amount at least equal to the Equipment purchase price. Delivery dates are estimates only, and CSA shall not be liable for delays in delivery due to causes beyond CSA's reasonable control.

4. Installation and Site Preparation

(a) CSA shall install the Equipment at the Installation Site. Installation shall be deemed complete when the Equipment has been installed and is ready for commercial operation. Customer shall furnish a suitable installation site in accordance with CSA's power, environmental, and other requirements. All site preparation, including appropriate space requirements, electrical wiring, air conditioning, required venting or special duct work and necessary permits or approvals, is Customer's responsibility.

J.3 Maintenance Terms

(b) For Software installed at a Customer location, installation shall be deemed complete when the Software has been installed and is ready for commercial operation. For all other Software, installation shall be deemed complete when Customer is provided instructions on how to access and/or download the Software.

(c) Additional Customer operator training is available from CSA at its training rate in effect at the time of such training pursuant to Section 14, Educational Services.

5. Payment and Taxes

Payments are due thirty (30) days from the date invoiced. Invoicing will occur after completion of Equipment or Software installation (as applicable). Should Customer request a third party act as its agent for receiving or paying invoices, CSA may approve such request in its sole discretion, and CSA's approval is conditioned on: (i) Customer's payment of an administrative charge (including reimbursement of any costs or charges CSA incurs associated therewith), which shall be considered charges under this Agreement; (ii) no modifications (other than addresses) to the terms and conditions of this Agreement; and (iii) Customer remaining liable for all of its obligations under this Agreement. Unless otherwise agreed to in writing in the Transaction Specific Terms and Conditions, Service Charges shall start billing and Customer shall start payment upon such completion of installation. Monthly maintenance charge(s) ("Monthly Maintenance Charge(s)") and monthly usage charge(s) ("Monthly Usage Charge(s)") (collectively "Service Charges") are billed for full periods (monthly, quarterly, semi annual or annual). Monthly Maintenance Charges are billed in advance and Monthly Usage Charges are billed in arrears. If Equipment is installed on other than the first of the month, then the period from the install date to the end of the month shall be the "Interim Period". Customer shall pay CSA an amount equal to the Monthly Maintenance Charges divided by thirty (30) days and multiplied by the number of days in this "Interim Period". Monthly Usage Charges shall also be charged according to the meter reading for this Interim Period. If applicable, CSA shall be entitled to acquire meter readings using Remote Software or if it does not communicate with CSA for any reason, Customer shall provide meter reading by the last calendar day of each month by a CSA approved method. Should such meter reading not be provided in a timely fashion, Monthly Usage Charges will be estimated and billed by CSA, and payment will be made based upon such estimation. Upon receipt of the actual meter reading, CSA shall adjust Customer's account as applicable. Notwithstanding any other provision herein and in addition to Service Charges, CSA may, upon thirty (30) days notice to Customer, assess a fuel surcharge to offset increases in fuel expenses. Once per twelve month period (regardless of the initial maintenance term set forth in the Financial Summary and/or Solution Summary), upon thirty (30) days prior written notice, CSA may adjust pricing for Service Charges and/or Software support fees by a maximum of fifteen percent (15%). Customer agrees to pay on demand, as a late charge, 1.5% per month limited by the maximum rate permitted by law, on all overdue payments whether such payments are due prior to or after a Default. CSA may withhold service under this Agreement in whole or in part until any overdue payment is received by CSA. All payments shall be made at the office of CSA set forth in an invoice, or at any other place designated by CSA.

6. Warranty; Limitation of Liability

6.1 Equipment Warranty

CSA warrants that on completion of installation Equipment will be (1) in material conformance with the manufacturer's published specifications, (2) qualified for CSA's standard maintenance services and (3) free from material defects in workmanship and materials. All parts found to be defective during installation shall be repaired or replaced at the option of CSA. All parts replaced under this warranty shall become the property of CSA. Customer's sole and exclusive remedy for breach of the foregoing warranty shall be to reject the Equipment and cancel this Agreement at the time installation is completed. In no event shall a breach of this warranty give rise to a claim for damages against CSA. The warranty set forth herein does not apply to Used Equipment and is conditioned upon Customer giving prompt written notice to CSA of any discovered defects at the time installation is complete. Unless otherwise agreed to in writing, CSA will not perform repairs or parts replacement for defects or damage resulting from (i) alteration, relocation, repairs, or use of parts, software or services not provided by CSA or its authorized representative, (ii) accident, (iii) abuse, willful misconduct, or negligence.

6.2 Software Warranty

(a) CSA warrants that upon installation the Software will materially conform to CSA's then current published specifications, provided the Software is properly installed (if installed by Customer) and used. CSA does not warrant that (i) Software will meet Customer's requirements or that operation of the Software will be uninterrupted or error-free or (ii) that any Software-related services rendered hereunder will result in improvements in Software or in the solution to any problems Customer may encounter in the use of Equipment or Software.

(b) CSA warrants that prior to installation, CSA has tested the Software using commercially available virus detection programs and no viruses were found.

(c) The entire liability of CSA, and the sole remedy of Customer, in the event of breach of any warranty in this Section 6.2 shall be CSA's use of commercially reasonable efforts to correct or replace the non-conforming Software within a reasonable period of time after receiving written notice from Customer and if those efforts are unsuccessful CSA shall refund the Software License Fee paid by Customer (if any) to CSA less a reasonable fee for the period of use (based on depreciation deducted over a five year straight line basis), provided Customer ceases all use of and returns the Software to CSA.

6.3 Service Warranty

CSA warrants that services will be provided in a good and workmanlike manner consistent with industry standards. CSA further warrants that all material and parts furnished pursuant to this Agreement will be in good working order at the time of installation, and CSA's obligation is limited to the repair or replacement of any material or part which does not conform to this warranty. CSA shall have no liability to the extent that Customer's acts or omissions contributed to a breach of this warranty.

6.4 Disclaimer

THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR (TO THE EXTENT ALLOWED BY LAW) STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE.

6.5 Limitation of Liability

(a) NEITHER PARTY SHALL BE LIABLE, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER LEGAL THEORY, (I) FOR LOSS OF USE, OF DATA (INCLUDING HD DATA AS DEFINED IN SECTION 10.3), OR OF REVENUE OR PROFIT (EXCEPT AS TO REVENUE OR PROFIT ARISING FROM THE TRANSACTION HEREUNDER), , OR (II) FOR ANY OTHER LOSS OR COST OF A SIMILAR TYPE, OR (III) FOR DAMAGES SUFFERED OR CLAIMED TO HAVE BEEN SUFFERED BY ANY THIRD PARTY INCLUDING CUSTOMERS OF CUSTOMER, EVEN IF SUCH PARTY WAS ADVISED OF THE POSSIBILITY OF THE OCCURRENCE OF SUCH DAMAGES.

(b) EACH PARTY'S MAXIMUM LIABILITY FOR ANY CLAIM FOR DAMAGES RELATING TO ITS PERFORMANCE OR NON-PERFORMANCE UNDER THIS AGREEMENT SHALL BE LIMITED: (A) WITH REGARD TO EQUIPMENT, TO THE PURCHASE PRICE OF THE EQUIPMENT; (B) WITH REGARD TO SOFTWARE, TO THE LICENSE FEE OF THE SOFTWARE; (C) WITH REGARD TO MAINTENANCE SERVICES, TO AN AMOUNT

EQUAL TO TWELVE (12) MONTHS OF MONTHLY MAINTENANCE CHARGES FOR THE RELATED EQUIPMENT, SOFTWARE OR SERVICES GIVING RISE TO SUCH DAMAGES; AND (D) WITH REGARD TO PROFESSIONAL SERVICES, TO THE AMOUNT PAID FOR THE PROFESSIONAL SERVICES GIVING RISE TO SUCH DAMAGES.

(c) THE LIMITATIONS SET FORTH IN SECTIONS 6.5(a) and 6.5(b) ABOVE SHALL NOT APPLY TO OR LIMIT THE LIABILITY OF A PARTY FOR: (I) BODILY INJURY (INCLUDING DEATH) OR DAMAGE TO REAL OR TANGIBLE PERSONAL PROPERTY TO THE EXTENT CAUSED BY A PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT OR (II) CLAIMS ARISING UNDER SECTION 9 ("INTELLECTUAL PROPERTY INFRINGEMENT CLAIMS"), OR (III) ANY VIOLATION BY CUSTOMER OF THE LICENSES GRANTED IN SECTION 10.1 HEREIN.

