November17, 2026

LOS ANGELES FIRE DEPARTMENT

JAIME E. MOORE
FIRE CHIEF

October 15, 2026

BOARD OF FIRE COMMISSIONERS
FILE NO. 26-057

TO: Board of Fire Commissioners

FROM: Jaime E. Moore, Fire Chief

SUBJECT: FIRST AMENDED AND RESTATED AGREEMENT NO. C-139201 WITH 3Di, INC. FOR A FIRE INSPECTION MANAGEMENT SYSTEM

FINAL ACTION:	_____ Approved	_____ Approved w/Corrections	_____ Withdrawn
	_____ Denied	_____ Received & Filed	_____ Other

SUMMARY

The City of Los Angeles (City), through the Los Angeles Fire Department (LAFD or Department), has contracted with 3Di, Inc. (3Di) for a Fire Inspection Management System (FIMS), Contract No. C-139201 (Agreement). Enhancements are needed to include a modernization of the LAFD's cashiering and payment processing systems, including the digitization of fire reports, and the Medical Records Request Tracking System.

This report represents the First Amended and Restated Agreement No. C-139201, amending the Scope of Work, exercising the five-year option to extend the term to October 17, 2031, and increasing the contract amount to $6,377,573.73.

RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the First Amended and Restated Agreement No. C-139201 with 3Di, Inc. to amend the scope of work, extend the term from October 18, 2021 through October 17, 2031, and increase the compensation by $3,118,453.73, for a total maximum compensation amount not to exceed $6,377,573.73, subject to the availability of funding.

2. Transmit the Agreement to the Office of the Mayor for review and approval, in accordance with Executive Directive No. 3.

DISCUSSION

The FIMS is replacing the aging and disconnected computer software systems that managed the LAFD's Fire Prevention and Public Safety Bureau's various fire inspection and other business processes. The new FIMS consists of a single, unified enterprise

system that is better suited to meet the current and future needs of the Department.

This project of modernization of its cashiering and payment processing system aims to replace outdated and siloed tools, streamline financial transactions, and enhance service delivery for both internal stakeholders and the public. This initiative addresses the growing need for centralized, real-time, and user-friendly systems that accommodate the wide range of LAFD services, including permit processing, records management, and subpoena handling. The proposed solution will integrate key functionalities. such as Point-of-Sale (POS) support, online payment portals, secure document submission, system interfacing with existing receivables, and advanced reconciliation capabilities. In alignment with the Department's operational and compliance goals, the new system will serve various units, including Accounting Services, the Fire Prevention Bureau (FPB), Risk Management, and the EMS Records Unit. The scope of work includes both enhancements to existing systems, such as FIMS 2.0, and the development of new, custom modules for functions not previously automated. Through this modernization effort, LAFD seeks to achieve:

- Enhanced transparency and tracking of financial transactions across locations
- Reduced reliance on legacy tools (e.g., Access databases)
- Improved customer experience with online services
- Increased security and compliance in the handling of sensitive records

As a result, the Agreement needs to be amended to include these enhancements in the current Scope of Work.

The current Agreement is for a five (5) year term, commencing on October 18, 2021, and includes an option to extend the term for five (5) years, for a total amount not to exceed $3,259,120. In order to further develop the FIMS, maintain and optimize the software and digital infrastructure that supports the fire safety operations, and ensure that the FIMS platform is fully operational and free of performance issues, the annual service agreement needs to be extended for an additional five (5) years, with the compensation increasing by $3,118,453.73, for a total maximum amount not to exceed $6,377,573.73.

The First Amended and Restated Agreement has been reviewed and approved by the City Attorney as to legal form. Pursuant to Los Angeles City Charter Section 373, approval by the City Council is required.

FISCAL IMPACT
Funding from the Innovation and Performance Commission (the Commission) for the enhancement regarding the Digitization of Fire Reports and Electronic Payments ($52,000) has been budgeted in the General Fund, Contractual Services Account 3040, and funding for the Medical Records Request Tracking System ($78,000) has been approved by the Commission and will be available in the General Fund, Contractual Services Account 3040, upon final approval by the City Council. The annual service cost

and subscription will also be funded from the Contractual Services Account 3040. Funding for the annual contract increases will be requested in subsequent fiscal year budgets or addressed through a Financial Status Report.

Board Report prepared by Sam Hinojosa, Chief Information Officer and Kanwarjit Bhopal, Sr. Management Analyst I, Information Technology Bureau and Alexis A. Cameron, Sr. Management Analyst II, Administrative Services Bureau.

Attachment

FIRST AMENDED AND RESTATED AGREEMENT NO. C-139201
BETWEEN
THE CITY OF LOS ANGELES
AND
3Di, INC.
FOR
FIRE INSPECTION MANAGEMENT SYSTEM

THIS FIRST AMENDED AND RESTATED AGREEMENT ("Agreement") is made and entered into by and between the City of Los Angeles, a municipal corporation ("City"), acting by and through the Los Angeles Fire Department ("Fire Department" or "LAFD" or "Department"), and 3Di, Inc., a California corporation ("Contractor") (collectively, the "Parties," or individually, a "Party"), with reference to the following:

WHEREAS, the LAFD, Fire Prevention and Public Safety Bureau ("FPB") uses no fewer than six separate and disconnected computer software systems for managing its various fire inspection and other business processes; and

WHEREAS, the lack of integration of these systems results in, among other things, numerous inefficient processes, duplication of data and potential errors; and

WHEREAS, the LAFD identified the need to replace the existing systems with a single, unified enterprise system that is better suited to meet the current and future needs of the Department, and is easier for the Department to modify and maintain; and

WHEREAS, competitive bidding under Charter Section 371 was not required for this Agreement because the Agreement is for the performance of professional, scientific, expert, technical, or other special services of a temporary and occasional character for which competitive bidding under Charter Section 371 is not practicable or advantageous; and

WHEREAS, pursuant to Charter Section 372, on October 16, 2019, the LAFD issued a Request for Proposals ("RFP") for a Fire Inspection Management System (RFP No. 2019-038-006); and

WHEREAS, the Contractor submitted a proposal in response to the RFP, and the LAFD has determined that the Contractor possessed the qualifications and experience necessary to provide the services requested in that the Contractor received the highest score out of the seven (7) proposals that were evaluated by the LAFD; and

WHEREAS, the Contractor is a professional services and software development company with more than 25 years of experience providing software solutions of similar complexity for other large state and local government agencies similar to the LAFD and located throughout the United States.; and

WHEREAS, pursuant to Charter Section 1022, the City has found that this service can be performed more feasibly by a contractor than by City employees; and

WHEREAS, on October 18, 2021, the Parties entered into Agreement No. C-139201 ("Original Agreement"), pursuant to which Contractor agreed, for consideration and upon the terms and conditions provided in the Original Agreement, to perform the above-referenced services; and

WHEREAS, on October 25, 2023, the Parties entered into a First Amendment to the Original Agreement to: (a) amend the scope of work; (b) increase the compensation by $477,040, for a total contract amount not to exceed $3,259,120; and (c) make certain other changes deemed necessary by the Parties; and

WHEREAS, the Parties now wish to: (a) amend the scope of work; (b) exercise the option to extend the term for an additional five (5) year period, to expire on October 17, 2031; (c) increase the compensation by $3,118,453.73, for a total contract amount not to exceed $6,377,573.73; (d) replace Attachment A – Standard Provisions for City Contracts (Rev. 9/22 [v.1]) with Attachment A – Standard Provisions for City Contracts (Rev. 5/26 [v.1]); and (e) make certain other changes deemed necessary by the Parties.

NOW, THEREFORE, the City and the Contractor agree as follows:

1.0 SECTION 1: GENERAL

1.1 Project Overview

The purpose of this project is to replace the aging fire inspection and reporting system with a new, easy to use system that can support the Department's fire inspection reporting and full range of other operational needs related to fire prevention.

1.2 Work Location

Contractor's Key Personnel, including the Project Manager and Solution Architect, shall be available to work on-site at LAFD facilities as needed in order to attend key meetings and or participate in scheduled project events and/or milestones. Contractor's development and support personnel shall work off-site at Contractor's office locations.

1.3 Parties to the Agreement

A. City – The City of Los Angeles, a municipal corporation, acting by and through the Los Angeles Fire Department, having its principal office at:

   Los Angeles Fire Department
   200 North Main St., 18th Floor
   Los Angeles, CA, 90012

B. Contractor – 3Di, Inc. a California corporation, having its principal office at:

   3Di, Inc.
   3 Pointe Drive, Suite 307
   Brea, CA 92821

1.4 Representatives of the Parties

The representatives of the respective Parties authorized to administer this Agreement, and to whom formal notices, demands, and communications shall be given are as follows:

A. The representative of the City shall be, unless otherwise stated in this Agreement:

Fire Chief
Los Angeles Fire Department
200 N. Main St., Room 1800
Los Angeles, CA 90012

With copies to:

Chief Information Officer
Los Angeles Fire Department
200 N. Main St., Room 1680
Los Angeles, CA 90012

B. The Contractor's representative is, unless otherwise stated in the Agreement:

Mihir Desai, Vice President & C.F.O.
3Di, Inc.
3 Pointe Drive, Suite 307
Brea, CA 92821

With copies to:

Rajiv Desai, President & C.E.O.
3Di, Inc.
3 Pointe Drive, Suite 307
Brea, CA 92821

C. Formal Notices

Formal notices, demands, and communication required hereunder by either Party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.

D. Notices of Change

If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be provided as described in this Agreement, within five (5) business days of said change. As used in this section, "business days" shall refer to the days the City is open to the public for business.

