

SERVICES MASTER AGREEMENT



THIS SERVICES MASTER AGREEMENT NO. 7078493 is between Xerox Corporation ("Xerox"), a New York corporation with offices at 45 Glover Ave. Norwalk, CT 06856 and City of Redlands ("Customer"), a California corporation with offices at 35 Cajon St, Redland, CA 92373.

AGREEMENT STRUCTURE

This Agreement serves as a master agreement to enable Xerox and Customer to contract with each other for a range of products and services to be provided in the United States ("U.S."), as made available by Xerox and its U.S. Affiliates over time. This Agreement is grouped into Modules. The "GEN" Module applies to all products and services provided hereunder, while the other Modules apply as appropriate to what Xerox is providing to Customer under the applicable Order.

DEFINITIONS MODULE

DEF 1. – DEFINITIONS

The following definitions (and those found elsewhere in this Agreement) apply unless otherwise specified in an Order.

- a. **Affiliate** means a legal entity that directly or indirectly controls, is controlled by, or is under common control with either party. An entity is considered to control another entity if it owns, directly or indirectly, more than 50% of the total voting securities or other such similar voting rights.
- b. **Agreement** means this Services Master Agreement. This Agreement may also be referred to in ordering and contracting documents as a "Services and Solutions Agreement" or "SSA."
- c. **Amortized Services** means certain services such as consulting and training, the Charges for which are amortized over the term of an Order.
- d. **Application Software** means Xerox-brand software that allows Equipment or Third Party Hardware to perform functions beyond those enabled by its Base Software.
- e. **Base Software** means software embedded, installed, or resident in Equipment that is necessary for operation of the Equipment in accordance with published specifications.
- f. **Cartridges** means copy/print cartridges and xerographic modules or fuser modules designated by Xerox as customer-replaceable units for the Equipment.
- g. **Charges** mean the fees payable by Customer for Services, Maintenance Services and/or Products as specified in this Agreement.
- h. **Confidential Information** means information identified as confidential and provided by the disclosing party to the receiving party. The terms and conditions of this Agreement, all Services Contracts and Orders, and any attachments and exhibits thereto, are Confidential Information of Xerox and Customer.
- i. **Consumable Supplies** means black toner (excluding highlight color toner), black developer, copy Cartridges, and, if applicable, fuser agent required to make impressions. For full color Equipment, Consumable Supplies also includes color toner and developer. For Equipment identified as "Phaser," Consumable Supplies also may include, if applicable, black solid ink, color solid ink, imaging units, waste cartridges, transfer rolls, transfer belts, transfer units, belt cleaner, maintenance kits, print Cartridges, drum Cartridges, waste trays and cleaning kits. Unless otherwise set forth in an Order, Consumable Supplies excludes paper, staples and highlight color toner.
- j. **Customer Assets** means all hardware, equipment, fixtures, software, assets, networks, work space, facilities, services and other assets owned, leased, rented, licensed or controlled by Customer (including Existing Equipment and Existing Software) that Customer makes available to Xerox to enable Xerox to fulfill its obligations under an Order.
- k. **Customer Confidential Information** means Confidential Information belonging to Customer and includes, without limitation, Data, Customer Content and Private Information.
- l. **Customer Content** means documents, materials or data that Customer provides in hard copy or electronic format to Xerox, containing information about Customer or its clients, in order for Xerox to provide Services, Maintenance Services, or Products.
- m. **Customer Facilities** means those facilities controlled by Customer where Xerox performs Services or provides Products.
- n. **Customer Intellectual Property** means all intellectual property and associated intellectual property rights including patent, trademark, service mark, copyright, trade dress, logo and trade secret rights which exist and belong to Customer as of the Effective Date or that may be created by Customer after the Effective Date, excluding Xerox Confidential Information.

- o. **Data** means data that the Xerox Tools and Xerox Client Tools automatically collect from all Equipment and Third Party Hardware that appears on Customer's network, or that are locally connected to another device on Customer's network, when such Tools are installed on Customer's network. Examples of Data include product registration, meter read, supply level, device configuration and settings, software version, and problem/fault code data.
- p. **Date of Installation** means: (a) for Equipment (or Third Party Hardware) installed by Xerox, the date Xerox determines the Equipment (or Third Party Hardware) to be operating satisfactorily as demonstrated by successful completion of diagnostic routines and is available for Customer's use; and (b) for Equipment (or Third Party Hardware) designated as "Customer Installable," the Equipment (or Third Party Hardware) delivery date.
- q. **Description of Services or DOS** means a document attached to an Order which references the applicable Services Contract number and specifies the Products and/or Services provided under such Order.
- r. **Diagnostic Software** means Xerox-proprietary software embedded in or loaded onto Equipment and used by Xerox to evaluate or maintain the Equipment.
- s. **Documentation** means all manuals, brochures, specifications, information and software descriptions, and related materials customarily provided by Xerox to customers for use with certain Products or Services.
- t. **Effective Date** means the date this Agreement is signed by Xerox.
- u. **Eligible Affiliate** means a Customer Affiliate that has met Xerox's credit requirements for ordering Services, Maintenance Services and/or Products under this Agreement.
- v. **Equipment** means Xerox-brand equipment.
- w. **Excluded Taxes** means (i) taxes on Xerox's income, capital, and employment, (ii) taxes for the privilege of doing business, and (iii) personal property tax on Equipment rented or leased to Customer under this Agreement.
- x. **Existing Equipment** means devices which are leased, rented or owned by the Customer outside of this Agreement, which are used to provide Services, and which remain subject to the terms and conditions of the agreements under which they were originally acquired.
- y. **Existing Software** means software licensed by the Customer outside of this Agreement and which is used to provide the Services and which remains subject to the terms and conditions of the agreements under which it was originally acquired.
- z. **Feature Releases** means new releases of Software that include new content or functionality.
- aa. **Force Majeure Event** means a circumstance beyond a party's reasonable control, which circumstances include, but are not limited to, the following: act of God (e.g., flood, earthquake, wind); fire; war; act of a public enemy or terrorist; act of sabotage; strike or other labor dispute; riot; misadventure of the sea; inability to secure materials and/or transportation; or a restriction imposed by legislation, an order or a rule or regulation of a governmental entity.
- bb. **Funds** means collectively Amortized Services and Third Party Funds.
- cc. **Maintenance Releases or Updates** means new releases of Software that primarily incorporate coding compliance updates and error fixes and are designated as "Maintenance Releases" or "Updates."
- dd. **Maintenance Services** means required maintenance of Equipment to keep the Equipment in good working order.
- ee. **Module** means a specific set of terms and conditions contained in this Agreement that is identified as a "Module." The Modules under this Agreement are the DEF, GEN, SVC, EQP, EP, MS and SW Modules.
- ff. **Monthly Minimum Charge or MMC** means the regular recurring Charge that is identified in an Order and which, along with any additional print/impression charges, covers the cost for the Services, Maintenance Services and/or Products. The MMC may also include lease buyout funds, Funds, monthly equipment component amounts, remaining Customer obligations from previous contracts, and amounts being financed or refinanced. One-time items are billed separately from the MMC.
- gg. **Order** means a document that Xerox requires for processing of orders for Services, Maintenance Services and/or Products hereunder, which may specify the contracting parties and location(s) where the foregoing will be provided; Customer's requested shipment date; the Products that Customer will purchase, lease, rent or license; the Services and/or Maintenance Services that Xerox will provide; the applicable Charges and expenses; the term during which the Services, Maintenance Services and/or Products described therein shall be provided; the Xerox-provided contract number; and any applicable SLAs. An Order must reference the applicable Services Contract number, and may also be in the form of a Services and Solutions Order ("SSO"), a Xerox Order Agreement ("XOA") (which is used solely for an outright purchase by Customer under the EP

module of this Agreement) or a Customer-issued PO. A Statement of Work may be part of an Order but cannot function as a stand-alone ordering document.

- hh. **Output of Services** means electronic images created by scanning tangible documents containing Customer Content, all full or partial copies (tangible and intangible) of Customer Content, and all reports and other documentation, photographs, images, impressions, Data, and other materials (tangible and intangible) created by Xerox and delivered to Customer under an Order, but shall not include Software, Third Party Software, or Xerox Intellectual Property.
- ii. **Privacy Laws** means laws relating to data privacy and data protection as applicable to Xerox's performance of the Services.
- jj. **Private Information** means Protected Health Information ("PHI") as defined by the Health Insurance Portability and Accountability Act ("HIPAA"), Non-Public Personal Information ("NPI") as defined by the Gramm-Leach Bliley Act ("GLBA") and equivalent categories of protected health and financial information under applicable state Privacy Laws.
- kk. **Products** means Software, Equipment, Third Party Products and/or Consumable Supplies supplied by Xerox and provided to Customer pursuant to an Order.
- ll. **Purchase Order or PO** means a document containing the applicable Services Contract number that is issued by Customer to Xerox for Order entry purposes only. Any terms in a PO are not binding and are of no force or effect.
- mm. **Purchased Equipment** means Equipment or Third Party Hardware that Xerox sells outright to Customer under the EP Module.
- nn. **Remote Data** means data that is automatically collected by Xerox or transmitted to or from Xerox by Equipment or Third Party Products connected to Customer's network. Examples of Remote Data include product registration, meter read, supply level, equipment configuration and settings, software version, and problem/fault code data. Remote Data may be used by Xerox for billing, report generation, supplies replenishment, support services, recommending additional products and services and product improvement/development purposes.
- oo. **Remote Data Access** means electronic transmission of Remote Data to or from a secure offsite location.
- pp. **Residuals** means general ideas, concepts, know-how, methods, processes, technologies, algorithms or techniques related to the Services, which are in non-tangible form and retained in the unaided memory of persons who have had access to Confidential Information.
- qq. **Service Level Agreements or SLAs** means the levels of performance for the Services, if applicable, as set out in the applicable Order.
- rr. **Services** means managed services (e.g. copy center and mailroom services), consultative services, and/or professional services, including, but not limited to, assessment, document management, and managed and centralized print services, as more fully described in the applicable Order.
- ss. **Services Contract** means the applicable terms and conditions of this Agreement, the first Order having a particular assigned Services Contract number, and each additional Order, if any, with the same Services Contract number.
- tt. **Software** means Base Software and Application Software.
- uu. **Statement of Work or SOW** means a document which references the applicable Services Contract number and specifies the details of a particular transaction where Customer wishes to acquire Services, Maintenance Services and/or Products from Xerox under this Agreement.
- vv. **Supplier Equipment** means devices which are supplied by Xerox to the Customer during the term of an Order. Supplier Equipment may be Equipment or Third Party Hardware.
- ww. **Taxes** means any and all taxes of any kind or nature, however denominated, imposed or collected by any governmental entity, including but not limited to federal, state, provincial, or local net income, gross income, sales, use, transfer, registration, business and occupation, value added, excise, severance, stamp, premium, windfall profit, customs, duties, real property, personal property, capital stock, social security, unemployment, disability, payroll, license, employee or other withholding, or other tax, of any kind whatsoever, including any interest, penalties or additions to tax or additional amounts in respect of the foregoing.
- xx. **Third Party Funds** means funds Xerox provides to Customer to acquire Third Party Hardware or to license Third Party Software and/or to retire debt on existing Third Party Hardware.
- yy. **Third Party Hardware** means non-Xerox brand equipment.
- zz. **Third Party Products** means, collectively, Third Party Hardware and Third Party Software.
- aaa. **Third Party Software** means non-Xerox brand software.