(d) NEITHER PARTY SHALL BE LIABLE FOR INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, LIQUIDATED, INCIDENTAL OR CONSEQUENTIAL DAMAGES

7. Title; Security Interest; Trade-in

(a) Title to Equipment shall pass to Customer upon payment in full. CSA shall retain a first priority security interest in the Equipment (as described more fully herein and Solution Summary) and in all proceeds therefrom until all purchase payments due CSA have been made. As security for the payment of all amounts due to CSA, Customer hereby grants to CSA a purchase money security interest in the Equipment including all accessories, attachments, replacements, substitutions, modifications and additions thereto and in all proceeds thereof (including insurance proceeds). To the extent permitted by applicable law, Customer hereby authorizes CSA to file with the appropriate governmental authorities any and all financing statements necessary to evidence or perfect CSA's security interest in the Equipment including attachments, replacements, substitutions, modifications and additions thereto. Prior to making full payment, Customer shall not move the Equipment or Software from the Installation Site without first obtaining prior written consent from CSA.

(b) Customer represents and warrants that any trade-in equipment is free and clear of all liens and encumbrances of any kind and that marketable title shall vest in CSA or its designee upon CSA's or its designee's receipt of the trade-in equipment. Customer shall be responsible for related freight charges, and trade-in equipment shall be packed in accordance with the manufacturer's specifications.

8. Default and Remedies

(a) Any of the following shall constitute a default by Customer ("Default"): (i) failure to pay any amounts when due ; or (ii) failure to comply with any material provisions or perform any of its material obligations arising under this Agreement or under any other documents or agreements relating to this Agreement. . As to any such Default that is suitable for remedy, Customer shall cure such Default with all due dispatch, and in any event within thirty (30) days thereof.

(b) Upon any uncured Default, CSA may exercise any one or more of the following remedies (which remedies shall be cumulative): (i) terminate this Agreement; (ii) suspend, limit or terminate access to and use of any Software hosted by CSA or any of its third party hosting services providers; (iii) declare all amounts due from Customer, immediately due and payable in full; or (iv) exercise any other right or remedy available to it under any applicable law or proceed by appropriate court action to enforce this Agreement or recover damages for breach thereof. Further, if the Default is for unpaid Equipment and/or unpaid Software license fees, CSA may exercise any one or more of these additional remedies: (i) secure peaceable repossession and removal of the Equipment/Software by CSA or its agent without judicial process; (ii) sell, lease or otherwise dispose of the Equipment/Software at public or private sale without advertisement or notice except as required by law, upon such terms and at such place as CSA may deem advisable and CSA may be the purchaser at any such sale; or (iii) require Customer to pay all expenses, including legal fees and costs, in connection with the Equipment/Software relating to its retaking, refurbishing, selling or the like;. To the extent permitted by applicable law, Customer waives all rights it may have to limit or modify any of CSA's rights and remedies under this Agreement, including but not limited to, any right to require CSA to dispose of the Equipment/Software or otherwise mitigate its damages.

9. Intellectual Property Infringement Claims

CSA shall defend, indemnify and hold harmless Customer against any third party claim that the Equipment or Software infringes a third party's United States patent, copyright or other intellectual property right and CSA shall pay resulting costs, damages and attorneys' fees finally awarded, provided that Customer promptly notifies CSA in writing of the claim and fully cooperates with CSA and CSA has sole control of the defense and all related settlement negotiations. CSA's obligation under this Section is conditioned on Customer's agreement that if such Equipment/Software, or the use thereof, becomes, or in CSA's opinion is likely to become, the subject of such a claim, Customer shall permit CSA, at CSA's option and expense, either to procure the right for Customer to continue using the Equipment/Software or to replace or modify the Equipment/Software so that it becomes non-infringing, and if neither of the foregoing alternatives is available on terms which are reasonable in CSA's judgment, Customer shall return the Equipment/Software upon request by CSA or CSA may terminate access to and use of any Software hosted by CSA or a third party hosting services provider. Upon such return or termination, CSA shall (i) refund the applicable Equipment purchase price or (for Software licensed on a perpetual basis), the Software license fee to the extent paid by Customer, less depreciation deducted on a five year straight-line basis or (ii) for Software licensed on a subscription basis, CSA will return any prepaid but unused subsection license fees as of the date use or of access to the Software is terminated. CSA shall have no liability for any claim based upon or any damages attributable to: (i) the combination, operation or use of the Equipment or Software with equipment or software not supplied or authorized in writing by CSA; (ii) modification of the Equipment or Software; (iii) Equipment or Software made, developed or modified pursuant to specifications or objectives furnished by Customer; or Customer's throughput that may infringe third party intellectual property rights. The foregoing states the entire obligation and liability of CSA with respect to infringement of patents, copyrights or other intellectual property rights.

10. Grant of License; Confidentiality; Security

10.1 (a) CSA grants Customer a personal, non-exclusive, non-transferable, limited license to use the Software (in compiled object code form) in the United States solely for its internal use, and to use the Documentation in support of Customer's authorized use of the Software for the time period set forth in the Solution Summary or, if no time period is set forth in the Solution Summary, until this Agreement is terminated in accordance with its terms or until Customer ceases using Software with the Equipment. . In addition to the Software, the Equipment identified in the Solution Summary may contain other software that is used in connection with the maintenance of the Equipment (the "Maintenance Software"). Customer hereby acknowledges and agrees that the Maintenance Software has been installed for the sole purpose of use by a field engineer or technician authorized in writing by CSA to maintain the Equipment. Customer is not granted, whether by license or otherwise, any right to access or use the Maintenance Software for any purpose whatsoever, all rights to which are hereby expressly reserved by CSA. Any access or use of the Maintenance Software or any part thereof by Customer or any other person, including any person who purchases the Equipment from the Customer, is strictly prohibited. The Software license granted hereunder may not be assigned by Customer without the written consent of CSA and the payment of an additional license fee by the assignee (or subsequent licensee). No such additional license fee shall be due for Software embedded in the Equipment in the form of firmware.

(b) Software, including all results, information, ideas, data and products of any services provided by CSA (excluding Customer's data throughput) shall be the sole property of CSA or its suppliers and shall be regarded by Customer as Confidential Information of CSA. Customer shall not sell, transfer or otherwise make available the Software or Documentation to any third party and shall secure and protect them from disclosure and shall take such action as is necessary with its employees (including contractors and temporary help) and other persons permitted access to them to satisfy Customer's obligations hereunder. Customer may disclose the Software and Documentation to its employees (including contractors and temporary help) only to the

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extent (a) such disclosure is necessary to enable Customer to use the Software within the scope of the license granted herein and (b) any such parties agree that the Software is CSA's confidential information and agree to protect the Software pursuant to the terms set forth herein. Customer may copy the Software in machine readable form for backup and archival purposes only as necessary to support Customer's internal use of the Software with the Equipment on which use is licensed. Customer shall not modify, use other than for purposes of this Agreement, reverse engineer, disassemble or decompile any Software in whole or in part. All Software is a "commercial component," as this term is defined in 48 C.F.R. §2.101, consisting of "commercial computer software" and "computer software documentation," as such terms are defined in 48 C.F.R. §252.227-7014(a)(1) and 48 C.F.R. §252.227-7014(a)(5), respectively, and used in 48 C.F.R. §12.212 and 48 C.F.R. §227.7202, as applicable and all as amended from time to time. Consistent with 48 C.F.R. §12.212 and 48 C.F.R. §227.7202, and other relevant sections of the Code of Federal Regulations, as applicable, and all as amended from time to time, all U.S. Government entities acquire Software only with those rights set forth in this Agreement.

(c) Upon expiration or termination of Customer's license to use Software identified Solution Summary, Customer shall either (i) return the Software and Documentation, and all copies thereof, or (ii) certify to CSA in writing that the Software and Documentation, and all copies thereof, have been destroyed. Upon expiration or termination of Customer's license to use Software hosted by CSA or a third party hosting services provider, Customer's right to access and use such Software will be terminated. If Customer requests that the Software be re-hosted (the installation of an existing software license onto a different hardware platform which might be either a server or mainframe hardware platform) an additional Software license fee may be due from Customer. In order to receive Software updates, fixes and enhancements (maintenance), Customer must continue to pay the license maintenance fee which is identified Solution Summary. If Customer discontinues paying the license maintenance fee, Customer will not receive maintenance, however, Customer is permitted to use the Software "as is" with no obligation on the part of CSA with respect to such use or maintenance. With respect to certain third party software, CSA is a reseller of such software. Customer's license for such third party software is granted from the third party software provider.