2.0 SECTION 2: TERM OF AGREEMENT

2.1 Term

The term of this Agreement shall commence on October 18, 2021, and shall end on October 17, 2031, unless otherwise terminated earlier as provided herein.

2.2 Amendments

The Board of Fire Commissioners authorized the Fire Chief to extend the Original Agreement for an additional five (5) years, utilizing the amendment process described in Section PSC-4 of the Standard Provisions for City Contracts (Rev. 5/26 [v.1]), attached hereto and incorporated herein as Attachment A. Any amendment to extend the term of this Agreement is contingent on the availability of funds and the Contractor having provided satisfactory services under this Agreement.

2.3 Ratification of Agreement

Due to the need for Contractor's services to be provided continuously on an ongoing basis, Contractor may have provided services prior to the execution of this Agreement. To the extent that the Contractor's services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.

3.0 SECTION 3: SCOPE OF WORK

3.1 Contract Services

The Contractor shall provide the system software solution and services as described in the Statement of Work and in the Proposal for FIMS Development Services Enhancement, the Proposal for the Cashiering System, including the digitization of fire reports, and the Proposal for the Medical Records Request Tracking System, attached hereto and incorporated herein as Attachment B, Attachment D, Attachment E and Attachment F, respectively, and, to the extent not inconsistent with this Agreement, the applicable pages in the Contractor's Response to the LAFD's Request for Proposal No. 2019-038-006, attached hereto and incorporated herein as Attachment C.

3.2 Licensing

The Contractor hereby grants City a license to access and use the System and all constituent components during the term of this Agreement. City's license to access and use the System includes an unlimited number of end-user licenses for LAFD to use for its governmental purposes.

3.2.1 Source Code Deposit

Contractor hereby grants City a license to use, reproduce, and create derivative works from the Deposit Material for City's governmental purposes as necessary to maintain and support the System.

Within 30 business days of the Effective Date, Contractor shall deposit the source code for the System, as well as the Documentation and names and contact information for each author or other creator of the System, with a third-party software escrow agent that is mutually agreed to

by the Contractor and the City. Promptly after release of any update, upgrade, patch, bug fix, enhancement, new version, or other revision to the System, Contractor shall deposit updated source code, documentation, names, and contact information ("Deposit Materials") with the City in an encrypted and password-protected file (or in such other matter or to such other place, or both, that LAFD's Chief Information Officer or his designee agrees to in writing). Contractor shall ensure that the Deposit Materials include all documentation necessary to enable a person of reasonable skill with software to compile and build a machine-readable code for the System, to maintain the System, and fully to operate the System.

Upon the occurrence of a Release Condition (as defined below), Contractor shall provide City with the Deposit Materials and all necessary information to allow City to access and utilize the Deposit Materials as provided in this Section, including the passwords or authentication tokens necessary to City's access to the Deposit Materials.

The term "Release Conditions," as used in this Agreement, refers to any of the following: (a) material breach by Contractor, if such breach remains uncured for 30 or more business days after City written notice; (b) any failure of Contractor to function as a going concern; (c) appointment, application for, or consent to a receiver, trustee, or other custodian for Contractor or its assets; (d) Contractor becomes insolvent or unable to pay its debts as they mature in the ordinary course or makes an assignment for the benefit of creditors; (e) Contractor is liquidated or dissolved; or (f) any proceedings are commenced with regard to Contractor under any bankruptcy, insolvency, or debtor's relief law, and such proceedings are not dismissed within 60 days.

The rights and licenses granted to City in this Section 3.0, are "intellectual property" rights, as defined in Section 365(n) of the United States Bankruptcy Code (11 U.S.C. Sections 101, et seq.). If Contractor is subject to any proceeding under the United States Bankruptcy Code, and Contractor as debtor in possession or its trustee in bankruptcy rejects this Agreement, City may, pursuant to 11 U.S.C. Section 365(n)(1) and (2), retain any and all rights granted to it under the License Provisions to the maximum extent permitted by law. This Section shall not be construed to limit or restrict any right or remedy not set forth in this Section, including without limitation the right to retain any license or authority this Agreement grants pursuant to any provision other than in this Section.

3.3 Out of Scope Services

Unless mutually agreed to by both Parties by way of an amendment to this Agreement, any other services not specifically listed in this Agreement are considered out of scope. The City shall not be responsible to pay Contractor for any out-of-scope work not described in this Agreement, and not agreed to by the Parties in writing by way of an amendment to this Agreement. Contractor shall immediately notify the City in writing of any work that is requested to be performed that is outside of the original scope of work covered by this Agreement. If it is determined that the request is outside of the scope of work, Contractor shall not perform the requested work unless and until (i) the City approves the request in writing and authorizes the use of any contingency funds for the work, and (ii) an amendment providing for an adjustment in Contractor's compensation and the scope of work is approved and executed by both Parties.

3.4 Additional As-Needed Services

250,000 total cases (including Inspections, Permits, Surveys, Inquiries, and any additional case types introduced in the future). If annual case volume exceeds 250,000, the subscription cost will be subject to an increase, which will be calculated based on the additional case volume processed beyond this threshold, and may be included in this agreement by amendment.

From time to time, additional as-needed services may be required that are not included within the scope of this Agreement. Any such services that may be needed in the future shall be addressed with a separate scope of work, cost and schedule, and may be included in this Agreement by amendment.

4.0 SECTION 4: PAYMENT AND INVOICING

4.1 Total Fixed Price

The total, not to exceed, amount for this contract is $6,377,573.73

4.2 Payment Milestones

The contract total shall be paid as follows:

Project Implementation $1,510,800
Enhancement Payment Milestones: $414,720
Systems Maintenance: $1,537,092
Annual Cost and Subscription: $2,914,961.73

Project Implementation

Payment #	Payment Milestones	Payment
1	System Design and Project Plan	$ 67,669
2	Fire Stations	$266,230
3	Fire Stations modules Prorated Maintenance Operation and Support	$ 29,963
4	Integration	$ 64,400
5	Commercial & Industrial	$212,247
6	Commercial & Industrial modules Prorated Maintenance Operation and Support	$ 13,472
7	Legacy Data Conversion	$ 42,000
8	Public Safety	$206,967
9	Public Safety modules Prorated Maintenance Operation and Support	$ 13,317
10	Other Fire Inspections	$204,327
11	VMS3 Migration	$179,179
12	Fire Dev Services Migration	$211,029
	Total Year 1	**$1,510,800**

Enhancement No. 1 (FIMS Development Services)

Payment #	Enhancements Payment Milestones	Payment
1	UC 1: Tracking & Assigning Projects	$ 48,880
2	UC 2: Reports	$ 20,680
3	UC 3: Plan Check	$ 56,400
4	UC 4: PCIS Integration	$ 16,920
5	UC 5: Payments	$ 41,360
6	UC 6: Customer Portal	$ 24,440
7	UC 7: Internal Dashboard	$ 30,080
8	UC 8: New Functions	$ 58,280
	Total	$297,040

Enhancement No. 2 (Universal Cashiering System)

Enhancement Payment Milestone	Payment
Implementation Management, Requirement Analysis, Design (including UX/UI Design) and Discovery, Development (Build, Configure & Integration), System Testing, Implementation/Deployment, Post - Implementation Stabilization and Training (Note: $12,000 included Annual Service Cost)	$39,680

Enhancement No. 3 (Medical Records Request Tracking System)

Payment #	Enhancement Payment Milestone	Payment
1	Implementation Management, Requirement Analysis, Design (including UX/UI Design) and Discovery, Development (Build, Configure & Integration), and System Testing	$48,000
2	Implementation/Deployment, Post-Implementation Stabilization and Training, Acceptance of Final Product, and First Year Annual Subscription (Ongoing Maintenance, Operations & Support (SaaS)	$30,000

FIMS 1.0 Systems Maintenance Operations and Support Services (FDS, VMS3, R1R2)

Year	Payment
Year 1 (10/18/21 - 10/17/22)	$180,000
Year 2 (10/18/22 - 10/17/23)	$180,000
Year 3 (10/18/23 - 10/17/24)	$180,000
Year 4 (10/18/24 - 10/17/25)	$180,000
Year 5 (10/18/25 - 10/17/26)	$180,000
Year 6 (10/18/26 - 10/17/27)	$120,000
Year 7 (10/18/27 – 10/17/28)	$123,600
Year 8 (10/18/28 – 10//17/29)	$127,308
Year 9 (10/18/29 – 10/17/30)	$131,124
Year 10 (10/18/30 – 10/17/31)	$135,060
Total	**$1,537,092**

Annual Service Cost and Annual Subscription

The annual service agreement for Years 2 through 5 was at a firm, fixed price of $317,820, but was prorated. Years 6 through 10 includes the annual service cost and the annual subscription for the cashiering module and the medical records request tracking system module with an annual inflation adjustment of 3%.