- bbb. **Transaction Taxes** means any and all Taxes that are required to be paid in respect of any transaction and resulting Charges under this Agreement and any transaction documents, including but not limited to sales, use, services, rental, excise, transactionally-based gross receipts, and privilege Taxes.
- ccc. **XDM Customer Views** means a limited set of features such as printer error messages, basic printer status, troubleshoot (e.g., access printer web page, submit test page, reboot printer, retrieve audit logs) and upgrade printer (e.g., add upgrade file, delete upgrade file, run upgrade, delete upgrade task, restart upgrade task) that are available through the Xerox Tool known as Xerox Device Manager.
- ddd. **Xerox Confidential Information** means Confidential Information belonging to Xerox and includes, without limitation, whether marked as such or not, any services procedures manuals, Xerox Tools, Xerox Client Tools and Xerox Intellectual Property.
- eee. **Xerox Client Tools** means certain proprietary software used to provide certain Services, and any modifications, enhancements, improvements thereto and derivative works thereof that are licensed to Customer in accordance with GEN 1.8(d).
- fff. **Xerox Intellectual Property** means all intellectual property and associated intellectual property rights including patent, trademark, service mark, copyright, trade dress, logo and trade secret rights which exist and belong to Xerox as of the Effective Date or that may be created by Xerox after the Effective Date, including without limitation, Software, Xerox Tools and Xerox Client Tools, and excluding Customer Confidential Information and Output of Services.
- ggg. **Xerox Products** means Equipment, Software and Consumable Supplies acquired pursuant to this Agreement.
- hhh. **Xerox Tools** means certain proprietary tools used by Xerox to provide certain Services, and any modifications, enhancements, improvements thereto and derivative works thereof.

GENERAL MODULE

GEN 1. – GENERAL

The terms and conditions in this General (GEN) Module apply to all Services, Maintenance Services, and Products acquired by Customer under this Agreement.

GEN 1.1 – AGREEMENT STRUCTURE

- a. **General Contract Structure.** The parties intend for this Agreement to serve as a master agreement stating the terms and conditions governing separate transactions between (i) Xerox and Customer, and (ii) Xerox and Eligible Affiliates. Xerox will provide, and Customer will procure, Services, Maintenance Services and/or Products in accordance with the terms and conditions stated in this Agreement, any Services Contract(s), and any applicable Orders.
- b. **Eligible Affiliates.** Only Customer and its Eligible Affiliates may acquire Services, Maintenance Services and Products under this Agreement. If an Eligible Affiliate establishes a Services Contract by signing an Order, it will be the “Customer” for the purposes of such Services Contract. If Customer divests an Eligible Affiliate, such divested entity is no longer eligible to establish any new Services Contracts or to submit any additional Orders under an existing Services Contract; however, Products installed and Services being provided at such divested entity under an existing Order shall retain the pricing and terms and conditions thereof.
- c. **Orders and Services Contracts.**
 - i. Xerox may accept Orders either by its signature or by commencing performance. Xerox reserves the right to review and approve Customer’s credit, or in the case of an Order by an Eligible Affiliate, such Eligible Affiliate’s credit, prior to acceptance of an Order and the entity placing the Order hereby authorizes Xerox or its agent to obtain credit reports from commercial credit reporting agencies for this purpose.
 - ii. Orders for Services, Maintenance Services, and/or Products are grouped into Services Contracts. Each separate Services Contract will be established when the first Order is placed that bears a new Services Contract number assigned by Xerox and Xerox accepts that Order. Each Services Contract will be assigned its own Services Contract number that will consist of this Agreement’s number followed by a three digit extension. Each Services Contract constitutes a separate contract under this Agreement. Customer may add Services, Maintenance Services or Products to an existing Services Contract by submitting additional Orders referencing the applicable Services Contract number. Each Services Contract will consist of the terms and conditions of this Agreement, the first Order under the Services Contract number and each additional Order with the same Services Contract number.
 - iii. Unless Customer provides notice in writing at least thirty (30) days before the end of the term of an Order of its intention not to renew, the Order will renew automatically on a month-to-month basis on the same terms and at the same price.

- iv. Orders may be submitted by hard copy or electronic means and those submitted electronically will be considered: (a) a "writing" or "in writing;" (b) "signed" by the Customer; (c) an "original" when printed from electronic records established and maintained in the ordinary course of business; and (d) valid and enforceable.

GEN 1.2 – CHARGES, PAYMENT AND DEFAULT

- a. **Charges.** Charges for the particular Services, Maintenance Services, and/or Products will be set forth in an Order and are exclusive of any and all Transaction Taxes. Xerox's then current overtime rates will apply to Services requested and performed outside Customer's standard working hours.
- b. **Payment.** Invoices are payable upon receipt and Customer agrees to pay Xerox all undisputed amounts within thirty (30) days after the invoice date. Restrictive covenants submitted for or with payment to indicate that it is in full satisfaction of an invoice will not operate as an accord and satisfaction to reduce Customer's payment obligations if it is not, in fact, full payment. For any payment not received by Xerox within ten (10) days after the due date, Xerox may charge, and Customer agrees to pay, a late charge of the greater of \$25 or five percent (5.0%) of the amount overdue (not to exceed the maximum amount permitted by applicable law) as reasonable collection costs. If Customer disputes any amount included in an invoice, then (i) Customer must notify Xerox of the dispute in writing, (ii) such notice shall include a description of the items Customer is disputing and the reason such items are being disputed; and (iii) Customer shall promptly exercise its best efforts to work with Xerox to resolve such dispute. Pending resolution of such disputed amount, Customer shall pay any and all undisputed amounts within thirty (30) days of invoice date, including the MMC which Customer agrees shall not be subject to dispute at any time.
- c. **Default.** Customer will be in default if Xerox does not receive any payment within fifteen (15) days after the date it is due, or if Customer breaches any other obligation under this Agreement, any Services Contract, or any other agreement with Xerox. If Customer defaults, Xerox, in addition to its other remedies (including cessation of Services, Maintenance Services and/or Consumable Supplies), may require immediate payment of (1) all amounts then due, plus interest on all amounts due from the due date until paid at the rate of 1.5% per month, and (2) any early termination charges set forth in this Agreement or in the applicable Services Contract and/or Order(s). Customer will pay all reasonable costs, including attorneys' fees, incurred by Xerox to enforce any Services Contract.

GEN 1.3 – TAXES

Customer will be responsible for all Transaction Taxes. Transaction Taxes will be included in Xerox's invoice unless Xerox receives proof of Customer's tax exempt status. Customer shall not be responsible for Excluded Taxes.

GEN 1.4 – RESERVED.

GEN 1.5 – RESERVED.

GEN 1.6 – CUSTOMER RESPONSIBILITIES

Customer agrees to perform its responsibilities under this Agreement in support of the Services, Maintenance Services, or Products in a timely manner. Customer agrees:

- a. that Products acquired hereunder are ordered for Customer's (or its Affiliates') own internal business use (rather than resale, license and/or distribution outside of Customer's organization) and will not be used for personal, household or family purposes;
- b. to (1) provide Xerox and its agents with timely and sufficient access, without charge, to Customer Facilities required by Xerox to perform Services and Maintenance Services and/or provide Products, and (2) ensure that Customer Facilities are suitable for the Services, Maintenance Services and/or Products, safe for Xerox personnel, and fully comply with all applicable laws and regulations, including without limitation any federal, state and local building, fire and safety codes;
- c. to provide Xerox and its agents with timely and sufficient use of and access, without charge, to Customer Assets required by Xerox to perform Services and Maintenance Services and/or provide Products, and to grant Xerox and its agents sufficient rights to use, access and, if agreed, modify the same;
- d. to acquire or continue maintenance, repair and software support services, without charge to Xerox, for all Customer Assets that Customer permits Xerox to use or access;
- e. to maintain the manufacturer's maintenance agreement for any Third Party Products;
- f. to provide Xerox with access to appropriate members of Customer personnel, as reasonably requested by Xerox, in order for Xerox to perform the Services and Maintenance Services and/or provide Products;
- g. to respond to and provide such documentation, data and other information as Xerox reasonably requests in order for Xerox to perform the Services and Maintenance Services and/or provide Products;
- h. to contract for the minimum types and quantities of Equipment and Consumable Supplies required by Xerox to

perform the Services and Maintenance Services;

- i. that, as between Xerox and Customer, Customer alone is responsible for backing up its Customer Content and Xerox shall not be responsible for Customer's failure to do so;
- j. that as between Xerox and Customer, Customer alone is responsible for determining whether Customer Content provided to Xerox (i) is libelous, defamatory or obscene, or (ii) may be duplicated, scanned or imaged without violating a third party's intellectual property rights; and
- k. to provide contact information for Equipment such as name and address of Customer contact.

GEN 1.7 – WARRANTIES

- a. **Mutual Warranties.** Each party represents and warrants to the other, as an essential part of this Agreement, that:
 - i. it is duly organized and validly existing and in good standing under the laws of the state or country of its incorporation or formation;
 - ii. this Agreement and the Orders hereunder have been duly authorized by all appropriate corporate action for signature; and
 - iii. the individual signing this Agreement, and all Orders (where applicable), is duly authorized to do so.
- b. **Xerox Warranties.**
 - i. Services Warranty. Xerox warrants to the Customer that the Services will be performed in a professional and workmanlike manner by Xerox personnel with appropriate training, experience and skills in accordance with the applicable Order. If the Services do not comply with the SLAs or other requirements set forth in the applicable Order, Customer will notify Xerox in writing detailing its concerns and, within 10 days following Xerox's receipt of such notice, Xerox and Customer will meet, clarify the Customer's concern(s) and begin to develop a corrective action plan. As Customer's exclusive remedy under this warranty for Xerox's non-compliance with this warranty, Xerox will either modify the Services to comply with the applicable SLAs or other requirements or re-do the work at no additional charge within 60 days of finalizing the plan or another time period agreed to in writing by the parties.
 - ii. Equipment Warranty. Any Equipment warranty to which Customer is entitled shall commence upon the Date of Installation. Use by Customer of consumables not approved by Xerox that affect the performance of the Equipment may invalidate any applicable warranty.
 - iii. Third Party Product Warranty. Where Xerox in its sole discretion selects and supplies Third Party Products, Xerox warrants they will operate substantially in conformance with applicable SLAs or other requirements in the Order. Customer's sole remedy for breach of this warranty is to return the Third Party Product to Xerox and then receive a refund of any fees paid for such non-conforming Third Party Product, less a reasonable usage fee. If Customer requests a specific Third Party Product, Xerox will pass-through as permitted any third party warranties.
 - iv. Exclusions. Xerox shall not be responsible for any delay or failure to perform the Services or provide Products, including achieving any associated SLAs or other requirements in the applicable SOWs, DOSs or Orders, to the extent that such delay or failure is caused by:
 - (a) Customer's failure or delay in performing its responsibilities under this Agreement;
 - (b) reasons outside Xerox's reasonable control, including Customer Assets, Customer Content, or delays or failures by Customer's agents, suppliers or providers of maintenance and repair services for Customer Assets; or
 - (c) unauthorized modifications to Equipment, Third Party Hardware or the Output of Services.
- c. **Disclaimer.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND XEROX DISCLAIMS AND CUSTOMER WAIVES ALL OTHER WARRANTIES INCLUDING ANY WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS EXPRESSLY PROVIDED HEREIN AND AS PERMITTED BY APPLICABLE LAW, CUSTOMER WAIVES ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE.