10.2 Neither party will use for any purpose, other than performing this Agreement, or disclose to any third party any trade secrets or non-public information of the other party or its affiliates including, but not limited to, marketing information and strategy, marketing models, product information, advertising and promotional copy, pricing information, financial information, customer lists, test results, and all other proprietary information, trade secrets and non-public information (hereinafter referred to collectively as "Confidential Information"). Each party agrees to restrict circulation of all Confidential Information within its own organization, except to the extent necessary to perform its obligations, and in no case will any disclosure be made to any third party without the disclosing party's prior written consent, unless such disclosure is requested or required in any judicial or administrative proceeding or otherwise required by law. Confidential Information shall not include information known to a party prior to disclosure hereunder; or which is or becomes publicly known through no wrongful act of the other party; or which is independently developed by a party as proven by its written records; or which is disclosed to the other party by a third party without any breach of obligations of confidentiality.

10.3 Hard Drive Security

Customer acknowledges that the hard drive ("HD") on Equipment may retain images, content, or other data that you may store for purposes of normal operation of the Equipment ("HD Data"), that CSA is not storing HD Data on Customer's behalf, and that exposure or access to the HD Data by CSA, if any, is purely incidental to the services performed by CSA. Neither CSA nor any of its affiliates has an obligation to erase or overwrite HD Data prior to or upon Customer's return of the Equipment to CSA or any leasing company or other disposition of the Equipment. Customer is solely responsible for its HD Data. Various security features may be available for the Equipment that Customer can utilize. Upon Customer's request, CSA will provide information regarding related options (e.g. replacement HD) and services, which might result in additional charges. The terms of this Section shall solely govern as to HD Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered that could be construed to apply to HD Data.

11. Professional Services

During the term of this Agreement, CSA may provide services to Customer as either Implementation Services or Consulting Services (collectively, "Professional Services").

(a) Implementation Services are rendered at or about the time of Equipment installation and may include (but shall not be limited to) review of print applications, validation of hosts and network paths, validation of system configuration(s), and overview of printer/server operation. The cost of Implementation Services shall be set forth Solution Summary and does not typically require on-going maintenance.

(b) Consulting Services shall be provided as mutually agreed between CSA and Customer. Customer and CSA shall negotiate the services to be provided and the cost to Customer, which shall be set forth in a Consulting Services Agreement or Statement of Work Addendum ("SOW") to this Agreement. The SOW shall include the completion date (if applicable), total cost, a description of the work to be performed, acceptance criteria (if applicable) and maintenance charges (if applicable).

(c) If Consulting Services includes the creation or provision of custom software (defined for this section as "Custom Software"), these terms also apply: (i) bug fixes are provided at no additional charge if maintenance support is included in the SOW for the Consulting Services and if so, will be provided under the terms of Section 12.4(a); (ii) examples of maintenance charges that may be charged for Custom Software would include software revisions under the same terms as Section 12.4(b) and new software releases under the same terms as Section 12.4(c). Support for Custom Software does not include moving the Custom Software to different equipment or operating system levels and does not include updates or upgrades of any third party software or resolution of network errors not directly related to software. All support will be provided remotely. If on-site support for Custom Software is required, CSA will charge its then published hourly service rates and minimum charges for service time, plus actual travel expenses.

(d) Unless otherwise agreed to in writing, all ideas, improvements, know-how, discoveries, and techniques including without limitation, computer programs, routines and code, developed in connection with Professional Services ("Deliverables" or Custom Software) shall be owned by CSA, and upon creation thereof (and subject to Section 8(a)(iii) hereof), CSA grants to Customer a personal, non-exclusive, non-transferable royalty-free limited license to use such Deliverables/Custom Software in the United States solely for internal use and solely in conjunction with Equipment identified in the Solution Summary. At Customer's request, CSA will, under the terms of such a license, make available to Customer information created as a result of Professional Services provided under this Section 11, and affixed in a tangible medium of expression.

12. Maintenance

Should Customer purchase CSA maintenance support services for Equipment and/or Software, the following terms shall govern CSA services described herein may be rendered by CSA's independent contractors.

12.1 Customer shall: (a) provide CSA reasonable and safe access, subject to Customer's and governmental safety and security rules and regulations, to the Equipment for performance of maintenance as deemed necessary by CSA; (b) allow CSA to store reasonable quantities of maintenance equipment and/or parts on Customer's premises; (c) provide a suitable environment for the Equipment in accordance with manufacturer's environmental requirements; and (d) inform CSA promptly of any operating problems. Environmental conditions are critical to proper equipment operation and must be maintained per the product specifications. Should Customer fail to maintain environmental conditions for the Equipment or if Customer fails to provide CSA access to the Equipment as deemed necessary by CSA for preventive or remedial services, at its sole discretion, CSA may suspend service coverage. Upon environmental remediation (or proper access to the Equipment), based on a CSA service evaluation, the Equipment may require service due to the environmental conditions or lapse of service, which will be billed at current time and material rates pursuant to Section 12.6 herein. Maintenance services on finishing equipment does not include replacement of or provision of parts that are consumed during the operation of the finishing

equipment. **These parts include but are not limited to perf blades, cutter blades, dies, punches, staples, stitch wire, and glue. Customer shall acquire such parts from the manufacturer/distributor directly.**

12.2 Equipment Support CSA shall provide Customer: (a) CSA's standard preventive maintenance services ("PM's"), including labor and replacement parts to be provided Monday – Friday during CSA's standard business hours (the length and frequency of periods of time required for preventive maintenance will be determined by CSA); (b) corrective maintenance coverage as indicated Solution Summary, including labor and replacement parts (service on CSA holidays is available with advance notice to CSA and CSA shall bill Customer at its then current hourly rates for holiday service); (c) firmware updates, including safety related updates, to Software embedded in the Equipment as its operating system; and (d) engineering changes, deemed necessary by CSA. Preventive maintenance includes testing, adjusting, cleaning and replacement of components scheduled in accordance with the Equipment service specifications. PM's performed on weekends, holidays or between 5PM and 8:00AM (at Customer's request) will be billed at CSA's holiday rates in effect at the time of such service. If by its act or failure to act Customer refuses or declines to permit installation of a safety change within thirty (30) days of CSA's request or if Customer removes or disables a safety change already installed, CSA may discontinue maintenance support services for all Equipment until such unsafe condition has been corrected. All defective parts replaced during maintenance shall become the property of CSA. Parts used for repair may be used or remanufactured in accordance with manufacturer's specifications. Failure to allow such remote access may result in increased service fees and/or adversely affected repair times.

12.3 The Equipment may contain software that allows CSA to access the Equipment remotely ("Remote Software"). In such cases, Customer authorizes CSA to use the Remote Software to (a) receive software updates and transmit use and service data accumulated by the Equipment over Customer's network by means of an HTTPS (or other) protocol and (b) store and analyze such data solely for CSA's own purposes related to servicing the Equipment and for Product improvement. CSA does not have access to Customer data via Remote Software. CSA only has access to internal printer data, which is Canon Confidential Information. Upon request, CSA can provide Customer with a copy of a security white paper describing the Remote Software in more detail. It is Customer's responsibility to protect its network from all ingress and egress points, including the Remote Software network and CSA shall not be liable for any unauthorized access by third parties (except to the extent such access is caused by CSA's negligence or willful misconduct. Customer also authorizes CSA to accept on Customer's behalf, and Customer agrees to comply with, any licenses, terms of use and services, and privacy statements, which, unless otherwise agreed in writing by CSA, shall solely control as to the matters contained therein, including those pertaining to any personal data Customer may have shared in connection with the use of the Remote Software. For example, CSA utilizes the Canon Universal Gateway 2 ("UGW2") as a Remote Software through the UGW2 website, and the above authorization shall apply to the UGW2 Terms of Use and Terms of Service, and the UGW2 Privacy Statement.