Year	Cost	Fiscal Year	Prorated Amount / Payment	Modules Deployed
Year 2 (10/18/22 - 10/17/23)	$317,820.00	FY 2022-23	$112,192.12	Fire Stations - Hydrant Inspections Commercial & Industrial - Oil Well Other Fire Inspections - Research Unit (Referral) Additional Module - Survey
Year 3 (10/18/23 - 10/17/24)	$317,820.00	FY 2023-24	$236,173.61	Fire Stations - R1R2 Commercial & Industrial - Industrial & Commercial Commercial & Industrial - Legal Cannabis Public Safety - High Rise Public Safety - Schools & Churches Public Safety - Institutions Public Safety - Valley Public Safety Public Safety - Film Unit Public Safety - Public Assemblage Other Fire Inspection - Contractors - Brycer Reg 4
Year 4 (10/18/24 - 10/17/25)	$317,820.00	FY 2024-25	$317,820.00	Fire Stations - Fire Station Inspections (Occupancy) Other Fire Inspections - Legal Unit Other Fire Inspections - Illegal Cannabis

Year 5 (10/18/25 - 10/17/26)	$317,820.00	FY 2025-26	$317,820.00	Additional Module - Palisades Survey
Year 6 (10/18/26 - 10/17/27)		FY 2026-27	$339,355.00	Includes $12,000 for Enhancement No. 2
Year 7 (10/18/27 - 10/17/28)		FY 2027-28	$380,436.00	Inflation Adjustment – 3%
Year 8 (10/18/28 - 10/17/29)		FY 2028-29	$391,849.00	Inflation Adjustment – 3%
Year 9 (10/18/29- 10/17/30)		FY 2029-30	$403,604.00	Inflation Adjustment – 3%
Year 10 (10/18/30 - 10/17/31)		FY 2030-31	$415,712.00	Inflation Adjustment – 3%
		Total	**$2,914,961.73**	

4.3 Travel Expenses

The Contractor, from time to time, shall provide for staff to meet on-site with the LAFD as-needed to participate in key scheduled project events such as milestones, deliverables or other important project events. All Contractor travel expenses are included in the firm fixed price and shall not be billed separately.

4.4 Invoicing

4.4.1 The Contractor shall submit their invoices to:

Sam Hinojosa, CIO
Information Technology Bureau
Los Angeles Fire Department
200 North Main Street, Room 1680
Los Angeles, CA 90012

The invoice shall contain the following:

a. Name and address of company or firm;
b. Name and address of the contracting department;
c. Date of the invoice and period covered;
d. Reference to contract number;
e. Description of the completed task and amount due for the task;
f. Copy of the invoices and payments to third parties, if any;

g. Payment terms, total due, and due date;
h. Certification by a duly authorized officer of the Contractor;
i. Discounts and terms (if applicable);
j. Remittance address (if different from company address); and
k. Percentage of maximum allowable compensation against which services have been billed to date, and percentage of maximum allowable compensation remaining.

The City shall make payment to the Contractor for the services performed after receipt and approval of the invoices by the City's Representative or designee. The City shall not unreasonably withhold approval of the invoices. In the event any invoice is not approved, the City's Representative or designee shall immediately send a notice to the Contractor setting forth therein the reason(s) said invoice was not approved. Upon receipt of such notice, the Contractor may re-invoice the City for the accepted portion of the invoice or cure the defect identified in the notice from the City Representative or designee. The City shall pay the revised invoice as soon as practical after its submission. If the City's Representative or designee contests all or a portion of the invoice, the City's Representative or designee and the Contractor shall use their best efforts to resolve the disputed portion or portions of the invoice.

Failure to adhere to these policies may result in nonpayment or non-approval of demands, pursuant to Charter Section 262(a), which requires the Controller to inspect the quality, quantity, and condition of services, labor, materials, supplies, or equipment received by any City office or department, and approve demands before they are drawn on the Treasury.

5.0 SECTION 5: DATA, MANAGEMENT, SECURITY, AND PRIVACY

5.1 Precedence for Data, Security, Privacy, and Intellectual Property

Notwithstanding Section 10 (Order of Precedence), the provisions of Attachment A governing technology, data, security, privacy, artificial intelligence, and intellectual property – including PSC-17 through PSC-23, PSC-34, and PSC-37 – are incorporated as though fully set forth herein and are in addition to, and not in limitation of, the obligations in Section 5 and Section 6. Section 5 and Section 6 shall not be construed to reduce, waive, cap, or narrow any obligation of Contractor or any right of City under those provisions. In the event of any conflict between this Agreement and those provisions with respect to such subject matter, the provision most protective of City and City Data shall control.

5.2 Data Ownership and Use

The City is the sole and exclusive owner of all data and information that is managed or contained within the system and/or provided to the Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other Party under this Agreement. Subject to the restrictions articulated elsewhere in this Agreement, City grants Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

5.3 Confidential Data

City Data is Confidential Information for the purposes of this Agreement. Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. Contractor shall not possess or assert any lien or other right against or to City Data. City may request an export of City Data stored within the systems or held by Contractor in standard forms or formats that are mutually agreed upon between Contractor and City at no charge to City.

5.4 Data Protection in General

The protection of personal privacy and personally identifiable data shall be an integral part of the business activities of Contractor, and Contractor shall use all reasonable efforts to prevent inappropriate or unauthorized use of City Data at any time and safeguard the confidentiality, integrity, and availability of City Data.

5.5 Data Protection Encryption

Unless otherwise stipulated in writing, Contractor shall encrypt all City Data at rest and in transit with controlled access. The Contractor shall apply and support encryption solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or 140-3 (or successor), or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. Whenever and wherever applicable, Contractor shall apply and support industry standards or better for tokenization, fraud-use protection, format-preserving encryption, and data encryption technology.

5.6 Data Protection Copying

At no time shall any City data be copied, disclosed, or retained by Contractor or any party related to Contractor, including its subcontractors, for use in any process, publication, or transaction that is not specifically authorized by the City in writing.

5.7 Data Protection Hacking

Contractor shall secure and protect all City Data from hacking, viruses, ransomware, and denial of service and related attacks.

5.8 Data Protection Unauthorized Access

Contractor shall implement and maintain appropriate administrative, technical and organizational security measures in order to safeguard against unauthorized access, disclosure, or theft of City Data in a manner that is compliant with the Health Insurance Portability and Accountability Act (HIPAA). Contractor shall protect City Data using no less than the security means and technology necessary to meet the standard of care relevant to the data at issue, in any event, security measures no less stringent than the measures Contractor applies to its own personal or confidential data.

5.9 Business Associate Agreement (BAA)

The LAFD is a Covered Healthcare Entity within the City organization, and in accordance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and to ensure the security of documents containing Protected Health Information ("PHI"), the Contractor by

entering into this Agreement with the LAFD agrees to abide by the Business Associate Agreement ("BAA"), attached hereto and incorporated herein as Attachment G.

5.10 On Shore Development and Access

Contractor shall provide its services to the City and its end users solely from facilities / data centers in the continental United States of America. Storage of City Data at rest shall be located in the continental United States of America. Contractor shall not allow its personnel or subcontractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at Contractor's continental United States of America offices or data centers. Contractor may permit its personnel and subcontractors to access City Data remotely only as required to provide Contracted Services. Such access may be permitted from outside the continental United States of America provided that:

- All offshore personnel and subcontractors connect exclusively through a secure VPN into a dedicated computer system physically located at Contractor's offices in the continental United States of America.
- No City Data shall be stored, cached, downloaded, printed, or otherwise retained in any form outside of the continental United States of America.
- Offshore personnel and subcontractors shall only view and process City Data through the U.S.-based system, and shall not transfer, export, or replicate such data to any offshore environment or device.
- Contractor shall implement and maintain strict technical, physical, and administrative safeguards to enforce these requirements, including but not limited to encryption, role-based access, and comprehensive audit logging of all offshore access activities.
- Contractor shall make such audit logs available to the City upon request.

Contractor shall not provide any services under this Agreement from a location outside of the continental United States of America, absent receipt of City's express approval. For purposes of support services provided in association with the Service Level Agreement, City's approval may come via e-mail or other written instrument from the Department's Chief Information Officer.

The Contractor may access City Data outside the United States solely as necessary to review telemetry data in order to provide production support services needed to maintain the FIMS production environment's availability, security, and functionality. Access shall be limited to the FIMS production application configuration-related data, and application records, solely as reasonably necessary to diagnose, investigate, and resolve production-support issues. Access shall be protected by VPN, authenticated role-based access controls, and logging and monitoring. City Data shall not be stored, downloaded, printed, cached, transferred, or otherwise retained outside the United States. The Contractor may access the data only when necessary and only for the duration required in order to resolve support issues. The Contractor shall be found in violation of PSC-22(B) – Data Protection in Attachment A – Standard Provisions for City Contracts (Rev. 5/26 [v.1]) for any access outside of these terms.

5.11 Access Limitations

Contractor shall use precautions, including, but not limited to, physical software and network security measures, personnel screening, training and supervision, and appropriate agreements to

prevent anyone other than authorized City personnel, users and subcontractors with a specific need to know, for a purpose authorized under this Agreement, from monitoring, using, gaining access to City Data. The Contractor shall also protect appropriate copies of City Data from loss, corruption, or unauthorized alteration and prevent the disclosure of City and Contractor usernames, passwords, API keys, and other access control information to anyone other than authorized City personnel.

5.12 Least Privilege

Contractor shall authorize access only to the minimum number of resources required to fulfil the Contractor's responsibilities in this contract.

5.13 Separation of Duties

Contractor shall, as much as practical, divide functions among its staff members to reduce the risk of creating an undue dependency on one key person and reducing the risk of fraud being undetected.

5.14 Role-Based Security

Contractor shall restrict access to authorized users and base access control on the role a user plays in the Contractor's organization.

5.15 Credential Restrictions

Contractor shall restrict the use of, and access to, administrative credentials for accounts and system services accessing City Data, to only those of Contractor's personnel and subcontractors whose access is essential for the purpose of providing the Contracted Services or performing obligations under this Agreement. Contractor shall require personnel and subcontractors to log on using an assigned user-name and password when administering City accounts or accessing City Data. These controls shall enable Contractor to promptly revoke or change access in response to terminations or changes in job functions, as applicable. Contractor shall encrypt all passwords, passphrases, and PINs, using solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. Contractor shall implement any City request to revoke or modify user access within twenty-four (24) hours or the next business day of receipt of City's request. Contractor shall disable user accounts after, at most, ten (10) consecutive invalid authentication attempts. References to "subcontractor" in the Pledge of Compliance document is limited to subcontractors providing professional services.