The warranties set forth in this Agreement are expressly conditioned upon the use of the Services, Products and Output of Services for their intended purposes in the systems environment for which they were designed and shall not apply to any Services, Products or Output of Services which have been subject to misuse, accident or alteration or modification by Customer or any third party.

GEN 1.8 – INTELLECTUAL PROPERTY OWNERSHIP

- a. **Customer Intellectual Property.** Customer grants to Xerox a non-exclusive, royalty-free, fully-paid up, worldwide license to use Customer Intellectual Property, Customer Content and Output of Services only for purposes of, and only to the extent required for, providing Services, Maintenance Services or Products under this Agreement. Xerox agrees not to decompile or reverse engineer any Customer Intellectual Property. Except as expressly set forth in this Agreement, no rights to any Customer Intellectual Property are granted to Xerox.
- b. **Ownership of Output of Services and License to Xerox Intellectual Property.** Except to the extent that the Output of Services may incorporate any Xerox Intellectual Property, the Output of Services shall be the sole and exclusive property of Customer. Xerox hereby assigns, grants, conveys, and transfers to Customer all rights in and to the Output of Services for the applicable Order. To the extent that the Output of Services may incorporate any Xerox Intellectual Property, Xerox grants Customer a non-exclusive, perpetual, fully paid-up, worldwide right to use, display and reproduce the Xerox Intellectual Property only as required for use of the Output of Services for Customer's customary business purposes and not for resale, license or distribution outside of Customer's organization. If XDM Customer Views are to be provided under an SOW, Xerox grants Customer a limited license to access and use the XDM Customer Views only for the purpose of receiving Services under the SOW. Customer agrees not to decompile or reverse engineer any Xerox Intellectual Property. Except as expressly set forth in this Agreement, no rights to any Xerox Intellectual Property are granted to Customer.
- c. **Xerox Tools.** Xerox Tools may be used by Xerox to provide certain Services. Xerox and its licensors will at all times retain all right, title and interest in and to Xerox Tools and, except as expressly set forth herein, no rights to use, access or operate the Xerox Tools are granted to Customer. Xerox Tools will be installed and operated only by Xerox or its authorized agents. Customer will not decompile or reverse engineer any Xerox Tools, or allow others to engage in same. Title to the Xerox Tools and all intellectual property rights therein shall, at all times, reside solely with Xerox and its licensors. Customer will have access to data and reports generated by the Xerox Tools and stored in a provided database as set forth in the applicable SOW. Xerox may remove Xerox Tools at any time in Xerox's sole discretion, provided that the removal of Xerox Tools will not affect Xerox's obligations to perform Services, and Customer shall reasonably facilitate such removal.
- d. **Xerox Client Tools.** Xerox grants to Customer a non-exclusive, non-transferable, non-assignable (by operation of law or otherwise) license to install, use and access the Xerox Client Tools only for the purpose of receiving the Services for which they were provided. Customer may not: (i) distribute, copy, modify, create derivatives of, decompile, or reverse engineer the Xerox Client Tools, except as permitted by applicable law; or, (ii) allow others to engage in same. Title to the Xerox Client Tools and all intellectual property rights therein shall, at all times, reside solely with Xerox and its licensors. Certain Xerox Client Tools may be subject to mandatory third party flow-down terms and conditions, which will be provided separately.
- e. **Data Collection and Use.** Data automatically collected from Equipment electronically by the Xerox Tools is transmitted by a Xerox Tool to a remotely hosted server that hosts other Xerox Tools. The automatic data transmission capability will not allow Xerox to read, view or download any Customer documents or other information residing on or passing through the Equipment or Third Party Hardware or Customer's information management systems. Data may be used by Xerox for billing, report generation, supplies replenishment, recommending additional products and services and product improvement purposes.

GEN 1.9 – INDEMNIFICATION

- a. **Mutual Indemnification.** Each party (and its Affiliates), if promptly notified by the other and given the right to control the defense, shall indemnify, defend and hold harmless the other party, its Affiliates, and their respective officers, directors, employees, agents, successors and assigns, from and against all claims by a third party for losses, damages, costs or liability of any kind (including expenses and reasonable legal fees) that a court finally awards such party ("Claims") for bodily injury (including death) and damage to real or tangible property to the extent proximately caused by the negligent acts or omissions, or willful misconduct of the indemnifying party (or its Affiliates) in connection with this Agreement.
- b. **Xerox Indemnification.** Xerox shall, if promptly notified by Customer (or its Affiliate(s)) and given the right to control the defense, indemnify, defend and hold harmless Customer, its Affiliates and their respective officers, directors, employees, agents successors and assigns, for all Claims that Xerox Products or Customer's use of the Services provided by Xerox under this Agreement infringe a U.S. patent, copyright or other intellectual property right. Notwithstanding anything to the contrary herein, Xerox shall have no obligation under this Section **GEN 1.9(b)** to the extent any Claim is based on or arises out of any (i) Services performed using Customer Assets, Customer Content or other materials provided to Xerox by Customer for which Customer failed to provide sufficient rights to Xerox; (ii) infringement by Services resulting from Customer's direction, specification or design, (iii) modification or alteration to such Xerox Products or Services not approved in writing by Xerox; (iv) any combination or use of the Xerox Products or Services not approved in writing by Xerox; (v)

use of the Xerox Products or Services not in accordance with the applicable Documentation; or (vi) Customer's failure to use corrections or enhancements to the Xerox Products provided by Xerox. If a Claim is made or appears likely to be made pursuant to this Section **GEN 1.9(b)**, Customer agrees to permit Xerox, at Xerox' sole option and expense, to obtain the right to enable Customer to continue to use such Xerox Products, to make them non-infringing or to replace them with items that are at least functionally equivalent. If Xerox determines that none of these alternatives is reasonably available, Customer agrees to return such Xerox Products to Xerox upon Xerox' written request. Xerox will then give Customer a refund equal to the amount Customer paid Xerox for such Xerox Products less a reasonable usage fee.

- c. **Customer Indemnification.** Customer shall, if promptly notified by Xerox (or its Affiliate(s)) and given the right to control the defense, indemnify, defend and hold harmless Xerox, its Affiliates, and their respective officers, directors, employees, agents, successors and assigns, for all Claims for intellectual property infringement to the extent such Claim is based on (i) Xerox's use of Customer Assets or Customer Content in performing Services or providing Products under this Agreement or any Order entered into hereunder; (ii) Customer's use of the Products or Services not in accordance with this Agreement or the applicable Documentation; and (iii) Claims arising out of or related to Section **GEN 1.9(b)(i)-(vi)** or Customer's failure to perform its responsibilities under Section **GEN 1.6(j)**.
- d. The indemnifying party is not responsible for any litigation expenses of the indemnified party or any settlements unless it pre-approves them in writing.

GEN 1.10 – LIMITATION OF LIABILITY

Except as prohibited by law, the following limitations apply:

- a. **NO CONSEQUENTIAL DAMAGES.** SUBJECT TO SECTION **GEN 1.10(c)**, IN NO EVENT WILL EITHER PARTY OR ITS AFFILIATES OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS FOR ANY INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, AND EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- b. **LIMITATION ON RECOVERY.** SUBJECT TO SECTION **GEN 1.10(c)**, THE TOTAL AGGREGATE LIABILITY OF EITHER PARTY (AND ITS AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS) FOR DIRECT DAMAGES ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, WILL BE LIMITED TO AN AMOUNT EQUAL TO THE AMOUNT OF ALL CHARGES PAID BY CUSTOMER TO XEROX UNDER THE ORDER UNDER WHICH THE CLAIM AROSE (LESS PASS THROUGH EXPENSES SUCH AS, WITHOUT LIMITATION, POSTAGE) IN THE TWELVE (12) MONTHS PRIOR TO THE DATE UPON WHICH THE CLAIM AROSE. THE EXISTENCE OF MULTIPLE CLAIMS OR SUITS UNDER OR RELATED TO THIS AGREEMENT AND ANY ORDERS HEREUNDER WILL NOT ENLARGE OR EXTEND THIS LIMITATION OF DAMAGES. NOTWITHSTANDING THE FOREGOING, NOTHING SET FORTH IN THIS SECTION **GEN 1.10(b)** SHALL LIMIT CUSTOMER'S OBLIGATION TO PAY XEROX ALL CHARGES AND EXPENSES FOR PRODUCTS AND SERVICES PROVIDED UNDER THIS AGREEMENT.
- c. **EXCEPTIONS.** THE LIMITATIONS SET FORTH IN SECTION **GEN 1.10** SHALL NOT APPLY WITH RESPECT TO:
 - i. THE SPECIFIC INDEMNITY OBLIGATIONS SET OUT IN THIS AGREEMENT;
 - ii. EITHER PARTY'S WILLFUL MISCONDUCT, GROSS NEGLIGENCE OR FRAUD;
 - iii. BODILY INJURY OR DEATH CAUSED BY A PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT OR THAT OF ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS; OR
 - iv. A PARTY EXCEEDING ITS RIGHTS, IF ANY, TO THE OTHER PARTY'S INTELLECTUAL PROPERTY OR MISAPPROPRIATING OR INFRINGING THE OTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS AS GRANTED UNDER THIS AGREEMENT.

GEN 1.11 – TERM AND TERMINATION

This Agreement shall commence on the Effective Date and shall continue for a term of 60 months, and continue on a month-to-month basis thereafter until expressly renewed by mutual written agreement or terminated by either party upon thirty (30) days' written notice. Alternatively, at the end of the initial term, Customer shall have the right to renew this Agreement for up to five (5) additional twelve-month terms, subject to the annual approval of Customer's city council. Xerox may annually increase the maintenance component of the Minimum payment and Print Charge, each such increase not to exceed 10%. Upon termination, Customer shall permit Xerox to enter Customer Facilities for purposes of removing

the Products, Xerox Tools and/or Xerox Client Tools. Each Order hereunder shall have its own term, which shall be stated in the Order. In the event the Agreement expires or is terminated, each Services Contract in effect at such time shall remain in full force and effect until the expiration or termination of all Orders constituting such Services Contract (including any extensions or renewals thereof) and shall at all times be governed by, and be subject to, the terms and conditions of this Agreement as if this Agreement were still in effect. Termination of any Order shall not affect this Agreement or any other Orders then in effect. Notwithstanding any other provision in the Agreement to the contrary, should an Order be terminated prior to expiration for any reason or a unit of Third Party Hardware or any Third Party Software for which Third Party Funds have been provided is removed or replaced prior to expiration, Customer agrees to pay to Xerox, in addition to any other amounts owed under said Order, an amount equal to the remaining principal balance of the Funds together with a 15% disengagement fee, for loss of bargain and not as a penalty.