12.4 Software Support; Modifications

(a) CSA will use reasonable efforts to correct reproducible errors in any current, unaltered release of Software caused by a defect or malfunction which prevents Customer from operating the Software in a manner consistent with CSA's then current published specifications. CSA, in its sole discretion, shall choose the method to correct or replace the Software. These methods may include, but are not limited to, telephone, remote and on-site support. Support of any Software modified by Customer or any third party not authorized in writing by CSA, is not covered by this Agreement. If either Customer or a third party modifies the Software and, in CSA's sole opinion, such modification affects the performance of the Software, Customer shall pay CSA, at CSA's then applicable rates, for all resulting support services.

(b) CSA will make Software revisions available at no charge for Software deemed by CSA as current release versions to Customers covered under an active CSA software maintenance contract. Software revisions shall be defined as enhancements, modifications, updates, and improvements to the Software that CSA classifies as dot releases, meaning the Software revision code changes only in the fractional portion of the program level (i.e. v1.20 >v1.25> v1.41, etc.) ("Dot Release"). Dot Releases may contain both product improvements and new functionality. The improvements to the core product will be included at no charge. The new functionality portion of Dot Releases is optional and such new functional portions will be offered to Customers at reasonable prices. Installation of Dot Releases may, at CSA's sole discretion, be chargeable at CSA's then published hourly Professional Services rates with minimum charges for service time, including travel and on-site wait time. In addition, the cost of any server hardware modifications/upgrades required to run the Dot Releases are the Customer's sole responsibility.

(c) CSA will make new Software releases available to Customers covered under an active CSA software maintenance contract at reasonable upgrade prices. New Software releases are defined as those enhancements, modifications, updates, new functionality and improvements that CSA classifies as a version release, meaning the whole number portion of the Software version changes (i.e. v1.xx >v2.xx>v3.xx etc.) ("Version Release"). Installation of Version Releases may, at CSA's sole discretion, be chargeable at CSA's then published hourly Professional Services rates with minimum charges for service time, including travel and on-site wait time. In addition, the cost of any server hardware modifications/upgrades required to run the Version Release are the Customer's sole responsibility.

(d) Support does not include (i) administration of servers or database products; (ii) support of Software installed on equipment using "beta" or operating systems not supported by CSA; (iii) resolution of network errors not directly related to Software; or (iv) installation, setup or support of third party products not supported by CSA or software not acquired from CSA. Maintenance does not include updates, upgrades and new releases or versions of third party products sold with or used in conjunction with CSA Software. CSA will provide support services for (a) the latest Software Version Release (e.g.v5) following the date it is made generally available and (b) for the immediately prior Version Release (e.g. v4) during the twelve (12) month period following the date the latest Software Version Release (v5) is generally available. Software support shall terminate if CSA declares end of life or end of development for such Software, and then only with at least ninety (90) days prior written notice.

(e) It is the responsibility of Customer to make and maintain adequate backups of data and configuration of Software. CSA shall not be liable for any losses (of data or productivity or of any other kind) resulting from rebuilding or reconfiguring Software to the original, factory configuration. Reloading, rebuilding and reconfiguring of server software may, at CSA's sole discretion, be chargeable at CSA's then published hourly Professional Services rates with minimum charges for service time, including travel and on-site wait time. Purchase and administration of anti-virus software is Customer's responsibility. Assistance for installing and maintaining anti-virus software is outside the scope of standard support but is available from CSA as a billable service upon request.

12.5 Remote Help Desk Support (applicable to cut sheet printers and Software under 5x8 service coverage)

If Customer purchases "Remote Help Desk Support, then the following terms are applicable:

(a) CSA provides Remote Help Desk Support via telephone to access CSA Support Specialists for operator questions, installation support, explanation of maintained software features and functionality, network connectivity questions, and other support issues ("Remote Support"). Remote Support is available Monday-Friday 8:30AM to 8:00PM EST, excluding holidays.

(b) CSA will provide Remote Support to those Customer employees who have been issued an ID code providing email/telephone access to the CSA Software Support Center. Customer shall be responsible for controlling ID code access and for any unauthorized use of ID codes. ID codes are non-transferable.

12.6 Services for Additional Charge

(a) The services listed in this Section are not included as part of CSA's remedial or preventive maintenance services: Services for repair of Equipment (including but not limited to inkjet heads in CSA's printers or the fuser rollers in CSA's continuous feed printers) or replacement of parts (including but not limited to inkjet heads in CSA's printers or the fuser rollers in CSA's continuous feed printers) caused or made necessary, in CSA's reasonable discretion, in whole or in part, by: (i) Customer's failure to continually provide a suitable ambient environment in accordance with CSA's requirements; (ii) neglect, misuse, or use of the Equipment for purposes other than for which it was designed, or failure to operate the Equipment in accordance with CSA's or manufacturer's operating instructions or within manufacturer's specifications; (iii) accident, disaster, including effects of water, wind, lightning, or transportation; terrorism, vandalism or burglary; (iv) alterations of Equipment, including any deviation from Equipment design, unless previously authorized in writing by CSA; (v) attachment(s) to the Equipment, including connection of devices not supplied by CSA, which cause the Equipment to malfunction, unless previously authorized in writing by CSA; (vi) Customer's failure to perform or its failure to correctly perform the normal duties of Customer's operators; (vii) the use of any non-CSA parts, toner, developer or inks or the use of expired toner, developer or inks; (viii) the use of forms not in compliance with CSA's paper specifications; (ix) Customer's failure to provide CSA access to the Equipment as deemed necessary by CSA for preventive or remedial repair; (x) maintenance or repair services performed by Customer or a third party without written authorization from CSA; or (xi) pre or post processing Equipment disconnected from the printing system to which it was originally installed unless previously authorized in writing by CSA. If in CSA's reasonable discretion, Equipment has been rendered un-repairable, then CSA may refuse to render services under this Agreement and may terminate this Agreement.

(b) If repairs or replacements as set forth above are needed due to the causes listed in (a) above, CSA's prices to provide any such repair or replacements will use the current published hourly service rates and minimum charges for the service time, which includes travel and waiting time; (ii) use the current parts and material prices; and (iii) charge for shipping and travel expenses. All repairs will be governed by the terms of this Agreement, however, CSA reserves the right to decline to perform such services.

13. Supplies

(a) Customer orders for supplies, staples, field replaceable units, consumables, expendables or any other materials normally purchased by Customers (a) must include a valid Customer purchase order number; (b) are shipped to Customer FOB destination (prepaid and added to Customer's invoice); and (c) are subject to a twenty percent (20%) restocking fee if accepted for return by CSA pursuant to its material return authorization procedure. Toners, developers and inks ("Consumables") are not returnable. If Customer requires a carrier other than CSA's preferred carrier(s), Customer shall provide CSA with the carrier's name and Customer's account number so that delivery charges will be incurred directly by Customer. If Customer requests an emergency shipment of supplies (for example toners, inks or staples), CSA will ship the supplies at the earliest feasible time. Emergency Orders are subject to the premium delivery charges. Claims for defective items, item shortages and invoice discrepancies as well as notification of both lost shipments and in transit damage to items (not otherwise accepted by Customer) must be provided to CSA within ten (10) days of the earlier of either (i) receipt of the item or (ii) the invoice date.

(b) When Consumables are included in the minimum maintenance payment (or MMC/MUC as applicable), Customer is eligible- to the amount of Consumables which, on average, covers six percent (6%) of the letter size media unless another coverage rate is specified in a Schedule. For cutsheet color products, when Consumables are included in the minimum maintenance payment (or MMC/MUC as applicable), Customer is eligible to the amount of Consumables which, on average, covers ten percent (10%) of the letter size media per color (black counts as a color), unless another coverage rate is specified in a Schedule. . CSA shall reconcile and invoice Customer for any overuse and/or excess delivery of Consumables at the rates in effect at the time of such reconciliation, calculated based on coverage/use. Customer shall manage its Consumables by expiration date, using the oldest Consumables first. As such, Customer must pay for all excess Consumables even if Customer has failed to use them by their expiration date Unless specifically agreed to in a Schedule, Consumables do not include staples, stitch wire, glue, blades, trimmers, dies or punches or other items typically consumed during the operation of the equipment, and these components will be paid for by Customer.