5.16 Physical and Environmental Security

Contractor facilities that process City Data shall provide a physically secure environment from unauthorized access, damage, and interference.

5.17 Operational Controls

Contractor shall implement operational procedures and controls designed to ensure that technology and information systems are configured and maintained according to prescribed internal standards and consistent with applicable Industry Standard Safeguards. Examples of Industry Standard Safeguards are ISO/IEC 27002:2005, NIST 800-44, Microsoft Security Hardening Guidelines, OWASP Guide to Building Secure Web Applications, SOC 2 Type 2, and

the various Center for Internet Security Standards. Moreover, Contractor shall use application security and software development controls designed to eliminate and minimize the introduction of security vulnerabilities.

5.18 Antivirus

Contractor shall have and maintain antivirus protection configured to automatically search for and download updates (daily, at a minimum) and perform continuous virus scans. Malware and threat detection shall be updated continuously, and software patches provided by vendors shall be downloaded and implemented in a timely manner. If Contractor is unable to implement these controls in a timely manner, Contractor shall notify City in writing.

5.19 Vulnerability Management and Patching

Contractor shall employ vulnerability management and regular application, operating system, and other infrastructure patching procedures and technologies designed to identify, assess, mitigate, and protect against new and existing security vulnerabilities and threats, including viruses, bots, and other malicious code.

5.20 Network Controls

Contractor shall have, shall implement, and shall maintain network security controls, including the use of firewalls, layered DMZs and updated intrusion detection and prevention systems, reasonably designed to protect systems from intrusion or limit the scope or success of any attack or attempt at unauthorized access to City Data.

5.21 Logging and Monitoring

Unless prohibited by applicable law, Contractor shall, and shall require subcontractors to, continuously monitor its networks and personnel for malicious activity and other activity that may cause damage or vulnerability to City Data. Contractor shall maintain logs of administrator and operator activity and data recovery events related to City Data.

5.22 Changes in Service

Contractor notify the City of any changes, enhancements, and upgrades to the System Administration and Network Security, or changes in other related services, policies, and procedures, as applicable, which can adversely impact the security of City Data.

5.23 Policies

Contractor shall, and shall require subcontractors to, establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards, and procedures (collectively "Information Security Policy"), and communicate the Information Security Policy to all of its respective personnel in a relevant, accessible, and understandable form. Contractor shall regularly review and evaluate the Information Security Policy to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks. Upon execution of this Agreement and thereafter within three (3) days of City's request, Contractor shall make available for review by the City Contractor's Information Security Policy and any related SOC audits or other evidence that Contractor has in place appropriate policies and procedures regarding information protection and security.

5.24 Vulnerability and Risk Assessments

At least annually, Contractor shall perform vulnerability tests and assessments of all systems that contain City Data. For any of Contractor's applications that process City Data, such testing shall also include penetration tests using intercept proxies to identify security vulnerabilities that cannot be discovered using automated tools, and code review or other manual verifications to occur at least annually.

5.25 Right of Audits by City/Security Review Rights

City and its agents, auditors (internal and external), regulators, and other representatives as City may designate, may inspect, examine, and review the facilities, books, systems, records, data, practices, and procedures of Contractor (and any personnel) that are used in rendering services to City to verify the integrity of City Confidential Information and to monitor compliance with the confidentiality and security requirements for City Confidential Information. In lieu of an on-site audit, at City's discretion and upon request by the City, the Contractor agrees to complete, within fourteen (14 days) of receipt, an audit questionnaire provided by the City regarding the Contractor's data privacy and information security program. Contractor shall comply with all recommendations that result from such inspections, tests, and audits within reasonable timeframes.

5.26 Data Backup and Emergency Recovery

Contractor shall employ a multilayered approach to backups and disaster recovery, including the use of a primary data center and a backup data center. Contractor shall perform both local and remote backups of the complete server infrastructure, including server operating systems, applications, and data. Contractor shall perform Disaster Recovery Tests no less than annually. Contractor shall maintain and comply with a reasonable written plan (the "DR Plan") setting forth procedures for (a) mitigating disruption to systems during and after an earthquake, hurricane, other natural disaster, war, act of terrorism, act of cyberterrorism, and other natural or man-made disaster, including without limitation Force Majeure Events (as that term is used in PSC-5, Force Majeure/Excusable Delays, of the Standard Provisions for City Contracts (Rev. 5/26 [v.1]) (collectively, a "Disaster"); and (b) restoring Service functionality promptly after a Disaster. The DR Plan shall include procedures no less protective than industry standard, and Contractor shall update the DR Plan as the industry standard changes.

5.27 Data Return and Destruction

At the conclusion of the Agreement and as instructed by City, Contractor shall (at its sole cost) return, delete, or destroy City Data then in its possession or under its control, including, without limitation, originals, and copies of such City data. The following types of information are excluded from this requirement: (i) City Data that becomes a part of the public domain, including through court filings; and (ii) City Data that Contractor is required to maintain by law, regulations, or by the terms of this Agreement, but only for the time period required. For the avoidance of doubt, anything that is stored on routine backup media solely for the purpose of disaster recovery shall be subject to destruction in due course rather than immediate return or destruction pursuant to this paragraph, provided that Personnel are precluded from accessing such information in the ordinary course of business prior to destruction.

Contractor shall implement and utilize appropriate methods to ensure the destruction of City Data. Such methods shall be in accordance with recognized industry best practices and shall leave no data recoverable on Contractor's computers or other media.

Contractor agrees to certify that City Data has been returned, deleted, or destroyed from its systems, servers, off-site storage facilities, office locations, and any other location where Contractor maintains City Data within thirty (30) days of receiving City's request that the information be returned, deleted, or destroyed. Contractor shall document its verification of data removal, including tracking of all media requiring cleaning, purging or destruction

5.28 Data Breach

Contractor shall notify City in writing as soon as reasonably feasible, but in any event within twenty-four hours, or if later, the next business day after Contractor's discovery of any unauthorized access of City Data or Contractor becoming reasonably certain that such unauthorized access has occurred (a "Data Breach"), or of any event that compromises the integrity, confidentiality or availability of City Data (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. Contractor shall begin remediation immediately. Contractor shall provide daily updates if requested by City, and, in any event, reasonably frequent updates, regarding findings and actions performed by Contractor until the Data Breach or Security Incident has been resolved to City's satisfaction. Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share a report of the investigation findings with City. At City's sole discretion, City and/or its authorized agents shall have the right to conduct an independent investigation of a Data Breach. Contractor shall cooperate fully with City and its agents in that investigation. If the City is subject to liability for any Data Breach or Security Incident, the Contractor shall fully indemnify and hold harmless the City and defend against any resulting actions.

5.29 Confidentiality

5.29.1 City's Confidential Information

For purposes of this Section 5.29, "Confidential Information" means any nonpublic information whether disclosed orally or in written or digital media, received by Contractor that is either marked as "Confidential" or "Proprietary" or which the Contractor knows or should have known is confidential or proprietary information. City Data shall be treated as Confidential Information by Contractor under this Agreement, even if such data is not marked "Confidential" or "Proprietary" or was obtained by or transferred to Contractor prior to the effective date of this Agreement.

5.29.2 Protection of Confidential Information

Except as expressly authorized herein, Contractor shall (a) hold in confidence and not disclose any Confidential Information to third parties and (b) not use Confidential Information for any purpose other than fulfilling its obligations and exercising its rights under this Agreement or performing the contracted services. Contractor shall limit access to Confidential Information to Contractor personnel and subcontractors that are previously disclosed to City and, (1) who have a need to know such information for the purpose of Contractor performing its obligations or

exercising its rights under this Agreement, or performing Contracted Services; (2) who have confidentiality obligations no less restrictive than those set forth herein; and (3) who have been informed of the confidential nature of such information. In addition, the Contractor shall protect Confidential Information from unauthorized use, access, or disclosure in the same manner that it protects its own proprietary information of a similar nature, but in no event with less than reasonable care. At LAFD's request or upon termination or expiration of this Agreement, the Contractor shall return to LAFD any Deliverables not provided to the City and Contractor shall destroy (or permanently erase in the case of electronic files) all copies of Confidential Information, and Contractor shall, upon request, certify to City its compliance with this sentence.

5.29.3 Exceptions

The confidentiality obligations set forth in Section 5.29 shall not apply to any Confidential Information that (a) is at the time of disclosure or becomes generally available to the public through no fault of the Contractor; (b) is lawfully provided to the Contractor by a third party free of any confidentiality duties or obligations; (c) was already known to the Contractor at the time of disclosure free of any confidentiality duties or obligations; or (d) the Contractor can demonstrate was independently developed by personnel of the Contractor without reference to the Confidential Information. In addition, the Contractor may disclose Confidential Information to the extent that such disclosure is necessary for the Contractor to enforce its rights under this Agreement or is required by law or by the order of a court or similar judicial or administrative body, provided that (to the extent legally permissible) the Contractor promptly notifies LAFD in writing of such required disclosure, cooperates with LAFD if LAFD seeks an appropriate protective order, and the Contractor discloses no more information that is legally required.