GEN 1.12 – CONFIDENTIALITY

- a. **Obligation.** Customer and Xerox acknowledge that, during the term of this Agreement and any Order hereunder, each party (or its Affiliates) may be provided with or have access to, certain Confidential Information belonging to the other party (or its Affiliates). The parties will ensure that their employees comply with their respective corporate policies and procedures regarding the disclosure of Confidential Information. The parties agree to use the Confidential Information provided under this Agreement only for purposes directly related to the performance of obligations and use of rights granted under this Agreement. The receiving party may not disclose Confidential Information to third parties unless such third party has a need to know such Confidential Information in order to perform under this Agreement and has agreed in writing to be bound by terms no less restrictive than those set forth herein. Each party shall be responsible for any breaches of the obligations in this Section by its employees and such third parties. The receiving party shall protect the disclosing party's Confidential Information with the same degree of care that it uses to protect its own confidential information of like importance, but not less than reasonable care. Each party agrees not to disclose the terms and conditions of this Agreement, all Services Contracts and Orders, and any attachments and exhibits thereto, without the other party's prior written consent. Xerox may use Customer as a reference with other customers. Xerox may disclose the identity and address of Customer to Xerox's third party licensors if contractually required for royalty reporting purposes.
- b. **Exclusions.** The obligations of confidentiality will not apply to any Confidential Information that: (1) was in the public domain prior to, at the time of, or subsequent to the date of disclosure through no fault of the receiving party; (2) was rightfully in the receiving party's possession or the possession of any third party free of any obligation of confidentiality; or (3) was developed by the receiving party's employees independently of and without reference to any of the other party's Confidential Information.
- c. **Return of Information.** Upon termination or expiration of this Agreement or an Order, except as otherwise set forth hereunder, each party shall cease use of the other party's Confidential Information and other data and, upon request, shall (1) return all such Confidential Information and any copies thereof, or (2) permanently destroy such Confidential Information and certify that such Confidential Information has been so destroyed; provided, however, that any obligations regarding removal of Customer Confidential Information stored on hard drives on Equipment owned by Xerox and any costs associated with such removal will be set forth in the applicable Order.
- d. **Disclosure under Legal Requirement.** If the recipient of Confidential Information is required to disclose Confidential Information pursuant to a court order or by law or regulation, that party will (1) notify the disclosing party of the obligation to make such disclosure, and (2) reasonably cooperate with the disclosing party if the disclosing party seeks a protective order, but any costs incurred by the receiving party will be reimbursed by the disclosing party, except for costs of the receiving party's employees.
- e. **Duration of Confidentiality Obligation.** Except for Private Information, Xerox Intellectual Property, Xerox Tools and Xerox Client Tools, the obligations set forth in this Section shall continue for one (1) year after termination or expiration of this Agreement or the Order under which such Confidential Information was disclosed, whichever occurs later. The duration of confidentiality obligations with respect to Private Information shall be governed by applicable Privacy Laws. Confidentiality obligations with respect to Xerox Intellectual Property, Xerox Tools and Xerox Client Tools shall continue so long as they continue to be Xerox trade secrets.
- f. **Residual Rights.** Each party understands that the other party shall be free to use for any purpose the Residuals resulting from access to Confidential Information as a result of the performance of its obligations under an Order, provided that such party shall maintain the confidentiality of such Confidential Information as provided herein. Neither party shall pay royalties for the use of Residuals. However, the foregoing shall not be deemed to grant either party a license under the other party's copyrights or patents.

GEN 1.13 – DATA PROTECTION/PRIVACY

- a. To the extent that Privacy Laws are applicable to Customer and Xerox in connection with the performance of Services, each party agrees to comply with the applicable provisions of such Privacy Laws.
- b. Xerox has adopted reasonable physical, technical and organizational safeguards designed to prevent accidental, unauthorized or unlawful loss, disclosure, access, transfer or use of Private Information. Xerox will promptly notify Customer in the event of any known unauthorized or unlawful loss, disclosure, access, transfer or use of Private Information.

GEN 1.14 – GOVERNING LAW AND JURISDICTION

- a. This Agreement, each respective Order, and any dispute or claim arising out of or in connection with this Agreement or such Order, shall be governed by and construed in accordance with the laws of New York without regard to its conflict of laws provisions and submitted to the exclusive jurisdiction of the federal and state courts of New York.
- b. In any action to enforce this Agreement or any Order hereunder, the parties agree to waive their right, if any, to a jury trial.

GEN 1.15 – RESERVED.

GEN 1.16 – FORCE MAJEURE

Except for Customer's absolute and unconditional obligation to make all required payments of any amounts not properly disputed under this Agreement, neither Customer nor Xerox shall be liable to the other party during any period in which its performance is delayed or prevented, in whole or in part, by a Force Majeure Event. If such a circumstance occurs, the party whose performance is delayed or prevented shall undertake reasonable action to notify the other party thereof.

GEN 1.17 – RESERVED.

GEN 1.18 – RESERVED.

GEN 1.19 – COMPLIANCE WITH LAWS AND POLICIES

Xerox and Customer shall comply with all applicable laws and regulations in the performance of their respective obligations under this Agreement. Xerox agrees to comply with Customer's internal policies regarding security and safety at Customer Facilities that are reasonable and customary under the circumstances and which do not conflict with the terms of this Agreement. Customer agrees to provide Xerox with reasonable prior written notice of such policies and any changes to such policies. If a change in Customer policy results in incremental costs to Xerox, Xerox may, upon providing notice to Customer, pass such costs on to Customer.

GEN 1.20 – MISCELLANEOUS

- a. **Copies of Agreement.** Except as required by law, both parties agree that any reproduction of this Agreement made by reliable means (for example, photocopy or facsimile) shall be considered an original. Xerox may retain a hardcopy, electronic image, photocopy or facsimile of this Agreement and each Order hereunder, which shall be considered an original and shall be admissible in any action to enforce said Agreement or Order.
- b. **Amendment.** All changes to this Agreement must be made in a writing signed by Customer and Xerox. Any amendment of this Agreement shall not affect the obligations of either party under any then-existing Orders, which shall continue in effect unless the amendment expressly states that it applies to such existing Orders. An amendment to a Services Contract shall reference the number of the Services Contract that it amends.
- c. **No Waiver; Severability; Survival.** The failure by Customer or Xerox to insist upon strict performance of any of the terms and conditions in this Agreement or to exercise any rights or remedies will not be construed as a waiver of the right to assert those rights or to rely on that term or condition at any time thereafter. If any provision is held invalid by any arbitrator or any court under applicable law, such provision shall be deemed to be restated as nearly as possible to reflect the original intention of the parties in accordance with applicable law. The remainder of this Agreement shall remain in full force and effect. Any terms and conditions of this Agreement or any Order which by their nature extend beyond the termination or expiration of the Agreement or Order will survive such termination or expiration.
- d. **Independent Contractors.** Xerox shall perform all Services hereunder in the capacity of independent contractor and not as Customer's employee, agent or representative. Xerox employees shall not be entitled to privileges of employment that Customer may provide to Customer's employees, and Xerox shall be responsible for payment of all unemployment, social security, federal (state and local, as necessary) and other payroll taxes in regard to its employees involved in the performance of the Services. Neither of the parties, nor their respective employees or Affiliates, shall be authorized to conclude contracts in the name of the other party, or to act or appear as a representative of the other, whether in performing the Services or otherwise.
- e. **No Hiring.** During the term of an Order under which Xerox is providing Services and for a period of one (1) year thereafter, Customer and Xerox each agree not to hire, solicit, or employ any of the other's personnel who

have been engaged in the provision of services or the performance of this Agreement, unless prior written consent is obtained from the other party. Such prohibition shall not apply to hiring as a result of general public solicitations of employment. Should one of the parties hire the other party's personnel in violation of this Agreement, the violating party shall immediately pay to the other, as liquidated damages and as the sole remedy for such violation, an amount equal to such personnel's then current annual compensation (or the amount paid to such person during the previous twelve (12) months in the case of an independent contractor).

- f. **Assignment.** Except for Xerox's assignment to an Affiliate or to a third party for the purposes of securitizing or factoring, neither party may assign this Agreement and any Order(s) hereunder without the prior written consent of the other party. In the event of a permitted assignment by Xerox, each successive assignee of Xerox will have all of the rights but none of the obligations of Xerox pursuant to this Agreement. Customer will continue to look to Xerox for performance of Xerox's obligations hereunder and Customer hereby waives and releases any assignees of Xerox from any such claim. Customer will not assert any defense, counterclaim or setoff that Customer may have or claim against Xerox against any assignee of Xerox.
- g. **Communication Authorization.** Customer authorizes Xerox or its agents to communicate with Customer by any electronic means (including cellular phone, email, automatic dialing and recorded messages) using any phone number (including cellular) or electronic address that Customer provides to Xerox.
- h. **Limitation on Charges.** In no event will Xerox charge or collect any amounts in excess of those allowed by applicable law. Any part of an Order that would, but for this Section, be construed to allow for a charge higher than that allowed under any applicable law, is limited and modified by this Section to limit the amounts chargeable under such Order to the maximum amount allowed by law. If, in any circumstances, an amount in excess of that allowed by law is charged or received, such charge will be deemed limited to the amount legally allowed and the amount received by Xerox in excess of that legally allowed will be applied to the payment of amounts owed or will be refunded to Customer.
- i. **Order of Precedence; Entire Agreement.** This Agreement, including all schedules, attachments, exhibits and amendments hereto and the Services Contract(s) hereunder, constitutes the entire agreement between the parties as to the subject matter and supersedes all prior and contemporaneous oral and written agreements regarding the subject matter hereof and neither party has relied on or is relying on any other information, representation, discussion or understanding in entering into and completing the transactions contemplated in this Agreement. The parties agree that except as expressly set forth in this Agreement, in the event of any conflict between terms and conditions, the order of precedence shall be this Agreement, the applicable Orders under the Services Contract (excluding Customer POs), and the SOW or DOS, as applicable. If a term in this Agreement expressly provides for a term in an Order to take precedence, such provision in the Order shall prevail to the extent of any conflict. Notwithstanding the foregoing, provisions in the General Module of this Agreement related to: (1) Section **GEN 1.8** (Intellectual Property Ownership); (2) Section **GEN 1.9** (Indemnification); (3) Section **GEN 1.10** (Limitation of Liability); (4) Section **GEN 1.12** (Confidentiality); and (5) Section **GEN 1.3** (Taxes), will prevail over conflicting provisions in any other contractual document.