(c) Consumables have a shelf life which varies by product. Expiration dates are printed on the container. Customer is responsible for ordering Consumables. CSA advises Customer to place a replenishment order for one (1) month of production quantity, when its on-site stock goes below four (4) weeks of inventory. CSA's fulfillment of Consumable orders will be based on maximum Customer inventory levels. CSA may delay shipment of Consumables ordered by Customer in cases where the on-site Consumables inventory exceeds the maximum level of eight (8) weeks of production quantity. To effectively manage Consumables shelf life and avoid obsolescence, Customer shall manage Consumables by expiration date, using the oldest Consumables first.

14. Educational Services

a. Educational Services are offered to Customer by CSA in the form of training sessions and are provided during CSA's standard business hours (Monday through Friday excluding CSA recognized holidays - 8:00 AM to 5:00 PM local time) unless Customer purchases after hour on-site training at additional cost. Training may take place at a CSA central training facility or at Customer's site as determined by CSA and Customer. Each training session is a one-time event or a one-time visit. Customers are charged separately for each training session. The composition and duration of each training session is determined solely at CSA's discretion.

b. Unless otherwise set forth in a writing signed by both parties, CSA rates in effect at the time of such training shall apply. CSA published rates are subject to change without notice. Customer is responsible for Customer's travel and lodging expenses. CSA will bill Customer, and Customer agrees to pay, CSA's reasonable travel, hotel and other reasonable expenses in connection with Customer on-site training sessions.

c. Training materials for each training session are provided to Customer and/or Customer's registrants. Such training materials are CSA Confidential Information.

d. Unless otherwise agreed in writing, Educational Services must be completed within sixty (60) days after the date of Installation. In the event Educational Services are not completed within this time period and provided the delay is not due to CSA, Customer's Educational Services shall automatically terminate with no further obligation on the part of CSA, in which case Customer shall not be entitled to a refund. Monies paid towards a training session in connection with a specific model of Equipment or software is not transferrable to any other model of Equipment or software and may not be used by Customer to pay for any other Equipment, Maintenance, Professional Services or training offering.

e. Cancellation. CSA may cancel an on-site training session by providing notice to Customer no less than five (5) business days prior to the scheduled date of training. If a training session is cancelled by CSA and CSA and Customer do not agree to reschedule such session, upon request of Customer, CSA will refund the purchase price for the cancelled training session. CSA is not responsible for any expenses incurred by Customer or Customer's registrant in connection with such cancellation. CSA may reschedule a training session by providing notice to Customer no less than five (5) business days prior to the scheduled date of training. CSA is not responsible for any expenses incurred by Customer or Customer's registrant in connection with such rescheduling.

Upon written notice to CSA received no less than five business days prior to the date of a scheduled training session, Customer may cancel such training session and receive a full refund of Customer's purchase price for such training session; or, Customer may reschedule such training session at a mutually agreeable time and place. If CSA and Customer do not agree on dates and location for a rescheduled session, upon request of Customer, CSA will refund the purchase price for the cancelled training session. In the event that CSA has incurred any non-refundable costs or expenses, such as travel, lodging and related expenses, in anticipation of such training session, Customer shall reimburse CSA for such out of pocket costs and expenses. Monies received for a training session are not refundable if the cancellation notice is received by CSA less than five business days of the scheduled date for

J.3 Maintenance Terms

such training session. However, CSA may, within its sole discretion, apply such monies to a rescheduled training session. CSA is not obligated to refund any monies paid for registrants not attending any scheduled training session.

15. Renewal and Termination

The initial maintenance term shall be twelve (12) months. During any renewal period, Customer may terminate maintenance services with at least ninety (90) days prior written notice. The Customer may extend the term of this contract for a period of Four (4) one-year option periods, or successive fractions thereof, by written notice to the CSA before the expiration of the contract; provided that the Customer will give CSA preliminary written notice of its intent to extend before the contract expires. The preliminary notice does not commit the Customer to an extension. The exercise of this option is subject to the availability of funds at the time of the exercise of this option. CSA may withdraw any item of Equipment or Software from maintenance coverage (i)) if CSA declares end of life for such Equipment or Software, and then only with at least ninety (90) days prior written notice or (ii) if such Equipment or Software has been removed from the Installation Site and CSA does not offer maintenance services at the new Equipment location;. Customer shall pay monthly service charges up to the date of termination. For any prepaid amounts, CSA shall refund or credit the pro rata amount of the remaining term from the effective date of termination.

16. Notices; Changes

Notices, requests or other communications shall be in writing and delivered by (a) United States first class mail, postage prepaid, and addressed to the other party at the address set forth on the face of this Agreement (or to such other address as such party shall have designated by written notice) to the other party's appropriate billing and/or legal department contact, (b) personal delivery or (c) commercial overnight delivery service. Such notices will be deemed to have been given on the date when received or acceptance refused, or, absent evidence thereof, within four (4) business days of mailing. Each party consents to service of process by certified mail at its address above (or such other address as described above in connection with any legal action brought by the other party. Customer authorizes CSA to fill in descriptive material (including serial numbers) and to correct any errors in the Agreement. Provided there is no material adverse effect on performance, CSA shall have the right to change design, colors, materials or specifications of Equipment when it deems necessary.

17. Miscellaneous

This Agreement together with any amendments that are hereafter entered into, constitute the complete and exclusive agreement between the parties with respect to the purchase of Equipment, license of Software and purchase of Professional Services or maintenance services, and any previous agreements relating thereto are hereby superseded in their entirety. In case of a conflict between the terms herein and the terms in the transaction details, the terms in the transaction details shall prevail. Any variance from or additions to the terms and conditions of this Agreement in any purchase order or other written notification from Customer will be of no effect. This Agreement (including all rights and licenses granted herein) may not be assigned or transferred by Customer to any party without the prior written consent of CSA. Any permitted assignment or transfer shall be subject to compliance by assignee or transferee as applicable, with the terms and conditions that apply to Customer under this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their legal representatives, permitted successors and assigns.

A party may deliver the signed Agreement to the other party by any electronic means available. By delivering the signed Agreement by electronic transmission, each party intends and agrees that such electronic transmission shall constitute an original of the Agreement shall be legally binding on each party as if the Agreement was manually signed and personally delivered, shall be the best evidence of the Agreement, and shall be admissible in any legal proceeding. Neither party shall have any duty or obligation whatsoever to verify or inquire as to the validity, execution, signer's authority, or any other matter concerning the propriety of the facsimile or electronic transmission. No amendment hereunder shall be effective unless in writing, signed by the parties hereto and no waiver shall be effective unless in writing, signed by the party to be charged. Any provision of this Agreement which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof. No action regardless of form arising out of this Agreement may be brought by either party more than one (1) year after the cause of action has arisen. Except for obligations of payment, neither CSA nor Customer shall be liable for nonperformance caused by circumstances beyond its control, during the time such circumstances exist including, but not limited to, work stoppages, accident, riots, war, terrorist act, epidemic, pandemic (including the COVID-19 pandemic), quarantine, civil commotion, natural catastrophes, governmental acts or omissions, changes in laws or regulations, national strikes, fire, explosion, or a generalized lack of availability of products and services or parts and supplies therefore, raw materials or energy (each of which is a "Force Majeure Event"). Once the causes for such Force Majeure Event is rectified and remedied, both parties agree to resume performance of this Agreement. Each party shall comply with applicable federal, state and local laws, regulations and requirements. Customer agrees that CSA may use Customer's name and/or logo in connection with press releases, marketing literature, advertising and other public announcements or publicity materials concerning the Equipment, Services and Software acquired by Customer from CSA. CSA does not acquire any ownership interest in any Customer trademarks. CSA shall properly attribute ownership of Customer's trademarks to Customer. The captions in this Agreement are for convenience only and shall not define or limit any of the terms hereof.



CANON SOLUTIONS AMERICA, INC. ("Service Provider")

Production Print Solutions
LEASE AGREEMENT

1530 (06/18)

Attachment J.4

AGREEMENT NUMBER: []

COMPANY LEGAL NAME, DBA, PHONE, BILLING ADDRESS, CITY, COUNTY, STATE, ZIP, EQUIPMENT ADDRESS, CITY, COUNTY, STATE, ZIP

Table with 5 columns: Quantity, Serial Number, Make/Model/Description, Number of Payments, Payment Amount *

Term in months, Number of Payments in Advance, Total Amount Due at Signing *, Payment Frequency, End of Term Purchase Option

Maintenance and Supplies Included in Payment* (Separate Service Provider Agreement required.)