5.30 Compliance with Privacy Laws

Contractor is responsible for ensuring that Contractor's performance of its obligations and exercise of its rights under this Agreement complies with all applicable local, state, and federal privacy laws and regulations, as amended from time to time. If this Agreement or any practices which could be, or are, employed in performance of this Agreement become inconsistent with or fail to satisfy the requirements of any of these privacy laws and regulations, City and Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and Contractor shall complete and deliver any documents necessary to show such compliance. The City acknowledges and agrees that Contractor is not responsible for giving any notices to or obtaining any consents from any other Party in order for Contractor to process the City Data as contemplated by this Agreement.

6.0 SECTION 6: REPRESENTATIONS AND WARRANTIES

Contractor represents and warrants that:

6.1 Compliance with Law

The services that the Contractor provides pursuant to this Agreement shall comply with all applicable laws, including without limitation federal, state, and local.

6.2 Authority to Contract and No Pending Litigation

The Contractor has the full right and authority to enter into, execute, and perform its obligations under this Agreement and that no pending or threatened claim or litigation known to it would have a material adverse impact on its ability to perform as required by this Agreement.

6.3 Intellectual Property Warranty

(i) The Contractor's performance under this Agreement does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity or proprietary information; and (ii) the Contractor is the owner of the intellectual property rights for the services provided pursuant to this Agreement and of each and every component thereof, or has a valid license for the services provided, as described in Subsection 6.3.1

6.3.1 Third Party Software

In the event the Contractor provides any third-party software ("Third-Party Software"), including Open Source Software, to the City in connection with this Agreement:

6.3.1.1 The Contractor has and shall maintain the right to license and provide access to any Third-Party Software licensed to the City, or otherwise provided to the City under this Agreement;

6.3.1.2 The Third-Party Software does not, and the use of the Third-Party Software by the City as contemplated by this Agreement shall not, infringe any intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity, and proprietary information, of any third party in any way;

6.3.1.3 The City is not obligated to pay any third party any fees, royalties, or other payments for the City's use of any Third-Party Software in accordance with the terms of this Agreement; and

6.3.1.4 To the extent permitted by law or contract, the Contractor shall pass through to the City the warranties for the Third-Party Software.

6.3.1.5 The Contractor shall provide City license to use any Third-Party Software necessary for the functionality of the System at no additional cost, and inclusive of licensing for any unlimited number of users. Contractor shall ensure that all software is properly licensed at no additional cost to the City, including, but not limited to, any required third-party licenses. The Contractor shall ensure that any required third-party licenses are maintained within fully supported versions, and that any custom developed system software continues to function on any new versions of required third-party software (e.g., server, desktop and mobile operating system, browser, database, application servers, etc.) as they become available.

6.3.2 Definition of Open Source Software.

For purposes of this section, "Open Source Software" means any software, programming, or other intellectual property that is subject to (i) the GNU General Public License, GNU Library General Public License, Artistic License, BSD license, Mozilla Public License, or any similar

license, including, but not limited to, those licenses listed at www.opensource.org/licenses, or (ii) any agreement with terms requiring any intellectual property owned or licensed by the City to be (a) disclosed or distributed in source code or object code form; (b) licensed for the purpose of making derivative works; or (c) redistributable.

6.3.3 Third-Party and Open Source Software.
With regard to open-source software and any third-party software embedded system, all such software shall be considered, as appropriate, part of and included in the definition of "the System" and subject to all warranties, indemnities, and other requirements of this Agreement, including scope of license and maintenance and support.

6.4 Conformity to Specifications
The System shall perform materially as described in Attachment B, Statement of Work.

6.5 Workmanlike Performance
All professional services shall be performed in a professional and workmanlike manner, according to at least prevalent industry standards, and performed by competent personnel.

6.6 Disabling Code Warranty
No software or services to which the City is provided access and use hereunder contains any undisclosed disabling code (defined as computer code designed to interfere with the normal operation of the software or the City's hardware or software) or any program routine, device or other undisclosed feature, including but not limited to, a time bomb, virus, drip-dead device, malicious logic, worm, Trojan horse, or trap door which is designed to delete, disable, deactivate, interfere with or otherwise harm the software or the City's hardware or software.

6.7 Virus/Malicious Software Warranty
The Contractor has used its best efforts to scan for viruses within the software, and no malicious system shall be supplied under this Agreement.

7.0 SECTION 7: MISCELLANEOUS

7.1 Not a Waiver
Contractor acknowledges and agrees that nothing contained in this Agreement is, represents, or is intended to be construed as: a release, compromise, settlement, or waiver by City of any cause of action that City may have against Contractor. City reserves its rights in full, including, but not limited to, the right to bring any claim, cause of action, or request for reimbursement against Contractor in relation to this Agreement and other transactions between City and Contractor.

7.2 Audit Rights
In addition to those rights available to City elsewhere in this Agreement, including pursuant to PSC-15, Retention of Records, Audit and Reports, of Attachment A – Standard Provisions for City Contracts (Rev. 5/26 [v.1]). Contractor shall provide City, or City's duly authorized representatives, access for the purposes of audit and investigation, to any and all books, documents, papers, records, deliverables, and software documentation pertaining to any past, current, or future (i) transactions between City and Contractor, (ii) work requested to be performed of Contractor, or (iii) demands for payment by Contractor.

7.3 Payment Does Not Imply Acceptance of Work

The granting of any payment by City, or the receipt thereof by Contractor, in no way lessens the liability of Contractor to replace unsatisfactory work, equipment, or materials although the unsatisfactory character of this work, equipment or materials may not have been apparent or detected at the time the payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by City and upon rejection shall be replaced by Contractor without delay.

7.4 Publicity/Case Studies

Contractor shall refer all inquiries from the news media to City, shall immediately contact City to inform City of the inquiry, and shall comply with the procedures of City's Public Affairs staff regarding statements to the media relating to this Agreement or Contractor's services hereunder. Contractor shall not use City as a reference or case study absent receipt of City's prior written approval. Contractor shall further provide City with the opportunity to review and approve any such reference or case study prior to publication. In no event may Contractor use any City marks in conjunction with a reference or case study.

8.0 SECTION 8: NON-EXCLUSIVE AGREEMENT

City and Contractor understand and agree that this is a non-exclusive Agreement to provide services to the City and the LAFD and that the City or the LAFD reserve the right to enter into an agreement with other Contractors to provide similar services during the term of this Agreement.

9.0 SECTION 9: CITY CONTRACTING REQUIREMENTS

9.1 Standard Provisions

By entering into this Agreement with the City the Contractor agrees to abide by the Standard Provisions for City Contracts (Rev. 5/26 [v.1]), attached hereto and incorporated herein as Attachment A.

10.0 SECTION 10: ORDER OF PRECEDENCE

This Agreement, and any attachments or documents incorporated herein by inclusion or by reference constitutes the complete and entire Agreement between the City and the Contractor. Except as otherwise provided in Section 5.1 above, in the event of any inconsistency between the body of this Agreement and the attachments, the order of precedence shall be as follows:

1) First Amended and Restated Agreement No. C-139201
2) Attachment A – Standard Provisions for City Contracts (Rev. 5/26 [v.1])
3) First Amendment to Agreement No. C-139201
4) Original Agreement No. C-139201
5) Attachment B – Statement of Work
6) Attachment C – Applicable pages from Contractor's Proposal to LAFD RFP No. 2019-038-006
7) Attachment D – Proposal for FIMS Development Services Enhancement
8) Attachment E – Proposal for Cashiering System

9) Attachment F – Proposal for Medical Records Request Tracking System
10) Attachment G – Business Associate Agreement

11.0 SECTION 11: ENTIRE AGREEMENT

This Agreement, and any attachments or documents incorporated herein by inclusion or reference, constitutes the full and complete Agreement between the Parties and supersedes any prior representation, understandings, communications, commitments, agreements, or proposals, oral or written. Any changes to this Agreement shall be in a written amendment, signed by the duly authorized representatives of both Parties. No verbal agreement or conversation with any officer or employee of either Party shall affect or modify any of the terms and conditions of this Agreement. No-shrink-wrap, click-wrap, privacy policy, or other terms and conditions or agreements ("Additional Contractor Software Terms") provided with any products, services, documentation, or software provided by Contractor to City hereunder shall be binding on the City, even if use of the foregoing requires an affirmative "acceptance" of those Additional Contractor Software Terms before access is permitted. All such Additional Contractor Software Terms shall be of no force or effect and shall be deemed rejected by the City in their entirety. The Parties acknowledge that they have read and understand the Agreement and had an opportunity to consult with counsel of their choosing. Neither Party shall be deemed the drafter of this Agreement. Ambiguities, if any, in this Agreement shall not be construed against any Party merely because this Agreement or any of its provisions have been prepared by a particular Party.

12.0 SECTION 12: NO THIRD-PARTY BENEFICIARIES

Nothing herein is intended to create a third-party beneficiary in any subcontractor. The City has no obligation to any subcontractor. No privity is created with any subcontractor by this Agreement. Even if the Contractor uses subcontractors, Contractor remains responsible for complete and satisfactory performance of the terms of this Agreement.

13.0 SECTION 13: COUNTERPARTS/ELECTRONIC SIGNATURES

This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The Parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures. This Agreement includes twenty-two (22) pages and seven (7) Attachments

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES,
a Municipal Corporation

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

By: _____
Jaime E. Moore
Fire Chief

Date: _____

APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO, City Attorney

By: _____
Stephanie Cao
Deputy City Attorney

Date: _____

ATTEST:
PATRICE Y. LATTIMORE, City Clerk

By: _____
Deputy City Clerk

Date: _____

3Di Inc., a California Corporation

By: _____
Mihir Desai
Vice President & C.F.O.

Date: _____

By: _____
Rajiv Desai
President & C.E.O.