SERVICES MODULE

SVC 1 – TERMS AND CONDITIONS SPECIFIC TO SERVICES

In addition to the terms and conditions in the General (GEN) Module, the following terms and conditions apply to Xerox's performance of Services.

SVC 1.1 – SCOPE OF SERVICES

Subject to the terms and conditions of this Agreement, Services will be performed in accordance with the requirements set forth in an Order. If Customer fails to perform or is delayed in performing any of its responsibilities under this Agreement, such failure or delay may prevent Xerox from being able to perform any part of the Services or Xerox-related activities. Xerox shall be entitled to an extension or revision of the applicable term of the Order (which may include setting a new expected date for commencement of Services) or to an equitable adjustment in performance metrics associated with such failure or delay.

SVC 1.2 – CHARGES FOR SERVICES

Charges for Services are set forth in the applicable Order. Charges are based upon information exchanged between Customer and Xerox, which is assumed to be complete and accurate, and also depend upon other factors such as the timely performance by Customer of its responsibilities. If: (a) such information should prove to be incomplete or inaccurate in any material respect; or (b) there is a failure or delay by the Customer in performing its responsibilities under this Agreement or an Order which results in Xerox incurring a loss or additional cost or expense, then the charges shall be adjusted to reflect proportionately the impact of such materially incomplete or inaccurate information or such failure or delay. Charges that are indicated in an Order as being fixed are not subject to an annual percentage escalation for the initial term of such Order. If Xerox provides Services partially or early (for example, prior to the start of the initial term of

an Order), Xerox will bill Customer on a pro rata basis, based on a thirty (30) day month, and the terms and conditions of this Agreement will apply.

SVC 1.3 – USE OF SUBCONTRACTORS

Xerox may, when it reasonably deems it appropriate to do so, subcontract any portion of the Services. Xerox shall remain responsible for any Services performed by subcontractors retained by Xerox to the same extent as if such Services were performed by Xerox. Xerox shall be Customer's sole point of contact regarding the Services.

SVC 1.4 – SERVICES SCOPE CHANGES

Except as otherwise set forth in an Order, either party may propose to modify the then-existing Services that are described in an Order, or to add new Services under a Services Contract. If Xerox determines such changes are feasible, Xerox will prepare and propose to Customer an Order incorporating the requested changes and any related impact to the Charges or terms. Once Customer executes and Xerox accepts the Order, Xerox will promptly proceed with the new and/or revised Services in accordance with the terms of the Order and this Agreement.

SVC 1.5 – EARLY TERMINATION OF SERVICES AND LABOR

Except as otherwise set forth in a Services Contract, upon ninety (90) days prior written notice, Customer may terminate or reduce any Services or labor provided pursuant to an Order without incurring early termination charges except as set forth in the next sentence. Notwithstanding the foregoing, if any such Services or labor provided under an Order are terminated (a) by Xerox due to Customer's default or (b) by Customer and Customer acquires similar services from another supplier within six (6) months of the termination of such Services or labor, Customer shall pay all amounts due as of the termination date, together with the early termination charges, for loss of bargain and not as a penalty, stated in the Order or, if not specifically stated therein, an amount equal to the then current MMC for said terminated or reduced Services or labor multiplied by the number of months remaining in the term of the related Order, not to exceed six (6) months.

EQUIPMENT MODULE

EQP 1 – TERMS AND CONDITIONS SPECIFIC TO EQUIPMENT & THIRD PARTY HARDWARE

In addition to the terms and conditions in the General (GEN) Module, the following terms and conditions apply to Equipment and Third Party Hardware provided to Customer.

EQP 1.1 – TERM AND DATE OF INSTALLATION

The term for each unit of Equipment shall be the term stated on the applicable Order, with the commencement date based upon the actual Date of Installation. If the Date of Installation for a unit of Equipment is prior to the applicable Order start date, Xerox will bill the Customer for such Equipment on a pro rata basis, based on a thirty (30) day month, and the terms and conditions of this Agreement and the applicable Services Contract will apply as of the Date of Installation.

EQP 1.2 – DELIVERY AND REMOVAL AND SUITABILITY OF CUSTOMER FACILITIES

Xerox will be responsible for all standard delivery charges for Equipment and Third Party Hardware and, for Equipment or Third Party Hardware for which Xerox holds title, standard removal charges. Non-standard delivery or removal charges (including removal prior to the end of the term for any Equipment) will be at Customer's expense. The suitability of Customer Facilities for installation of Equipment or Third Party Hardware, including compliance with state and local building, fire and safety codes and any non-standard state or local installation requirements, is Customer's responsibility.

EQP 1.3 – EQUIPMENT STATUS

Unless Customer is acquiring previously installed equipment, Equipment will be either: (a) "Newly Manufactured," which may contain some recycled components that are reconditioned; (b) "Factory Produced New Model" which is manufactured and newly serialized at a Xerox factory, adds functions and features to a product previously disassembled to a Xerox predetermined standard, and contains new components and recycled components that are reconditioned; or (c) "Remanufactured," which has been factory produced following disassembly to a Xerox predetermined standard and contains both new components and recycled components that are reconditioned. Xerox makes no representations as to the status of any Third Party Hardware that Xerox may provide under any Order.

EQP 1.4 – CONSUMABLE SUPPLIES

If specified in an Order, Xerox will provide Consumable Supplies for related Equipment. Consumable Supplies are Xerox's property until used in the Equipment for which they are provided. Upon expiration or termination of the applicable Order, Customer will either return any unused Consumable Supplies to Xerox at Xerox's expense when using Xerox-supplied shipping labels, or destroy them in a manner permitted by applicable law. Xerox reserves the right to charge Customer for any Consumable Supplies usage that exceeds Xerox's published yields by more than ten percent (10%). In such a case, Xerox will notify Customer of the excess usage. If such excess usage does not cease within thirty (30) days

after notice, Xerox may charge Customer for the excess usage. If Xerox provides paper under a Services Contract, upon thirty (30) days' notice, Xerox may adjust paper pricing or either party may terminate the provision of paper.

EQP 1.5 – USE AND RELOCATION

For any Equipment or Third Party Hardware provided by Xerox, with the exception of Purchased Equipment for which Customer has paid in full, Customer agrees that: (a) the Equipment or Third Party Hardware shall remain personal property; (b) Customer will not attach any of the Equipment or Third Party Hardware as a fixture to any real estate; (c) Customer will not pledge, sub-lease or part with possession of the Equipment or Third Party Hardware or file or permit to be filed any lien against the Equipment or Third Party Hardware; and (d) Customer will not make any permanent alterations to the Equipment or Third Party Hardware. While Equipment or Third Party Hardware is subject to an Order, Customer must provide Xerox prior written notice of all Equipment or Third Party Hardware relocations and Xerox may arrange to relocate the Equipment or Third Party Hardware at Customer's expense. While Equipment or Third Party Hardware is being relocated, Customer remains responsible for making all payments to Xerox required under the applicable Order. All parts or materials replaced, including as part of an upgrade, will become Xerox's property. Equipment or Third Party Hardware cannot be relocated outside of the U.S. until Customer has paid in full for the Equipment or Third Party Hardware and has received title thereto. Notwithstanding anything to the contrary in the foregoing, to the extent the Equipment contains any Software, any relocation of such Equipment is subject to the terms and conditions set forth in the Software License Module of this Agreement.

EQP 1.6 – SUPPLIER EQUIPMENT PROVIDED

In the event Xerox provides Supplier Equipment to Customer, the following terms shall apply unless otherwise specified in an Order:

- a. Unless Supplier Equipment is purchased by Customer, Xerox (or the applicable third party vendor) shall at all times retain title to the Supplier Equipment. The risk of loss for the Supplier Equipment shall pass to Customer upon delivery to the applicable Customer Facilities. Customer will insure the Supplier Equipment against loss or damage and the policy will name Xerox as loss payee.
- b. Customer agrees to use the Supplier Equipment in accordance with, and to perform, all operator maintenance procedures for the Supplier Equipment described in the applicable Documentation made available or provided by Xerox. The Customer shall not (unless the Supplier Equipment is Purchased Equipment, and then only with Xerox's prior consent):
 - i. sell, charge, let or part with possession of the Supplier Equipment;
 - ii. remove the Supplier Equipment from Customer Facilities in which it is installed; or
 - iii. make any changes or additions to the Supplier Equipment.
- c. **Early Termination.** Equipment is provided for a minimum order term (as specified in the applicable Order per EQP 1.1 above). If Equipment is terminated for any reason before the end of its minimum order term, the termination charges set forth in the applicable Order or Services Contract for such Equipment shall apply.

EQP 1.7 – DATA SECURITY

Certain models of Equipment can be configured to include a variety of data security features. There may be an additional cost associated with certain data security features. The selection, suitability and use of data security features are solely Customer's responsibility. Upon request, Xerox will provide additional information to Customer regarding the security features available for particular Equipment models.

EQP 1.8 – REMOTE SERVICES FOR EQUIPMENT

Certain models of Equipment are supported and serviced using Remote Data Access. Remote Data Access also enables Xerox to transmit to Customer maintenance releases or upgrades for software or firmware and to remotely diagnose and modify Equipment to repair or correct malfunctions. Remote Data will be transmitted to and from Customer in a secure manner specified by Xerox. Remote Data Access will not allow Xerox to read, view or download any Customer data, documents or other information residing on or passing through the Equipment or Customer's information management systems. Customer grants the right to Xerox, without charge, to conduct Remote Data Access for the purposes described above. Upon Xerox's request, Customer will provide contact information for Equipment such as name and address of Customer contact and IP and physical addresses/locations of Equipment. Customer will enable Remote Data Access via a method prescribed by Xerox and Customer will provide Xerox with reasonable assistance to allow Xerox to provide Remote Data Access. Unless Xerox deems Equipment incapable of Remote Data Access, Customer will ensure that Remote Data Access is maintained at all times Maintenance Services are being performed.

EQP 1.9 – REMOVAL OF HAZARDOUS WASTE

Customer agrees to take responsibility for legally disposing of all hazardous wastes generated from the use of Third Party Hardware or supplies.

EQUIPMENT PURCHASE MODULE

EP 1 – TERMS AND CONDITIONS SPECIFIC TO EQUIPMENT PURCHASE

In addition to the terms and conditions in the General (GEN) Module, the following terms and conditions apply to the acquisition of Purchased Equipment:

EP 1.1 – ORDER

Orders for an outright purchase of Equipment shall include the unique Xerox-provided contract number and the number of this Agreement on all applicable ordering documents.

EP 1.2 – TITLE

Title to Purchased Equipment will pass to Customer upon delivery to the applicable Customer Facilities.

EP 1.3 – DEFAULT

If Customer defaults under a XOA for Purchased Equipment, Xerox, in addition to its other remedies (including the cessation of Maintenance Services if applicable), may require immediate payment of all amounts then due, plus all Transaction Taxes and applicable interest on all amounts due from the due date until paid. Customer shall also pay all reasonable costs, including attorney's fees, incurred by Xerox to enforce this Agreement.