EXCEPT AS SET FORTH HEREIN, THIS AGREEMENT IS NON-CANCELABLE BY CUSTOMER AND IS SUBJECT TO AND CONDITIONED UPON CREDIT APPROVAL BY CSA. CUSTOMER REPRESENTS THAT

ALL ACTION REQUIRED TO AUTHORIZE EXECUTION OF THIS AGREEMENT ON BEHALF OF CUSTOMER BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN. THE UNDERSIGNED HAS READ, UNDERSTANDS AND HEREBY AGREES TO ALL OF THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT.

ACCEPTED
CANON SOLUTIONS AMERICA, INC.
By:
Title:
Date:

AUTHORIZED CUSTOMER SIGNATURE
By: X
Title:
Printed Name:
Email Address:
Tax ID#:
If proprietor, DOB:
Date:
By: X
Title:
Printed Name:
Email Address:

ACCEPTANCE CERTIFICATE
To: Canon Solutions America, Inc. ("CSA")
Customer certifies that (a) the Equipment referred to in this Agreement has been received, (b) installation has been completed, (c) the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to Customer, and (d) the Equipment is irrevocably accepted by Customer for all purposes under this Agreement. Accordingly, Customer hereby authorizes billing under this Agreement.
Signature:
Printed Name:
Title (if any):
Date:

TERMS AND CONDITIONS

1. AGREEMENT: CSA leases to Customer, a organized under the laws of the State of , with its chief executive office at and Customer leases from CSA, with its place of business at 158 Gaither Drive, Mount Laurel, New Jersey 08054, all the equipment described above, together with all replacement parts and substitutions for and additions to such equipment ("Equipment"), upon the terms and conditions set forth in this Lease Agreement ("Agreement").
2. TERM OF AGREEMENT: This Agreement shall be effective on the date the Equipment is delivered to Customer ("Commencement Date"), provided Customer executes CSA's form of acceptance ("Acceptance Certificate") or otherwise accepts the Equipment as specified herein. The term of this Agreement begins on the date accepted by CSA or any later date that CSA designates ("Agreement Date"), and shall consist of the payment periods specified above, any Interim Period, and any renewal periods. After acceptance of the Equipment, Customer shall have no right to revoke such acceptance or cancel this Agreement during the term hereof, except as set forth in Sections 19 and 27. The term of this Agreement shall end, unless sooner terminated, when all amounts required to be paid by Customer under this Agreement have been paid as provided and either (a) Customer has purchased the Equipment in accordance with the terms hereof or (b) the Equipment has been returned at the end of the scheduled term or renewal term in accordance with the terms hereof.
3. PAYMENTS: Customer agrees to pay to CSA, as invoiced, during the term of this Agreement, (a) the payments specified under "Number and Amount of Payments" above, and (b) such other amounts permitted hereunder as invoiced by CSA ("Payments"). Customer also agrees to pay to CSA an interim payment in an amount equal to 1/30th of the monthly amount of the Payment multiplied by the number of days between the Commencement Date and the Agreement Date ("Interim Period"), as determined by CSA. The amount of each Payment and the End of Term Purchase Option ("Purchase Option") price specified above are based on the supplier's best estimate of the cost of the Equipment and any related maintenance and supplies. Price set forth herein are fixed for the five (5) year term. Customer's obligation to pay all amounts due under this Agreement and all other obligations hereunder shall be absolute and unconditional and is not subject to any abatement, set-off, defense or counterclaim for any reason whatsoever, except as agreed in Sections 19 and 27.
4. APPLICATION OF PAYMENTS: All Payments received by CSA from Customer under this Agreement will be applied to amounts due and payable hereunder chronologically, based on the date of the charge as shown on the invoice for each such amount, and among amounts having the same date in such order as CSA, in its discretion, may determine.
5. ADVANCE PAYMENTS: Customer agrees that CSA may in its sole discretion apply, but shall not be obligated to apply, any amount paid in advance to any amount due or to become due hereunder, and in no event shall any amount paid in advance earn interest except where required by applicable law.
6. NO CSA WARRANTIES: CUSTOMER AGREES THAT THE EQUIPMENT IS LEASED "AS IS" AND IS OF A SIZE, DESIGN, AND CAPACITY SELECTED BY CUSTOMER. CUSTOMER ACKNOWLEDGES THAT CSA HAS MADE NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE SUITABILITY OR DURABILITY OF THE EQUIPMENT, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Any warranty with respect to the Equipment made by the manufacturer, dealer, or supplier is separate from, and is not a part of, this Agreement and shall be for the benefit of CSA, Customer and CSA's successors or assignees, if any. So long as Customer is not in breach or default of this Agreement, CSA assigns to Customer any warranties (including those agreed to between Customer and the manufacturer, dealer, or supplier) which CSA may have with respect to any item of Equipment; provided that the scope and limitations of any such warranty shall be solely as set out in any agreement between Customer and such manufacturer, dealer, or supplier or as otherwise specified in warranty materials from such manufacturer, dealer, or supplier and shall not include any implied warranties arising solely from CSA's acquisition of the Equipment.

CUSTOMER ACKNOWLEDGES THAT NEITHER THE SUPPLIER NOR ANY DEALER IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OF THIS AGREEMENT OR ANY SCHEDULE, OR TO MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THIS AGREEMENT OR THE EQUIPMENT ON BEHALF OF CSA.
7. ACCEPTANCE; DELIVERY: Customer's execution of the Acceptance Certificate, or other confirmation of Customer's acceptance of the Equipment, shall conclusively establish that the Equipment has been delivered to and accepted by Customer for all purposes of this Agreement and Customer may not, for any reason, revoke that acceptance; however, if Customer has not, within ten (10) days after installation of such Equipment, delivered to CSA written notice of non-acceptance, specifying the reasons therefor and specifically referencing this Agreement, Customer shall be deemed to have irrevocably accepted such Equipment. CSA is the lessor and Customer is the lessee of the Equipment under this Agreement. As between CSA and Customer only, this Agreement shall supersede any Customer purchase order in its entirety, notwithstanding anything to the contrary contained in any such purchase order. Customer agrees to waive any right of specific performance of this Agreement if for any reason the Equipment is not delivered as ordered, if the Equipment is unsatisfactory or if CSA does not execute this Agreement. Customer agrees that any delay in delivery of the Equipment shall not affect the validity of this Agreement.
8. LOCATION; LIENS; NAMES; OFFICES: Customer shall not move the Equipment from the location specified herein except with the prior written consent of CSA. Customer shall keep the Equipment free and clear of all claims and liens other than those in favor of CSA. Customer's legal name (as set forth in its constituent documents filed with the appropriate governmental office or agency) is as set forth herein. The jurisdiction of organization and chief executive office address of Customer are as set forth herein. Customer shall provide CSA with written notice at least thirty (30) days prior to any change of its legal name, chief executive office address or its form of organization (including, without limitation, its jurisdiction of organization), and shall execute and deliver to CSA such documents as required or appropriate.
9. WARRANTY OF BUSINESS PURPOSE; USE; PERSONAL PROPERTY; FINANCING STATEMENTS: Customer represents and warrants that the Equipment will not be used for personal, family, or household purposes. Customer shall comply with all laws and regulations relating to the use and maintenance of the Equipment. Customer shall put the Equipment only to the use contemplated by the manufacturer. The Equipment shall remain personal property regardless of whether it becomes affixed to real property or permanently rests upon any real property or any improvement to real property. Customer authorizes CSA (and any third party filing service designated by CSA) to execute and file (a) financing statements evidencing the interest of CSA in the Equipment (including forms containing a broader description of the Equipment than the description set forth herein), (b) continuation statements in respect thereof, and (c) amendments thereto, and Customer irrevocably waives any right to notice thereof.
10. INDEMNITY: Intentionally omitted.
11. MAINTENANCE; ALTERATIONS: Customer shall keep and maintain the Equipment in good working order and shall, at Customer's expense, supply and install all replacement parts and accessories when required to maintain the Equipment in good working condition. Customer shall not, without the prior written consent of CSA, make any changes or substitutions to the Equipment. Any and all replacement parts, accessories, authorized changes to and/or substitutions for the Equipment shall become part of the Equipment and subject to the terms of this Agreement. If indicated in the "Maintenance and Supplies Included in Payment" box above, the charges established by this Agreement include payments for maintenance services related to the Equipment and/or supplies (collectively, "Services"); such amounts are included in the Payments as an accommodation to Customer and the Service Provider. CSA is the Service Provider. Service Provider is responsible for providing the Services, which will be performed by the Service Provider (or its authorized agent or designee) pursuant to a separate agreement ("Service Provider Agreement"). Customer acknowledges that CSA is not responsible for any Services, whether provided for in this Agreement or in any other agreement between Service Provider and Customer, and that if Customer has a dispute regarding the Equipment or the Services, Customer will continue to pay all charges due under this Agreement without deducting or withholding any amounts.