Date: _____

*Approved signature methods for California corporations:
A. Two signatures: One of the Chairman of the Board of Directors, President, or Vice President, and one of the Secretary, Chief Financial Officer, or Assistant Treasurer. The signature of a single individual holding offices in each category is also acceptable.
Or
B. One signature of a corporate-designated individual together with a properly attested resolution of the Board of Directors or copy of the Bylaws authorizing the individual to sign.

Agreement Number: C-139201 RA-1

ATTACHMENT A

STANDARD PROVISIONS FOR CITY CONTRACTS (Rev. 5/26 [v.1])

STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. CONSTRUCTIONS OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

As used in this Contract, unless otherwise specified in the Contract, the term "Written Notice" or "Writing" may include correspondence sent via electronic mail, certified mail, or through the United States Postal Service.

PSC-2. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**. In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction and venue, and agrees to bring all such actions, exclusively in state or federal courts located in the County of Los Angeles, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. TIME OF EFFECTIVENESS

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;

B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;

C. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract; and

D. The Office of the City Attorney has indicated in Writing (including electronic communication), its approval of this Contract as to form.

PSC-4. INTEGRATED CONTRACT/AMENDMENT

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only in Writing and signed by the duly authorized representatives of both parties, including the Office of the City Attorney as to form.

PSC-5. FORCE MAJEURE/EXCUSABLE DELAYS

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract if the delay or failure arises out of a Force Majeure Event. Force Majeure Events include but are not limited to fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), government furloughs, government shutdowns, freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar and unforeseeable events. For the party to be excused from performance for its delay or failure resulting from a Force Majeure Event, in each case, the delay or failure to perform must have been unforeseeable at the time of contract, and be beyond the control and without any fault or negligence of the party delayed or failing to perform. Notwithstanding the foregoing, **CONTRACTOR** shall not be entitled to terminate this Contract due to a Force Majeure Event in the event that **CONTRACTOR** is engaged to perform services in response to that event.

CONTRACTOR's non-performance shall not be excused by a delay or failure to perform by a Subcontractor resulting from a Force Majeure Event, unless (1) the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them and (2) the **CONTRACTOR** establishes that the goods or services to be furnished by the Subcontractor could not have been obtained from other sources in sufficient time to permit **CONTRACTOR** to perform timely. In the event **CONTRACTOR's** delay or failure to perform is a result of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-6. WAIVER

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term, or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-7. SUSPENSION

At **CITY's** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon delivery of the notice of suspension in accordance with the Contract, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-8. TERMINATION

A. Termination for Convenience

CITY may terminate this Contract for **CITY's** convenience at any time by providing **CONTRACTOR** notice in Writing, which shall include the effective date of termination. Upon delivery of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination, provided that such amounts are approved, in Writing, by **CITY** in advance of the work being performed. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY's** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-5, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may immediately terminate this Contract by giving **CONTRACTOR** notice in Writing of the default and termination. Unless otherwise specified in **CITY's** termination notice, termination by **CITY** shall be effective three (3) days after the date of delivery of notice in Writing. Alternatively, in the event of a default, **CITY**, at its sole discretion, may send **CONTRACTOR** a default notice in Writing identifying the default and the time period to cure the default to the sole satisfaction of City. Additionally, **CITY's** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the

default, which shall be submitted to **CITY** within the time period allowed by the default notice. At **CITY's** sole discretion, **CITY** may accept or reject **CONTRACTOR's** plan. If: (1) **CITY** rejects **CONTRACTOR's** plan; (2) the default cannot be cured; or (3) **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR's** breach of this Contract.

2. If the default under this Contract is due to **CONTRACTOR's** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and **CONTRACTOR's** obligation to suspend performance of services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY's** requirements and provides written evidence to **CITY** that **CONTRACTOR** has obtained the required insurance coverage.

3. A breach of PSC-21, PSC-22, PSC-23, PSC-34, or PSC-37, or any unauthorized use of City Data or AI System, shall be deemed a breach of this Contract. **CITY** may require immediate suspension of the affected processing or services and may terminate this Contract if **CONTRACTOR** fails to cure within the period stated in **CITY's** notice, or immediately if the breach is not reasonably curable or presents an imminent risk to City Data, **CITY** systems, or the health, safety, or legal rights of any person.

4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates City, state, or federal laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.

5. Acts of Moral Turpitude

   a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person is informed that it is the target or subject of a local, state, or federal government investigation, or is criminally diverted, charged with, indicted for, convicted of, pleads nolo contendere to, forfeits bail, or fails to appear in court for a hearing, related to any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").

   b. Acts of Moral Turpitude include, but are not limited to: crimes set forth in California Penal Code Section 667.5, California Penal Code Section 1192.7, and California Public Resources Code Section 5164(a)(2) regardless of whether such acts are punishable by felony or misdemeanor conviction.

c. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.

d. **CITY** shall be entitled to terminate this contract for breach due to an Act of Moral Turpitude.

6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.

7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-8(A) Termination for Convenience.

8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in Writing all other parties contracted with under the terms of this Contract within five (5) calendar days of the termination.

PSC-9. INDEPENDENT CONTRACTOR

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-10. CONTRACTOR'S PERSONNEL

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. In the event that **CITY** is dissatisfied with the performance of any **CONTRACTOR** personnel, **CITY** and **CONTRACTOR** shall meet in person, virtually, or telephonically to attempt to resolve such concerns.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and

paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR's** Subcontractors, and **CITY** reserves the right to require replacement of any Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR's** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

Any employee, agent, or Subcontractor with access to City Data or Confidential Information shall be subject to written confidentiality obligations and appropriate privacy and security training. For purposes of this Contract, any third party that hosts, stores, transmits, supports, analyzes, or otherwise processes City Data or provides a material AI System used in performance of this Contract shall be deemed a Subcontractor or Subprocessor subject to **CITY's** prior written approval under this PSC-10.

PSC-11. ASSIGNMENT AND DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

A. Assign or otherwise alienate any of its rights under this Contract by operation of law or otherwise, including the right to payment; or

B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

For the purposes of this Contract, any change of control of **CONTRACTOR** resulting from an amalgamation, merger, corporate reorganization, arrangement, business sale, or asset shall be deemed an assignment or delegation.

PSC-12. PERMITS

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications, and other documents necessary for **CONTRACTOR's** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR's** performance of this Contract.

PSC-13. CLAIMS FOR LABOR AND MATERIALS/UNEMPLOYMENT

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-14. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY's** Business Tax Ordinance, Section 21.00 et seq. of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-15. RETENTION OF RECORDS, AUDIT AND REPORTS

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. Except in circumstances where either federal, state, or local law requires a longer period of retention, these records shall be retained for a period of no less than five (5) years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract ("Retention Period"). The records will be subject to examination and audit by authorized **CITY** personnel or **CITY's** representatives at any time.

CONTRACTOR acknowledges that this is an agreement with the Municipal Corporation of Los Angeles, and, as such, upon request by the Office of the Mayor, City Attorney, or Controller, agrees to provide such entities with access to any information, records, or data related to this Contract. **CONTRACTOR** shall provide any reports requested by **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

Any Confidential Information and protected Personal Information contained in the records during the retention period will remain subject to the obligations and restrictions contained in the Contract. **CONTRACTOR** will not use the retained Confidential Information or Personal Information for any purpose.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY's** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract. At any time prior to or during Retention Period, **CONTRACTOR** shall, upon written request by **CITY**, provide all City Data to **CITY** in an electronic format, e.g. USB flash drive. Within thirty (30) days following the expiration of Retention Period, **CONTRACTOR** shall securely dispose of all City Data in its possession and provide **CITY** with written certification that it has completed secure disposal.

For purposes of this PSC-15, records pertaining to the performance of this Contract include records reasonably necessary to demonstrate **CONTRACTOR's** compliance with PSC-21, PSC-22, PSC-23, PSC-34, and PSC-37, including Subprocessor approvals, security assessments, incident reports, and policies or certifications made available to **CITY**. Retention of City Data itself shall remain subject to PSC-22.

PSC-16. BONDS

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 et seq. and any successor sections.

PSC-17. INDEMNIFICATION

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands, deficiencies, judgments, settlements, costs, and expenses of any kind, including, but not limited to, attorney's fees (both in house and outside counsel), costs of experts and consultants, damages or liability of any nature whatsoever whether foreseeable or unforeseeable (including, but not limited to, as related to death, personal injury, property damage, or economic loss), relating to or, arising in any manner by reason of the acts, errors, omissions or willful misconduct by **CONTRACTOR,** Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. Without limiting the foregoing, such obligations apply to claims, losses, demands, and expenses arising out of or relating to any Security Incident or Data Breach, any unauthorized access to, acquisition, use, disclosure, loss, alteration, or destruction of City Data, any violation of PSC-21, PSC-22, PSC-23, PSC-34, or PSC-37, or any allegation that **CONTRACTOR's** use of an AI System under this Contract caused invasion of privacy, unlawful discrimination, defamation, or other injury, in each case to the extent caused by **CONTRACTOR** or its Subcontractors. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-18. INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY's** actual or intended use of any Work Product furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any

other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

For purposes of this PSC-18, intellectual property and proprietary information claims include claims arising from any software, dataset, AI System, model, training or fine-tuning data, prompt library, or output used or provided by **CONTRACTOR** or its Subcontractors in connection with the services. If any service, Work Product, or deliverable becomes, or in **CONTRACTOR's** reasonable judgment is likely to become, subject to such a claim, **CONTRACTOR** shall, at its expense and in addition to its defense and indemnity obligations, promptly: (1) procure for **CITY** the right to continue using the affected item; (2) replace or modify the affected item so that it becomes noninfringing without materially reducing functionality, security, or performance; or (3) if neither of the foregoing is commercially reasonable, refund the fees allocable to the affected item and assist **CITY** in an orderly transition. **CONTRACTOR** shall have no obligation under this paragraph to the extent a claim arises solely from modifications made by **CITY** other than through **CONTRACTOR**, use of the affected item contrary to the documentation or this Contract after notice by **CONTRACTOR**, or combination with items not supplied or approved by **CONTRACTOR** where the claim would not have arisen but for such combination.