EP 1.4 – MAINTENANCE SERVICES FOR PURCHASED EQUIPMENT

If Customer elects to receive Maintenance Services for Purchased Equipment, Customer shall do so under a separate Order under the Agreement for such Maintenance Services.

EP 1.5 – AGREEMENT PROVISION EXCLUSIONS

The following Agreement provisions do not apply to Orders for an outright purchase of Equipment: **GEN 1.1 c.ii – iii; GEN 1.6 b – j; GEN 1.7 b.1; GEN 1.11; EQP 1.4; EQP 1.6.**

MAINTENANCE SERVICES MODULE

MS 1 – TERMS AND CONDITIONS SPECIFIC TO MAINTENANCE SERVICES

In addition to the terms and conditions in the General (GEN) Module, and except as otherwise set forth in an Order, the following terms and conditions apply to the provision of Maintenance Services.

MS 1.1 – MAINTENANCE SERVICES

As part of an Order for (a) stand-alone Maintenance Services related to Purchased Equipment, or (b) Maintenance Services related to Equipment to which Xerox does not hold title, or as a mandatory part of an Order for Equipment (other than Purchased Equipment) that includes Maintenance Services, Xerox or a designated service provider will provide the following Maintenance Services for Equipment. If Customer is acquiring Equipment for which Xerox does not offer Maintenance Services, such Equipment will be designated as "No Svc." This Module does not apply to maintenance of Third Party Hardware. Maintenance that Xerox provides on Third Party Hardware will be provided in accordance with the terms of the applicable Order. The provision of Maintenance Services is contingent upon Customer facilitating timely and efficient resolution of Equipment issues by: (i) utilizing Customer-implemented remedies provided by Xerox; (ii) replacing Cartridges; and (iii) providing information to and implementing recommendations provided by Xerox telephone support personnel in those instances where Xerox is not providing on-site Equipment support personnel. If an Equipment issue is not resolved after completion of (i) through (iii) above, Xerox will provide on-site support as provided in the applicable Order.

MS 1.2 – REPAIRS AND PARTS

- a. Xerox will make repairs and adjustments necessary to keep the Equipment in good working order and operating in accordance with its written specifications (including such repairs or adjustments required during initial installation). Maintenance Services shall cover repairs and adjustments required as a result of normal wear and tear or defects in materials or workmanship. Parts required for repair may be new, reconditioned, reprocessed or recovered.
- b. If Xerox is providing Maintenance Services for Equipment that uses Cartridges, Customer will use only unmodified Cartridges purchased directly from Xerox or its authorized resellers. Failure to use such Cartridges will void any warranty applicable to such Equipment. Cartridges packed with Equipment or furnished by Xerox as Consumable Supplies will meet Xerox's new Cartridge performance standards and may be new, remanufactured or reprocessed and contain new and/or reprocessed components. To enhance print quality, Cartridges for many models of Equipment have been designed to cease functioning at a predetermined point. Many Equipment models are designed to function only with Cartridges that are newly manufactured original Xerox Cartridges or with Cartridges intended for use in the U.S.

MS 1.3 – HOURS AND EXCLUSIONS

Unless otherwise set forth in an Order, Maintenance Services will be provided in areas accessible for repair services during Xerox's standard working hours. Maintenance Services excludes repairs due to: (a) misuse, neglect or abuse; (b) failure of the installation site or the PC or workstation used with the Equipment to comply with Xerox's published specifications; (c) use of options, accessories, or other products not serviced by Xerox; (d) non-Xerox alterations, relocation, service or supplies; and (e) failure to perform operator maintenance procedures identified in operator manuals. Customer agrees to furnish all referenced parts, tools, and supplies needed to perform those procedures that are described in the applicable manuals and instructions.

MS 1.4 – INSTALLATION SITE AND METER READINGS

In order to receive Maintenance Services for Equipment requiring connection to a PC or workstation, Customer must utilize a PC or workstation that either (a) has been provided by Xerox or (b) meets Xerox's published specifications. The Equipment installation site must conform to Xerox's published requirements. If applicable, unless otherwise set forth in an Order, Customer agrees to provide meter readings in the manner prescribed by Xerox. If Customer does not provide Xerox with meter readings as required, for Equipment not capable of Remote Data Access, or if Remote Data Access is interrupted, Xerox may estimate them and bill Customer accordingly.

MS 1.5 – REMEDY

If Xerox is unable to maintain the Equipment as described above, Xerox will, as Customer's exclusive remedy for Xerox's failure to provide Maintenance Services, replace the Equipment with an identical product or, at Xerox's option, another model with comparable features and capabilities. If replacement Equipment is provided pursuant to this Section, there shall be no additional charge for its provision by Xerox during the initial term of the Order and it shall be subject to the terms and conditions of this Agreement and the applicable Order(s). Customer's use of non-Xerox approved consumables that affect the performance of the Equipment may invalidate this remedy.

MS 1.6 – END OF SERVICE

Xerox has no obligation to maintain or replace Equipment beyond the "End of Service" for that particular model of Equipment. End of Service ("EOS") means the date announced by Xerox after which Xerox will no longer offer Maintenance Services for a particular Equipment model. An EOS Equipment List is available upon request.

SOFTWARE LICENSE MODULE

SW 1 – TERMS AND CONDITIONS SPECIFIC TO SOFTWARE

In addition to the terms and conditions in the General (GEN) Module the following terms and conditions apply to the license and use of Software and its associated Documentation.

SW 1.1 – SOFTWARE LICENSE

Xerox may provide Software to Customer pursuant to an Order hereunder. The following license applies to Software provided hereunder, unless such Software is accompanied by a click-wrap or shrink-wrap license agreement or otherwise provided subject to a separate license agreement.

- a. Xerox grants Customer a non-exclusive, non-transferable, non-assignable (by operation of law or otherwise) license to use in the U.S.: (i) Base Software only on or with the Equipment with which (or within which) it was delivered; and (ii) Application Software only on any single unit of Equipment, subject to Customer remaining current in the payment of any indicated applicable Software license fees (including any annual renewal fees). Customer has no other rights to the Software. Customer will not and will not allow its employees, agents, contractors or vendors to: (i) distribute, copy, modify, create derivatives of, decompile, or reverse engineer Software except as permitted by applicable law; (ii) activate Software delivered with or within the Equipment in an un-activated state; or, (iii) access or disclose Diagnostic Software for any purpose. Title to Software and all copyrights and other intellectual property rights in Software will reside solely with Xerox and its licensors (who will be considered third party beneficiaries of this Agreement's software and limitation of liability provisions).
- b. The Base Software license will terminate: (i) if Customer no longer uses or possesses the Equipment with which the Base Software was provided; or (ii) upon the expiration or termination of any Order under which Customer has acquired the Equipment with which the Base Software was provided (unless Customer has exercised an option to purchase the Equipment, where available).
- c. Software may contain code to prevent its unlicensed use and/or transfer. If you do not permit Xerox periodic access to such Software, this code may impair the Equipment's and/or Software's functionality.
- d. Xerox does not warrant that the Software will be free from errors or that its operation will be uninterrupted.

SW 1.2 – SOFTWARE SUPPORT

For Base Software, Software Support will be provided during the initial term of the applicable Order and any renewal period, but not longer than five (5) years after Xerox stops taking orders for the subject model of Equipment. For Application Software, Software Support will be provided as long as Customer is current in the payment of all applicable software license, annual renewal and "support only" fees.

- a. Xerox will maintain a web-based or toll-free hotline during Xerox's standard working hours to report Software problems and answer Software-related questions. Xerox, either directly or with its vendors, will make reasonable efforts to: (i) assure that Software performs in material conformity with its Documentation; (ii) provide available workarounds or patches to resolve Software performance problems; and (iii) resolve coding errors for (1) the current release and (2) the previous release for a period of six (6) months after the current release is made available to Customer. Xerox will not be required to provide Software support if Customer has modified the Software.
- b. Xerox may make available new releases of the Software that are designated as "**Maintenance Releases**" or "**Updates**." Maintenance Releases or Updates are provided at no charge and must be implemented within six (6) months after being made available to Customer. Each Maintenance Release or Update shall be considered Software governed by these terms. Feature Releases will be subject to additional license fees at Xerox's then-current pricing and shall be considered Software governed by these terms and conditions (unless otherwise noted in an Order). Implementation of a Maintenance Release, Update or Feature Release may require Customer to procure, at its expense, additional hardware and/or software from Xerox or another entity. Upon installation of a Maintenance Release, Update or Feature Release, Customer will return or destroy all prior Maintenance Releases, Updates or Feature Releases.
- c. Xerox may annually increase Software license fees and support fees for Application Software.

SW 1.3 – DIAGNOSTIC SOFTWARE

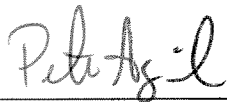
Diagnostic Software and method of entry or access to it constitute valuable trade secrets of Xerox. Title to the Diagnostic Software shall at all times remain solely with Xerox and Xerox's licensors. Xerox does not grant Customer a license or right to use the Diagnostic Software. Customer will not use, reproduce, distribute, or disclose the Diagnostic Software for any purpose (or allow third parties to do so). Customer will allow Xerox reasonable access to the Equipment during Customer's normal business hours to remove or disable Diagnostic Software if Customer is no longer receiving Maintenance Services from Xerox.

SW 1.4 – THIRD PARTY SOFTWARE

Third Party Software is subject to license and support terms provided by the applicable Third Party Software vendor.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below intending it to become effective on the Effective Date and thereby agreeing to its terms.

CITY OF REDLANDS



Signature

PETE AGUILAR

Name (please print)

MAYOR

Title

Address

Date

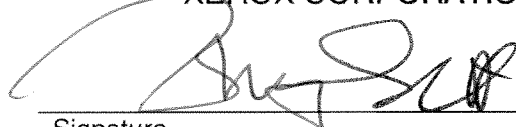
5/6/14

ATTEST:



Sam Irwin, City Clerk

XEROX CORPORATION



Signature

Mary Powers

BRYAN STALL

Name

Contract Specialist

REGIONAL SALES MGR

Title

Address

Date

5-5-14

THIS FUNDING AMENDMENT number 1 ("Amendment") amends Agreement No. 7078493 ("Agreement") between City of Redlands ("Customer") and Xerox Corporation ("Xerox") as follows.