12. TAXES; OTHER FEES AND CHARGES: CUSTOMER SHALL PAY AND DISCHARGE WHEN DUE ALL APPLICABLE SALES, USE, PROPERTY AND OTHER TAXES, AND OTHER EXPENSES AND CHARGES, together with any applicable penalties, interest, and administrative fees now or at any time imposed upon any Equipment, the Payments, or Customer's performance or non-performance of its obligations hereunder, whether payable by or assessed to CSA or Customer. If Customer fails to pay any such fees, assessments, taxes, expenses or charges as required hereunder, CSA shall have the right but not the obligation to pay those fees, assessments, taxes, expenses and charges, and Customer shall promptly reimburse CSA, upon demand, for all such payments made. Customer acknowledges that, **where required by law**, CSA will file any notices and pay personal property taxes levied on the Equipment. Customer shall reimburse CSA for the expense of such personal property taxes as invoiced by CSA. Customer agrees that CSA has not, and will not, render tax advice to Customer, and that payment of such taxes is an administrative act.

13. INSURANCE: Customer, at its sole cost and expense, shall, during the term hereof including all renewals and extensions, obtain, maintain and pay for (a) insurance against the loss, theft, or damage to the Equipment for the full replacement value thereof, and (b) comprehensive public liability and property damage insurance. All such insurance shall provide for a deductible not exceeding \$5,000 and be in form and amount, and with companies satisfactory to CSA. Each insurer providing such insurance shall name CSA as additional insured and loss payee and provide CSA thirty (30) days' written notice before the policy in question shall be materially altered or canceled. Customer shall pay the premiums for such insurance, shall be responsible for all deductible portions thereof, and shall deliver certificates or other evidence of insurance to CSA. The proceeds of such insurance, at the option of CSA, shall be applied to (a) replace or repair the Equipment, or (b) pay CSA the "Remaining Lease Balance", which shall be the sum of: (i) all amounts then owed by Customer to CSA under this Agreement; plus (ii) the present value of all remaining Payments for the full term of this Agreement; plus (iii) the "Asset Value," which shall be: (A) for an Agreement with a \$1.00 Purchase Option, \$1.00; (B) for an Agreement with a Fair Market Value Purchase Option or no Purchase Option selected, the Fair Market Value of the Equipment (as defined herein); and (C) for an Agreement with an Other Purchase Option, the respective dollar amount of such Purchase Option indicated on the face of this Agreement; plus (iv) any applicable taxes, expenses, charges and fees. For purposes of determining present value under this Agreement, Payments shall be discounted at three percent (3%) per year. Customer hereby appoints CSA as Customer's attorney-in-fact solely to make claim for, receive payment of, and execute and endorse all documents, checks, or drafts for any loss or damage to Equipment under any such insurance policy. If within ten (10) days after CSA's request, Customer fails to deliver satisfactory evidence of such insurance to CSA, then CSA shall have the right, but not the obligation, to obtain insurance covering CSA's interests in the Equipment, and add the costs of acquiring and maintaining such insurance, and an administrative fee, to the amounts due from Customer under this Agreement. CSA and any of its affiliates may make a profit on the foregoing. The parties acknowledge that Customer self insures.

14. LOSS; DAMAGE: Customer assumes and shall bear the entire risk of loss, theft of, or damage to the Equipment from any cause whatsoever, effective upon delivery to Customer. No such loss, theft or damage shall relieve Customer of any obligation under this Agreement. In the event of damage to any Equipment, Customer shall immediately repair such damage at Customer's expense. If any Equipment is lost, stolen, or damaged beyond repair, Customer, at the option of CSA, will (a) replace the same with like equipment in a condition acceptable to CSA and convey clear title to such equipment to CSA (and such equipment will become "Equipment" and be subject to the terms of this Agreement), or (b) pay CSA the Remaining Lease Balance. Upon CSA's receipt of the Remaining Lease Balance, CSA shall transfer the applicable Equipment to Customer "AS-IS, WHERE-IS" without any representation or warranty whatsoever, except for title, and this Agreement shall terminate with respect to such Equipment.

15. DEFAULT: Any of the following events or conditions shall constitute an Event of Default under this Agreement: (a) Customer defaults in the payment when due of any indebtedness of Customer to CSA, whether or not arising under this Agreement, without notice or demand by CSA; (b) Customer or any guarantor of Customer's obligations hereunder ("Guarantor") ceases doing business as a going concern; (c) Customer or any Guarantor becomes insolvent or makes an assignment for the benefit of creditors; (d) a petition or proceeding is filed by or against Customer or any Guarantor under any bankruptcy or insolvency law; (e) a receiver, trustee, conservator, or liquidator is appointed for Customer, any Guarantor, or any of their property; (f) any statement, representation or warranty made by Customer or any Guarantor to CSA is incorrect in any material respect; or (g) Customer or any Guarantor who is a natural person dies.

16. REMEDIES: Upon the happening of any one or more Events of Default, CSA shall have the right to exercise any one or all of the following remedies (which shall be cumulative), simultaneously, or serially, and in any order: (a) to require Customer to immediately pay all Payments hereunder (whether or not then due) and other amounts due under this Agreement, with CSA retaining title to the Equipment; (b) to terminate any and all agreements with Customer; (c) with notice, demand and/or legal process, to enter upon the premises wherever the Equipment may be found, to retake possession of any or all of the Equipment, and (i) retain such Equipment and all Payments and other sums paid hereunder, or (ii) sell the Equipment and recover from Customer the amount by which the Remaining Lease Balance exceeds the net amount received by CSA from such sale; or (d) to pursue any other remedy permitted at law or in equity. CSA (i) may dispose of the Equipment in its then present condition or following such preparation and processing as CSA deems commercially reasonable; (ii) shall have no duty to prepare or process the Equipment prior to sale; (iii) may disclaim warranties of title, possession, quiet enjoyment and the like; and (iv) may comply with any applicable state or federal law requirements in connection with a disposition of the Equipment and none of the foregoing actions shall be deemed to adversely affect the commercial reasonableness of the disposition of the Equipment. If the Equipment is not available for sale, Customer shall be liable for the Remaining Lease Balance and any other amounts due under this Agreement. No waiver of any of Customer's obligations, conditions or covenants shall be effective unless contained in a writing signed by CSA. Failure to exercise any remedy that CSA may have shall not constitute a waiver of any obligation with respect to which Customer is in default.

17. LATE CHARGES; EXPENSES OF ENFORCEMENT: If Customer fails to pay any sum to be paid by Customer to CSA under this Agreement on or before the due date, Late payments shall be subject to late fees assessed pursuant to the Quick Payment Act. The amounts specified above shall be paid as liquidated damages and as compensation for CSA's internal operating expenses incurred in connection with such late payment.

18. ASSIGNMENT: CUSTOMER SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT IN WHOLE OR IN PART, NOR SHALL CUSTOMER SUBLET OR LEND ANY EQUIPMENT WITHOUT PRIOR WRITTEN CONSENT OF CSA. CSA may pledge or transfer this Agreement. Customer agrees that if CSA transfers this Agreement, the assignee will have the same rights and benefits that CSA has now and will not have to perform any of CSA's obligations which CSA will continue to perform. Customer agrees that the rights of the assignee will not be subject to any claims, defenses, or set-offs that Customer may have against CSA. If Customer is given notice of any such transfer, Customer agrees, if so directed therein, to pay directly to the assignee all or any part of the amounts payable hereunder.