PSC-19. INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

CONTRACTOR further represents and warrants that: (1) **CONTRACTOR** and its Subcontractors have obtained and will maintain all rights, licenses, consents, notices, and permissions necessary for the technologies, datasets, AI Systems, and other materials used to perform this Contract and to grant the rights granted to **CITY** herein, including any required rights relating to voice, image, likeness, biometric, or other protected data; (2) no Contractor Materials, Work Product, or AI-generated deliverable provided to **CITY** is subject to any license, use restriction, or other encumbrance that would require **CITY** to disclose source code, grant rights to third parties, or accept restrictions inconsistent with this Contract, except as expressly disclosed in writing and approved by **CITY**; and (3) **CONTRACTOR** will not use City Data to train or improve any AI System except as expressly permitted under PSC-23.

PSC-20. TECHNOLOGY, DATA AND AI DEFINITIONS

For purposes of these Standard Provisions for City Contracts, the following terms apply:

"AI System" means any machine-based system, including any generative artificial intelligence, large language model, machine learning model, algorithmic or automated decision system, or similar technology, that infers from the inputs it receives how to

generate outputs such as text, images, audio, video, code, classifications, scores, predictions, recommendations, or decisions.

"City Data" means all data, content, records, information, text, audio, video, images, software, documents, Personal Information, credentials, metadata, logs, prompts, inputs, outputs, feedback, configurations, and other information, in any form, that is: (i) provided by or on behalf of **CITY** to **CONTRACTOR**; (ii) made available to **CONTRACTOR** by **CITY's** personnel, residents, users, agents, systems, or devices; or (iii) collected, received, accessed, stored, hosted, transmitted, generated, derived, created, or otherwise processed by **CONTRACTOR** or its Subprocessors in connection with this Contract, in each case where such information identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked to **CITY**, any individual or household, **CITY** operations, or **CITY** systems. City Data includes any data embodied in Work Product and any prompts, inputs, outputs, logs, and evaluation data used or generated in connection with any AI System under this Contract. City Data does not include Contractor Materials, and does not include De-Identified Data solely to the extent **CONTRACTOR** is expressly permitted to use such De-Identified Data under PSC-22.

"Contractor Materials" means preexisting or independently developed materials, services, software, source code, object code, models, algorithms, routines, templates, know-how, tools, methods, documentation, and other intellectual property that were not created specifically for **CITY** under this Contract and were not developed using City Data or **CITY** funding.

"Data Breach" means any unauthorized acquisition, access, use, disclosure, exfiltration, loss, theft, destruction, alteration, or compromise of City Data, or of the security, confidentiality, or integrity of City Data, whether or not such event constitutes a breach under applicable law.

"De-Identified Data" means data that cannot reasonably be used to infer information about, or otherwise be linked to, **CITY**, any individual, household, device, or **CITY** system, and with respect to which **CONTRACTOR** has implemented technical and organizational measures designed to prohibit re-identification and onward disclosure except as permitted by law.

"Personal Information" means any information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household, and any other data subject to privacy, confidentiality, security, breach notification, consumer protection, identity theft, employment, or similar laws, including sensitive personal information, personally identifiable information, protected health information, payment card data, financial account information, biometric information, credentials, education records, and government-issued identifiers.

"Security Incident" means any actual or reasonably suspected event that materially threatens or adversely affects the confidentiality, integrity, availability, or resilience of City

Data or of the systems used to provide the services, including malware, ransomware, denial of service, unauthorized access attempts, or material outages, but excluding unsuccessful routine scans, pings, or blocked attacks that do not result in unauthorized access to City Data or material degradation of the services.

"Subprocessor" means any subcontractor or other third party, including any cloud, hosting, support, analytics, payment, or AI provider, engaged by **CONTRACTOR** or its Subcontractors to host, access, receive, store, transmit, or otherwise process City Data or to provide a material technology service used in performance of this Contract.

PSC-21. OWNERSHIP AND LICENSE

A. City Data. **CITY** retains all right, title, and interest in and to City Data. No rights in City Data are granted to **CONTRACTOR** except the limited, nonexclusive, nontransferable right to use City Data solely as necessary to perform this Contract and solely in accordance with this Contract and **CITY's** written instructions. **CONTRACTOR** shall not sell, license, rent, disclose, release, transfer, assign, encumber, or otherwise exploit City Data and shall not assert any lien, withholding right, setoff, or other encumbrance against City Data.

B. Work Product. Unless otherwise expressly provided in this Contract, all finished and unfinished works, tangible or intangible, originated and prepared by **CONTRACTOR** or its Subcontractors specifically for **CITY** under this Contract, including, without limitation, documents, reports, analyses, studies, specifications, manuals, software, code, configurations, interfaces, databases, designs, audiovisual materials, websites, domain names, inventions, discoveries, and other deliverables (each, a "Work Product"; collectively, "Work Products"), together with all intellectual property rights therein, shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all right, title, and interest worldwide in and to such Work Products. **CONTRACTOR** shall execute any documents reasonably necessary for **CITY** to perfect, memorialize, or record **CITY's** ownership of rights provided herein.

C. AI-Generated Output. To the extent any Work Product or portion thereof is generated or assisted by an AI System or is not capable of assignment or exclusive ownership as a matter of law, **CONTRACTOR** hereby grants to **CITY** a perpetual, irrevocable, worldwide, royalty-free, fully paid-up license, with the right to sublicense to **CITY's** contractors and service providers acting on **CITY's** behalf, to use, reproduce, modify, display, perform, distribute, create derivative works from, and otherwise exploit such Work Product or output for any **CITY** purpose.

D. Contractor Materials. **CONTRACTOR** retains ownership of Contractor Materials. To the extent any Contractor Materials are incorporated into, delivered with, or reasonably necessary for **CITY** to use any Work Product or receive the benefits of the services, **CONTRACTOR** grants to **CITY** a nonexclusive, perpetual, irrevocable, worldwide, royalty-free, fully paid-up license, with the right to

sublicense to **CITY's** contractors and service providers acting on **CITY's** behalf, to use, execute, reproduce, display, perform, configure, maintain, support, and, if delivered in source or editable form, modify such Contractor Materials solely as necessary for **CITY** to use the Work Product and receive the benefits of the services.

E. Third-Party Materials. For all materials, software, data, or other items delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure for **CITY**, at no additional cost to **CITY**, all rights necessary for **CITY** to use such items for **CITY** purposes and to receive the full benefit of this Contract.

F. Restrictions on Disclosure. **CONTRACTOR** shall not provide or disclose any Work Product or City Data to any third party except as expressly permitted under this Contract or approved in writing by **CITY.**

G. Subcontracts. Any subcontract or other agreement entered into by **CONTRACTOR** relating to this Contract shall preserve and protect **CITY's** rights in City Data and Work Product and shall state that no Subprocessor or subcontractor obtains any ownership interest in either.

H. Equitable Relief. **CONTRACTOR** agrees that a monetary remedy for breach of this PSC-21 may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this PSC-21 by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

PSC-22. DATA PROTECTION

A. General Standard. **CONTRACTOR** shall protect City Data using administrative, technical, physical, and organizational safeguards no less rigorous than accepted industry standards and no less protective than those **CONTRACTOR** uses for its own information of similar sensitivity, and in all events consistent with applicable law and the nature of the services and City Data. **CONTRACTOR** shall maintain a written information security program, incident response plan, and business continuity and disaster recovery capabilities appropriate to the services.

B. Permitted Use; Restricted Use. **CONTRACTOR** shall collect, access, use, retain, disclose, store, and otherwise process City Data only for the limited and specified purpose of performing this Contract, complying with applicable law, and as otherwise expressly authorized in writing by **CITY**. **CONTRACTOR** shall limit access to City Data to personnel and approved Subprocessors with a need to know for performance of this Contract and who are bound by written confidentiality and data protection obligations at least as protective as this Contract. In addition to the

confidentiality obligations in PSC-37, **CONTRACTOR** shall not: (i) sell, share, rent, release, disclose, disseminate, make available, transfer, or otherwise communicate City Data to any third party except as expressly authorized by **CITY** or required by law; (ii) use City Data for advertising, marketing, profiling for unrelated purposes, product development unrelated to the services, or any commercial purpose other than performance of this Contract; (iii) combine City Data with data from other customers or sources except as necessary to provide the services and subject to written controls that prevent unauthorized use or disclosure; or (iv) move, store, or permit access to City Data outside the United States without **CITY's** prior written approval.

C. Data Minimization and Retention. **CONTRACTOR** shall collect and use only the minimum City Data reasonably necessary to perform this Contract, and shall retain City Data only for the duration reasonably necessary for the permitted purpose or as otherwise required by law or **CITY's** written instructions. If retention is required by law or PSC-15, such retained City Data shall remain subject to all protections of this Contract.