1. The following section is added to the Agreement:

"Funding. This provision is applicable to governmental entities only. Customer represents and warrants that all payments due and to become due during Customer's current fiscal year are within the fiscal budget of such year and are included within an unrestricted and unencumbered appropriation currently available for the acquisition of the Products, and it is Customer's intent to use the Products for the entire initial term and to make all payments required under the Agreement or an Order. If (a) through no action initiated by Customer, Customer's governing body does not appropriate funds for the continuation of the Agreement or an Order for any fiscal year after the first fiscal year and has no funds to do so from other sources, and (b) Customer has made a reasonable but unsuccessful effort to find an assignee within Customer's general organization who can continue the Agreement or an Order, the Agreement or the Order may be terminated. To effect this termination, Customer must, 30-days prior to the beginning of the fiscal year for which Customer's governing body does not appropriate funds for the upcoming fiscal year, notify Xerox that Customer's governing body failed to appropriate funds and that Customer has made the required effort to find an assignee. Customer's notice must certify that canceled Equipment is not being replaced by equipment performing similar functions during the ensuing fiscal year. Customer agrees to release the Equipment to Xerox and, when returned, the Equipment will be in good condition and free of all liens and encumbrances. Customer will then be released from any further payments obligations beyond those payments due through the end of the funded fiscal year."

2. Capitalized terms not defined in this Amendment have the meaning assigned to them in the Agreement. Except as set forth in this Amendment, the Agreement and Order will remain as stated. In the event of a conflict between the terms and conditions of the Agreement and this Amendment, the Amendment will control.

IN WITNESS WHEREOF, duly authorized representatives of Customer and Xerox have executed this Amendment.

CITY OF REDLANDS

By: Pete Aguilar

Name: PETE AGUILAR

Title: Mayor

Date: 5/6/14

XEROX CORPORATION

By: Bryan Stall

Name: BRYAN STALL

Title: REGIONAL SALES MGR

Date: 5-5-14

ATTEST:



Sam Irwin, City Clerk

Services & Solutions Order

under Services Contract # 7078493-001

Customer: CITY OF REDLANDS
Bill To: CITY OF REDLANDS
ATTN: ACCTS PAYABLE
35 CAJON ST
REDLANDS, CA 92373-4746



Services Provided

Service	Description
Xerox Office Services (XOS)	XOS is a managed print service that optimizes the office output infrastructure. It establishes a balanced deployment of devices providing information security, regulatory compliance, and preemptive support, while enabling continuous improvement and business process innovation.

Order Summary

Agreement	Pricing	Payment
Term 5/6/2014 - 5/5/2019 (60 Months) Issued per Services and Solutions Agreement # 7078493 Attachments to this Order • Pool Plan Document • Invoice Presentment SOW 52546 • SSO Addendum 56050 • Statement of Work 52523	Total for this Order Net Monthly Minimum Charge \$499.62 Additional Impression Charges See Meter Pricing Plan (additional to Monthly Minimum Charge)	Taxing Information Tax ID # xxxxxxxxx

Authorized Signatures

Your signature indicates your agreement to the items and pricing in this Order.	
Signer: Pete Aguilar Customer Authorized Signature: <u>Pete Aguilar</u>	ATTEST: <u>Sam Irwin</u> City Clerk Phone: 909-753-5800 Date: <u>5/6/14</u>
Agreement Presented by: <u>Bryan Stall</u> Phone: 909-918-0799 Date: <u>5-5-14</u>	

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Added		Meter Pricing Plan				(staples included for equipment with a stapling feature)		
Item	Description	Meter	Monthly Impressions in Plan	Pool Identifier	Add'l Pool Impression Charge	Plan Features	Modification to Prior Pricing	Owner
1. W7845PT (W7845PT TANDEM) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation	N	XRX
		2: COLOR	3,250	N/A	\$0.0650	- Fixed Price - Consumable Supplies Included		
2. W7845PT (W7845PT TANDEM) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation	N	XRX
		2: COLOR	3,250	N/A	\$0.0650	- Fixed Price - Consumable Supplies Included		
3. W7845PT (W7845PT TANDEM) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation	N	XRX
		2: COLOR	3,250	N/A	\$0.0650	- Fixed Price - Consumable Supplies Included		
4. W7845PT (W7845PT TANDEM) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation	N	XRX
		2: COLOR	3,250	N/A	\$0.0650	- Fixed Price - Consumable Supplies Included		
5. WC7775P (WORKCENTRE 7775) - Customer Ed - Analyst Services		1: BW	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation	N	XRX
		2: COLOR	4,500	N/A	\$0.0650	- Fixed Price - Consumable Supplies Included		
6. WC7775P (WORKCENTRE 7775) - Customer Ed - Analyst Services		1: BW	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation	N	XRX
		2: COLOR	15,000	N/A	\$0.0650	- Fixed Price - Consumable Supplies Included		

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Added		Meter Pricing Plan				(staples included for equipment with a stapling feature)		
Item	Description	Meter	Monthly Impressions In Plan	Pool Identifier	Additional Impression Charge	Plan Features	Modification to Prior Pricing	Owner
7.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
8.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
9.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
10.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
11.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
12.	WC5335PT (WC5335 PRINTR/TANDEM)	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Added		Meter Pricing Plan				(staples included for equipment with a stapling feature)		
Item	Description	Meter	Monthly Impressions in Plan	Pool Identifier	Additional Impression Charge	Plan Features	Modification to Prior Pricing	Owner
13.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
14.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
15.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
16.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
17.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
18.	WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services	1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Added		Meter Pricing Plan				(staples included for equipment with a stapling feature)		
Item	Description	Meter	Monthly Impressions In Plan	Pool Identifier	Additional Impression Charge	Plan Features	Modification to Prior Pricing	Owner
19. WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services		1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
20. WC5335PT (WC5335 PRINTR/TANDEM) - Customer Ed - Analyst Services		1: Meter 1	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
21. 5855APT (5855A PT/COP/4TRAY) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
22. 5855APT (5855A PT/COP/4TRAY) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
23. W7845PT (W7845PT TANDEM) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
		2: COLOR	3,250	N/A	\$0.0650	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included		
24. 5855APT (5855A PT/COP/4TRAY) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Added		Meter Pricing Plan				(staples included for equipment with a stapling feature)		
Item	Description	Meter	Monthly Impressions in Plan	Pool Identifier	Additional Impression Charge	Plan Features	Modification to Prior Pricing	Owner
25. 5855APT (5855A PT/COP/4TRAY) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
26. W7845PT (W7845PT TANDEM) - Customer Ed - Analyst Services		1: BLACK	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
		2: COLOR	3,250	N/A	\$0.0650	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included		
27. WC7775P (WORKCENTRE 7775) - Customer Ed - Analyst Services		1: BW	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
		2: COLOR	3,500	N/A	\$0.0650	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included		
28. WC7775P (WORKCENTRE 7775) - Customer Ed - Analyst Services		1: BW	Per Pool Plan	65043	Per Pool Plan	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included	N	XRX
		2: COLOR	3,500	N/A	\$0.0650	- Quarterly Meter Reconciliation - Fixed Price - Consumable Supplies Included		

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Removed or Changed				
Item	Description	Pool Identifier	Transaction Type	Owner
1.	LXW324700: W7346P	Data Available Upon Request	Trade	XRX
2.	RAX000503: DOCSHR EXPRESS	Data Available Upon Request	Trade	XRX
3.	XKP540622: WC7545P	Data Available Upon Request	Trade	XRX
4.	LXW324872: W7346P	Data Available Upon Request	Trade	XRX
5.	LXW324881: W7346P	Data Available Upon Request	Trade	XRX
6.	LXW324906: W7346P	Data Available Upon Request	Trade	XRX
7.	VDR003572: W7675P	Data Available Upon Request	Trade	XRX
8.	VXW002016: WC5135	Data Available Upon Request	Trade	XRX
9.	VXW005692: WC5135	Data Available Upon Request	Trade	XRX
10.	VXW002034: WC5135	Data Available Upon Request	Trade	XRX
11.	VXW002037: WC5135	Data Available Upon Request	Trade	XRX
12.	VXW002075: WC5135	Data Available Upon Request	Trade	XRX

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Removed or Changed				
Item	Description	Pool Identifier	Transaction Type	Owner
13. VXW002087: WC5135		Data Available Upon Request	Trade	XRX
14. VXW002089: WC5135		Data Available Upon Request	Trade	XRX
15. VXW002092: WC5135		Data Available Upon Request	Trade	XRX
16. VXW002111: WC5135		Data Available Upon Request	Trade	XRX
17. VXW002120: WC5135		Data Available Upon Request	Trade	XRX
18. VXW002127: WC5135		Data Available Upon Request	Trade	XRX
19. VXW002128: WC5135		Data Available Upon Request	Trade	XRX
20. VXW002129: WC5135		Data Available Upon Request	Trade	XRX
21. VXW002673: WC5135		Data Available Upon Request	Trade	XRX
22. VXX000921: WC5150		Data Available Upon Request	Trade	XRX
23. VXX000930: WC5150		Data Available Upon Request	Trade	XRX
24. VXX000931: WC5150		Data Available Upon Request	Trade	XRX

Services & Solutions Order

under Services Contract # 7078493-001



Xerox Equipment & Software Removed or Changed				
Item	Description	Pool Identifier	Transaction Type	Owner
25.	VXX000933: WC5150	Data Available Upon Request	Trade	XRX
26.	VXX000934: WC5150	Data Available Upon Request	Trade	XRX
27.	VXX000939: WC5150	Data Available Upon Request	Trade	XRX
28.	WTM784274: WC5665	Data Available Upon Request	Trade	XRX
29.	WTM003679: WC5665	Data Available Upon Request	Trade	XRX

Staffing & Management Services Added	
Description	Plan Features
Support for Services Provided	- Fixed Price

Additional Value-Added Products or Services				
Item	Description	Type	Plan Features	Modification to Prior Pricing
1.	Xerox Professional Services	Professional Services	- Fixed Price	Y

Services & Solutions Order

under Services Contract # 7078493-001



Services Removed or Changed

Item	Category	Description	Type	Transaction Type
1. Staffing and Management Services		California (Los Angeles, Palo Alto), Average AOM	N/A	Removal
2. Staffing and Management Services		California (Los Angeles, Palo Alto), Client Associate, 2b	N/A	Removal
3. Value-Added Product or Service		Xerox Professional Services	Professional Services	Refinanced

Services & Solutions Order

under Services Contract # 7078493-001



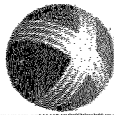
Services Contract Terms & Conditions

The following terms and conditions are in addition to those in the SSA. In the event of a conflict between terms and conditions, the order of precedence will be the SSA, this SSO and the applicable SOW, except where expressly stated otherwise in the SSA.

MODIFICATION OF PRIOR AGREEMENT: This Order modifies a prior agreement between you and Xerox for one or more of the Products identified herein. You may be charged a one-time administrative/processing fee per modified unit for the modification of the prior agreement, which fee will be financed under this Order.

QUARTERLY METER RECONCILIATION: Each month Customer will be billed for the then-current Monthly Minimum Charge(s) under an Order. The number of "Monthly Impressions In Plan" will count towards a Quarterly Minimum Volume (calculated as three (3) times the Monthly Impressions In Plan) for Equipment installed under the SSO. At the end of each "Quarterly Period", (defined as the three (3) consecutive months beginning in January, April, July and October), Xerox will bill Customer for impressions produced in excess of the Quarterly Minimum Volume, at the Additional Impression Charge set forth in an Order. In the event that the total number of impressions produced in a quarter is less than the Quarterly Minimum Volume, Customer agrees to pay the Quarterly Minimum Volume. Xerox will bill Customer for partial quarters on a pro rata basis.