19. RENEWAL; RETURN: The Lease term is twelve (12) months. The Customer may extend the term of this Agreement for a period of four (4) one-year option periods, by written notice to the CSA before the expiration of the contract; provided that the Customer will give CSA preliminary written notice of its intent to extend before the Agreement expires. The preliminary notice does not commit the Customer to an extension. The exercise of this option is subject to the availability of funds at the time of the exercise of this option. Customer may terminate the Lease for convenience with ninety (90) days prior written notice and Customer may also terminate the Lease pursuant to Section 27. **If Customer elects to renew the Lease at the end of the term, Customer and CSA shall enter into a lease extension/renewal amendment to this lease.** Customer shall send written notice to CSA, at least ninety (90) days' before the end of the scheduled term that Customer either (i) shall exercise the Purchase Option in accordance with the terms hereof and at the end of such term exercises such Purchase Option, or (ii) does not want to renew this Agreement and at the end of such term returns the Equipment as provided below. Unless this Agreement renews or Customer purchases the Equipment as provided herein, Customer shall, at the termination of this Agreement, return the Equipment at its sole cost and expense in good operating condition, ordinary wear and tear resulting from proper use excepted, to a location specified by CSA. Customer must disassemble and pack the Equipment for shipment in a manner authorized by Service Provider (or its authorized representative) and provide for its reassembly at the return location specified by CSA, at Customer's sole cost and expense. Customer may contact

Service Provider, who may, at its sole discretion, assist Customer with such activities for an additional fee. If for any reason Customer shall fail to return the Equipment to CSA as provided herein, Customer shall pay to CSA upon demand one billing period's Payment for each billing period or portion thereof that such return is delayed. Customer is responsible for any loss in value of the Equipment resulting from (a) Customer's failure to maintain the Equipment in accordance with this Agreement or the Service Provider Agreement or the Equipment's operator manual, (b) any damage to the Equipment during return or shipping and handling and (c) any missing components, options, accessories, software and/or user technical documentation.

20. PURCHASE OPTION: (A) END OF TERM PURCHASE OPTION. To exercise this option, Customer shall give CSA ninety (90) days' prior irrevocable written notice (unless the Purchase Option is \$1.00) that it will purchase all the Equipment at the end of the initial term or any renewal term for the Purchase Option price indicated on the face of this Agreement plus any applicable taxes, expenses, charges and fees. (B) PRIOR TO MATURITY PURCHASE. Customer may, at any time, upon ninety (90) days' prior irrevocable written notice purchase all (but not less than all) the Equipment at a price equal to the sum of all remaining Payments plus the Fair Market Value (unless the Purchase Option is \$1.00), plus any applicable taxes, expenses, charges and fees. For purposes of this Agreement, "Fair Market Value" shall be CSA's retail price at the time Customer notifies CSA of its intent to purchase the Equipment. Upon proper notice and payment by Customer of the amounts specified above, CSA shall transfer the Equipment to Customer "AS-IS WHERE-IS" without any representation or warranty whatsoever, except for title, and this Agreement shall terminate.

21. DATA: Customer acknowledges that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that Customer may store for purposes of normal operation of the Equipment ("Data"). Customer acknowledges that CSA is not storing Data on behalf of Customer and that exposure or access to the Data by CSA, if any, is purely incidental to the services performed by CSA. Neither CSA nor any of its affiliates has an obligation to erase or overwrite Data upon Customer's return of the Equipment to CSA. Customer is solely responsible for: (A) its compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (B) all decisions related to erasing or overwriting Data. Without limiting the foregoing, if applicable, Customer should, (i) enable the Hard Disk Drive (HDD) data erase functionality that is a standard feature on certain Equipment and/or (ii) prior to return or other disposition of the Equipment, utilize the HDD (or comparable) formatting function (which may be referred to as "Initialized All Data/Settings" function) if found on the Equipment to perform a one pass overwrite of Data or, if Customer has higher security requirements, Customer may purchase from its Canon dealer at current rates an appropriate option for the Equipment, which may include (a) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, (b) an HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data (for Equipment not containing data erase functionality as a standard feature), or (c) a replacement hard drive (in which case Customer should properly destroy the replaced hard drive). This section survives termination or expiration of this Agreement. The terms of this section shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between Customer and CSA applies, or could be construed to apply to Data.

22. MAXIMUM INTEREST; RECHARACTERIZED AGREEMENT: No Payment is intended to exceed the maximum amount of interest permitted to be charged or collected by applicable laws, and any such excess Payment will be applied to payments due under this Agreement, in inverse order of maturity, and thereafter shall be refunded. If this Agreement is recharacterized as a conditional sale or loan, Customer hereby grants to CSA, its successors and assigns, a security interest in the Equipment to secure payment and performance of Customer's obligations under this Agreement.

23. UCC - ARTICLE 2A: CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC 2A") AND THAT CSA IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE. CUSTOMER WAIVES ITS RIGHTS AS A LESSEE UNDER UCC 2A SECTIONS 508-522.

24. WAIVER OF OFFSET: This Agreement is a net lease. If the Equipment is not properly installed, does not operate as represented or warranted, or is unsatisfactory for any reason, Customer shall make such claim solely against the supplier, dealer, or manufacturer. Customer waives any and all existing and future claims and offsets against any Payments or other charges due under this Agreement, and unconditionally agrees to pay such Payments and other charges, regardless of any offset or claim which may be asserted by Customer or on its behalf.

25. GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL: THIS AGREEMENT HAS BEEN EXECUTED BY CSA INC AND SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN, THE DISTRICT OF COLUMBIA. THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE DISTRICT OF COLUMBIA WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN CUSTOMER AND CSA SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE DISTRICT OF COLUMBIA. EACH PARTY IRREVOCABLY WAIVES OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND OBJECTIONS TO VENUE AND CONVENIENCE OF FORUM. EACH PARTY, BY ITS EXECUTION AND DELIVERY HEREOF BY ITS ACCEPTANCE HEREOF, HEREBY IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS.

26. MISCELLANEOUS: All notices required or permitted under this Agreement shall be sufficient if delivered personally, sent via facsimile or other electronic transmission, or mailed to such party at the address set forth in this Agreement, or at such other address as such party may designate in writing from time to time. Any notice from CSA to Customer shall be effective three (3) days after it has been deposited in the mail, duly addressed. All notices to CSA from Customer shall be effective after it has been received via U.S. mail, express delivery, facsimile or other electronic transmission. If there should be more than one party executing this Agreement as Customer, all obligations to be performed by Customer shall be the joint and several liability of all such parties. Customer's representations, warranties, and covenants under this Agreement shall survive the delivery and return of the Equipment. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement. No such prohibition or unenforceability in any jurisdiction shall invalidate or render unenforceable such provision in any other jurisdiction. Customer agrees that CSA may insert missing information or correct other information on this Agreement including the Equipment's description, serial number, and location, and corrections to Customer's legal name; otherwise, this Agreement contains the entire arrangement between Customer and CSA for the lease of Equipment and no modifications of this Agreement shall be effective unless in writing and signed by the parties. Customer agrees that CSA may accept a facsimile or other electronic transmission of this Agreement or any Acceptance Certificate as an original, and that facsimile or electronically transmitted copies of Customer's signature will be treated as an original for all purposes.

27.FISCAL FUNDING: Customer warrants that it has funds available to pay Payments payable pursuant to this Agreement until the end of its current appropriation period and warrants that it presently intends to make Payments in each appropriation period from now until the end of this Agreement. The officer of Customer responsible for preparation of Customer's annual budget shall request from its legislative body or funding authority funds to be paid to CSA under this Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body or funding authority does not appropriate funds to be paid to CSA for the Equipment, Customer may, upon prior written notice to CSA, effective upon the exhaustion of the funding authorized for the then current appropriation period, return the Equipment to CSA, at Customer's expense and in accordance with this Agreement, and thereupon, Customer shall be released of its obligation to make Payments to CSA due thereafter, provided: (1) the Equipment is returned to CSA as provided for in the Agreement; (2) the above described notice states the failure of the legislative body or funding authority to appropriate the necessary funds as the reason for cancellation; and (3) such notice is accompanied by payment of all amounts then due to CSA under this Agreement. In the event Customer returns the Equipment pursuant to the terms of this Agreement, CSA shall retain all sums paid by Customer. Customer's Payment obligations under this Agreement in any fiscal year shall constitute a current expense of Customer for such fiscal year, and shall not constitute indebtedness or a multiple fiscal year obligation of Customer under Customer's state constitution, state law or home rule charter. Nothing in this Agreement shall constitute a pledge by Customer of any taxes or other monies, other than as appropriated for a specific fiscal year for this Agreement and the Equipment.