EARLY TERMINATION: As per the Early Termination provision in the SSA, for every Order under this Services Contract number 7078493-001, you shall pay early termination charges as noted herein. If, prior to the end of the term of an Order hereunder, you terminate Equipment, require Equipment be removed or replaced or Xerox terminates an Order due to your default, you shall pay all amounts due Xerox as of that date, together with the Xerox-calculated monthly equipment component ("MEC"), which is available upon request and includes a disengagement charge, for all affected Equipment multiplied by the number of months remaining in said Order. In addition, you shall either make the subject Equipment (in the same condition as when delivered, reasonable wear and tear excepted) and its Software available for removal by Xerox when requested to do so or purchase the subject Equipment "AS IS, WHERE IS" and WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE by paying Xerox the Fair Market Value ("FMV") of the Equipment at the conclusion of its term.

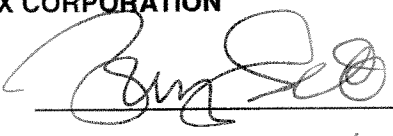


THIS ADDENDUM ("Addendum") amends each Services & Solutions Order ("SSO") under Services Solutions Agreement ("SSA") Number 7078493 between the City of Redlands ("Customer") and Xerox Corporation ("Xerox").

Customer and Xerox agree that the following is added to each SSO:

"Upon expiration of the term set forth in the applicable SSO, the SSO shall continue in effect until either (1) the SSO is expressly renewed by mutual agreement of the parties, or (2) it is terminated by either party on 30 days written notice. Alternatively, Customer shall have the right to renew the SSO for up to five additional twelve-month terms, subject to annual approval by Customer's city council."

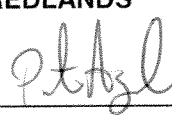
XEROX CORPORATION

By: 
 Name: Bryan Stall
 Title: Regional Sales Mgr
 Date: 5/5/14

ATTEST:


 Sam Irwin, City Clerk
 Redlands, California

CITY OF REDLANDS

By: 
 Name: PETE AGUILAR
 Title: MAYOR
 Date: 5/6/14

Pool Plan

under Services Contract # 7078493-001

Customer: CITY OF REDLANDS
Bill To: CITY OF REDLANDS
ATTN: ACCTS PAYABLE
35 CAJON ST
REDLANDS, CA 92373-4746



Pool Information						Meter Pricing Plan		
Pool Identifier	Pool Name	Pool Transaction Type	Pool Meter Type	Meter Reconciliation Period	Pool Plan Effective Date	Pooled Units Installed or Pending Delivery	Monthly Impressions Included in Plan	Pool Additional Impressions Charge
48383	b/w	Terminated	Black & White	Quarterly	5/1/2014	N/A	N/A	N/A
64863	Black & White	New	Black & White	Quarterly	5/1/2014	28	115,600	\$0.0050

The Equipment and pricing for the pool plan 'activity' identified above, are subject solely to the terms of the identified Services Contract #, and this Pool Plan

Authorized Signatures

Your signature indicates your agreement to the items and pricing in this Pool Plan.

ATTEST:

Signer: Pete Aguilar

Sam Irwin, Phone: 909-753-5800
City Clerk

Customer Authorized Signature:

Date:

Agreement Presented by: *Bryan N. Stall*

Phone: 909-610-0799

Xerox Authorized Signature:

Date:

Pool Plan

under Services Contract # 7078493-001

Pool Identifier : 48383

Pool Name : b/w

Pool Meter Type : Black & White



Xerox Equipment Removed from Pool		
Item	Description	Serial #
1.	W7346P	LXW324700
2.	W7346P	LXW324872
3.	W7346P	LXW324881
4.	W7346P	LXW324906
5.	W7675P	VDR003572
6.	W5135PT	VXW002016
7.	W5135PT	VXW002034
8.	W5135PT	VXW002037
9.	W5135PT	VXW002075
10.	W5135PT	VXW002087
11.	W5135PT	VXW002089
12.	W5135PT	VXW002092
13.	W5135PT	VXW002111
14.	W5135PT	VXW002120
15.	W5135PT	VXW002127
16.	W5135PT	VXW002128

Xerox Equipment Removed from Pool		
Item	Description	Serial #
17.	W5135PT	VXW002129
18.	W5135PT	VXW002673
19.	W5135PT	VXW005692
20.	W5150PT	VXX000921
21.	W5150PT	VXX000930
22.	W5150PT	VXX000931
23.	W5150PT	VXX000933
24.	W5150PT	VXX000934
25.	W5150PT	VXX000939
26.	W5687PT	WTM003679
27.	W5665PT	WTM784274
28.	W7346P	XKP540622

Pool Plan

under Services Contract # 7078493-001

Pool Identifier : 64863

Pool Name : Black & White

Pool Meter Type : Black & White



Xerox Equipment In Pool		
Item	Description	Serial # if installed
Equipment Added or Changed in this Order		
1.	W7845PT	Pending Delivery
2.	W7845PT	Pending Delivery
3.	W7845PT	Pending Delivery
4.	W7845PT	Pending Delivery
5.	WC7775P	Pending Delivery
6.	WC7775P	Pending Delivery
7.	WC5335PT	Pending Delivery
8.	WC5335PT	Pending Delivery
9.	WC5335PT	Pending Delivery
10.	WC5335PT	Pending Delivery
11.	WC5335PT	Pending Delivery
12.	WC5335PT	Pending Delivery
13.	WC5335PT	Pending Delivery
14.	WC5335PT	Pending Delivery
15.	WC5335PT	Pending Delivery
16.	WC5335PT	Pending Delivery

Xerox Equipment In Pool		
Item	Description	Serial # if installed
Equipment Added or Changed in this Order		
17.	WC5335PT	Pending Delivery
18.	WC5335PT	Pending Delivery
19.	WC5335PT	Pending Delivery
20.	WC5335PT	Pending Delivery
21.	5855APT	Pending Delivery
22.	5855APT	Pending Delivery
23.	W7845PT	Pending Delivery
24.	5855APT	Pending Delivery
25.	5855APT	Pending Delivery
26.	W7845PT	Pending Delivery
27.	WC7775P	Pending Delivery
28.	WC7775P	Pending Delivery

Pool Plan

under Services Contract # 7078493-001



Pool Plan Terms & Conditions

1. **THE POOL PLAN** modifies the Services Contract, entered into between Customer and Xerox and identified by its 10-digit Services Contract number on the Pool Plan documents. This Pool Plan and the Services Contract constitute the entire agreement as to the pool(s) identified herein, and supersedes all other oral and written agreements regarding said pool(s). Except as set forth in this Pool Plan, the Services Contract will remain as stated. In the event of a conflict between the terms of the Services Contract and this Pool Plan, this Pool Plan will control.
2. **DEFINITIONS:** Any term not defined below for this Pool Plan will be as set forth in the SSA or SSO. As used herein, the following terms will have these meanings:
 - a. "Additional Impression Charge" or "AIC" means the charge for each impression above the Monthly Impressions Included in Plan.
 - b. "Meter Reconciliation Period" ("MRP") means the frequency with which the actual impressions made on Pooled Equipment are compared to the Monthly Impressions Included in Plan for invoicing purposes. Each pool may only have one MRP.
 - c. "Pool Plan" means a specific pricing arrangement for impressions for 2 or more units of Equipment, with applicable terms and conditions. Multiple Pool Identifiers may exist under a Services Contract.
 - d. "Xerox Equipment In Pool" or "Pooled Equipment" means the Equipment set forth in the Xerox Equipment In Pool table as shown in the Pool Plan documents. An updated Xerox Equipment In Pool table will be issued with each modification to a Pool Plan. Each pool will be identified by a Pool ID. Equipment with both Black & White and Color meters may contribute to more than one pool. Multiple pools may exist under a Services Contract.
 - e. "Monthly Impressions Included in Plan", as shown in the Pool Plan documents, indicates the monthly level of impressions that must be exceeded on the Pooled Equipment before the AIC becomes billable.
 - f. "SSO AIC" means the charge for each impression above the "Monthly Impressions In Plan", as shown in the SSO documents included for each unit which is outside the Pool Plan.
 - g. "Quarterly" means calendar quarters of 3 consecutive months beginning in January, April, July and October.
3. **PRICING** The MMC for each unit of Pooled Equipment will be as set forth in a Services Contract. The AIC pricing for a pool is based on Pooled Equipment that is physically installed or pending delivery. The "Monthly Impressions Included in Plan" and the AIC will be revised as Equipment is added to or removed from a pool. Unless the units' "Plan Features" indicate "Fixed Price", Xerox may annually adjust the AIC. (For state and local government customers, this adjustment will take place at the commencement of such Customer's annual contract cycles).
4. **BILLING** The unit MMCs for Pooled Equipment will be invoiced monthly. The AIC will be invoiced in arrears based on the frequency of the MRP.
5. **QUARTERLY RECONCILIATION:** If the MRP is Quarterly, Xerox will invoice the AIC at the end of each quarter for impressions in excess of 3 times the Monthly Impressions Included in Plan. Partial quarters will be invoiced on a pro rata basis, based on a 30-day billing month.
6. **POOL PLAN CREATION AND MODIFICATIONS:** The Pool Plan Effective Date will be (i) the date shown on the face of the Pool Plan documents, or (ii) the installation date of the first newly placed unit of Xerox Equipment In Pool- at the inception of a pool, whichever is later.
 - a. **NEW POOL OR ADDITIONS TO POOL:** When a pool is created or when Equipment is added to a pool the Equipment will be invoiced using its pool AIC in effect at the end of that MRP.
 - b. **REMOVALS FROM POOL:** When a unit of Equipment is removed from a pool and its SSO, the Equipment will be invoiced using its pool AIC in effect at the end of the previous MRP. When a unit of Equipment is removed from a pool and continues under its SSO, it will revert to its SSO AIC, exclusive of any Pool Plan, beginning on the first day of the MRP during which the Equipment is removed from the pool.
 - c. **TERMINATION OF A POOL:** Either party may terminate a pool upon 30 days prior written notice. A modification resulting in less than 2 units in a pool will be a termination of that pool. When a pool is terminated and the Equipment is removed from its SSO, the Equipment will be invoiced using its pool AIC in effect at the end of the previous MRP. When a pool is terminated and the Equipment continues under its SSO it will be invoiced using its then current SSO AIC.
 - d. **TRANSFERRING EQUIPMENT FROM ONE POOL TO ANOTHER POOL:** When Equipment is transferred from one pool to another pool, the Equipment will be invoiced for the entire MRP using the receiving pool's AIC in effect at the end of that MRP.
7. **EQUIPMENT TERMINATION:** When a unit of Equipment in a pool is terminated, Customer will be invoiced for that unit as set forth in this Pool Plan and for any other applicable charges as set forth in the SSA or Services Contract.