D. Security Controls. Without limiting the foregoing, **CONTRACTOR** shall, to the extent applicable to the services, implement and maintain: (i) logical access controls based on least privilege and unique user identification; (ii) multi-factor authentication for remote access, privileged access, and access to systems hosting City Data where technically feasible; (iii) encryption of City Data in transit and at rest, to the extent commercially reasonable and appropriate to the sensitivity of the City Data and the architecture of the services, and in all cases for portable media and internet transmissions; (iv) malware protection, endpoint monitoring, and timely security patching and vulnerability management appropriate to risk; (v) logging and monitoring reasonably sufficient to detect, investigate, and respond to unauthorized access or use; (vi) secure configuration, secure development where software or AI-based services are provided, and change management; (vii) secure disposal of media containing City Data; (viii) periodic privacy and security training for personnel with access to City Data; and (ix) segregation of City Data from other data through logical or physical separation appropriate to the services.

E. Subprocessors. **CONTRACTOR** shall not permit any Subprocessor to access or process City Data without **CITY's** prior written approval as required hereunder and a written agreement binding the Subprocessor to obligations no less protective than this Contract, including the restrictions in this PSC-22 and PSC-23. **CONTRACTOR** remains fully responsible for all acts and omissions of its Subprocessors.

F. Security Incidents and Data Breaches. **CONTRACTOR** shall notify **CITY** in writing without unreasonable delay, and in any event no later than twenty-four (24) hours after discovery of any Security Incident or Data Breach. Such notice shall include, to the extent known at the time, the nature of the incident, the categories of City Data affected, the date and time or estimated date and time of the incident, the

systems affected, the measures taken or proposed to address it, and a point of contact. **CONTRACTOR** shall promptly take all reasonable steps to contain, investigate, mitigate, and remediate the incident; preserve relevant evidence; provide **CITY** with regular status updates at least daily until resolution, or more frequently if reasonably requested by **CITY**; and cooperate fully with **CITY**, its representatives, insurers, auditors, and law enforcement. **CONTRACTOR** shall not notify any third party, regulator, or affected individual, or issue any public statement, regarding any Security Incident or Data Breach involving City Data without **CITY's** prior written approval, unless required by law, in which case **CONTRACTOR** shall, to the extent legally permitted, consult with **CITY** in advance and provide **CITY** a copy of the proposed notice. **CONTRACTOR** shall reimburse **CITY** for reasonable documented third-party costs incurred by **CITY** to investigate, respond to, mitigate, notify, and remediate any Security Incident or Data Breach to the extent caused by **CONTRACTOR** or its Subprocessors, including legally required notice, call center support, credit or identity monitoring where reasonably appropriate, forensic services, data restoration, and other reasonable incident response costs.

G. Assessments and Audit Cooperation. Upon **CITY's** reasonable request, not more than once annually except following a Security Incident, Data Breach, or material change in **CONTRACTOR's** security controls, **CONTRACTOR** shall provide **CITY** with then-current summaries of relevant independent security assessments, certifications, or audit reports, such as SOC 2 Type II, ISO 27001, or comparable reports, if available, together with remediation status for material findings relevant to the services. If such reports are unavailable, **CONTRACTOR** shall complete **CITY's** reasonable security questionnaire and provide reasonable supporting documentation sufficient to demonstrate compliance with this PSC-22. **CITY** or its designated representative may, upon reasonable notice and during normal business hours, perform a reasonable review of **CONTRACTOR's** compliance with this PSC-22 and PSC-23, subject to reasonable confidentiality, security, and operational safeguards. Any such review shall be limited to information and systems relevant to the services and City Data and shall not unreasonably interfere with **CONTRACTOR's** business operations or expose data of other customers.

H. Return, Transition, and Deletion. Upon **CITY's** request, expiration, or termination of this Contract, **CONTRACTOR** shall promptly, and in no event later than thirty (30) days unless otherwise directed by **CITY**, return to **CITY** all City Data in a reasonably usable format designated by **CITY** and securely delete all copies of City Data in **CONTRACTOR's** and its Subprocessors' possession or control, except to the extent retention is required by law or by immutable backup media not reasonably accessible in the ordinary course. Any retained City Data shall remain subject to this Contract until deleted. Upon request, **CONTRACTOR** shall certify in writing its completion of the return and deletion obligations. The return of City Data in a reasonably usable format and the deletion certification required by this subsection shall be provided at no additional charge. Additional transition services

requested by **CITY** beyond those ordinary obligations shall be provided at the rates, if any, set forth in this Contract, or otherwise at mutually agreed rates.

I. Legal Requests and Public Records. **CONTRACTOR** shall promptly notify **CITY** of any subpoena, court order, public records request, or other legal demand seeking City Data or Confidential Information, unless prohibited by law. **CONTRACTOR** shall not respond or produce City Data except as required by law and after giving **CITY** a reasonable opportunity to seek protective relief or otherwise direct the response. **CONTRACTOR** shall reasonably assist **CITY** in responding to requests for records relating to this Contract.

J. Limited Use of De-Identified Data. **CONTRACTOR** may use De-Identified Data solely for internal security, fraud prevention, service support, capacity planning, and improvement of the services provided to **CITY**, provided that **CONTRACTOR** does not identify **CITY**, any individual, household, device, or **CITY** system, does not sell or share such data, and does not use such data to train or improve any general-purpose or third-party AI System without **CITY's** prior written approval.

K. By entering into this Contract, **CONTRACTOR** certifies that it understands and will comply with the restrictions in this PSC-22 and PSC-23. This PSC-22 shall survive expiration or termination of this Contract.

PSC-23. ARTIFICIAL INTELLIGENCE AND AUTOMATED PROCESSING

A. Disclosure and Approval. **CONTRACTOR** shall not use any AI System that processes City Data, generates deliverables for **CITY**, interacts with the public or **CITY** personnel on **CITY's** behalf, or materially informs services or decisions under this Contract, or permit any Subprocessor to do so, without prior written disclosure to **CITY** of the AI System or provider, intended use case, categories of City Data processed, hosting region, retention practices, and material limitations reasonably known to **CONTRACTOR** that may affect accuracy, reliability, security, confidentiality, intellectual property, or bias. No such AI System or material AI feature may be enabled for **CITY** without **CITY's** prior written consent if it materially changes how City Data is processed or materially changes the risk profile of the services.

B. No Model Training or Secondary Use. Except as expressly authorized in a written amendment signed by **CITY**, **CONTRACTOR** shall not, and shall cause its Subprocessors and AI providers not to, use City Data to train, retrain, fine-tune, or otherwise improve any AI System or model, whether general-purpose or customer-specific. Any retention of prompts, inputs, outputs, or feedback for abuse monitoring, safety review, or troubleshooting must be disclosed to **CITY** in advance, limited to the minimum necessary, protected as City Data, and not used for model training or generalized product improvement.

C. Responsibility and Human Oversight. **CONTRACTOR** remains fully responsible for all services performed with or through an AI System. **CONTRACTOR** shall implement reasonable governance and quality controls appropriate to the use case, including documented intended use, change management, testing for material errors and security risks, and human review before any AI-generated output is relied upon for material legal, financial, employment, eligibility, benefits, enforcement, or safety decisions affecting any individual, unless **CITY** expressly authorizes otherwise in writing and applicable law permits such use.

D. Output and Records. Any output, report, recommendation, code, content, or other deliverable generated by an AI System for **CITY** under this Contract shall be treated as Work Product or City Data, as applicable. Upon **CITY's** reasonable request, **CONTRACTOR** shall identify whether a deliverable was materially generated or modified using an AI System. **CONTRACTOR** shall, upon **CITY's** reasonable request, maintain and provide records sufficient to identify the AI System used, the material version or model family, the date of use, and the categories of City Data processed in connection with the services, except to the extent disclosure would reveal **CONTRACTOR's** trade secrets unrelated to **CITY's** use, in which case **CONTRACTOR** shall provide a reasonably informative summary.

E. Changes and Suspension. **CONTRACTOR** shall provide **CITY** with reasonable advance written notice of any material change in an AI System or AI provider used to perform the services that is reasonably likely to affect City Data, security, confidentiality, functionality, or the risk profile of the services. If **CITY** reasonably determines that an AI System presents a material risk to City Data, **CITY** systems, or affected individuals, **CITY** may direct **CONTRACTOR** to suspend the applicable AI-enabled processing until the risk is remediated to **CITY's** reasonable satisfaction.

This PSC-23 shall survive expiration or termination of this Contract.

PSC-24. INSURANCE

During the term of this Contract and without limiting **CONTRACTOR's** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY's** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

The insurance must name **CITY** as an additional insured with respect to liability coverage. No policies or certificates with respect to such insurance may be cancelled or materially changed without at least thirty (30) days' prior written notice by the respective insurer to **CITY**.

PSC-25. BEST TERMS/MOST FAVORED NATIONS

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the same or better terms, prices, and discounts that are offered by **CONTRACTOR** to any person or entity for similar goods and services provided under this Contract. In the event that **CONTRACTOR** offers any customers pricing lower than that offered to **CITY** during the term of this **CONTRACT**, **CONTRACTOR** must immediately notify **CITY** in writing and provide those same terms to **CITY.**

PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR's** profession, doing the same or similar work under the same or similar circumstances.

CONTRACTOR further warrants that: (1) the services and any systems used to provide them will materially conform to the specifications, documentation, and representations made to **CITY** regarding functionality, security, retention, and AI use; (2) **CONTRACTOR** has implemented and will maintain the safeguards required by PSC-22 and PSC-23; (3) to **CONTRACTOR's** knowledge, and except as disclosed to **CITY** in writing, the services will not contain viruses, malware, back doors, time bombs, or other malicious code intentionally inserted by **CONTRACTOR**; and (4) any deliverable materially generated or supported by an AI System will be subject to reasonable human review and quality controls appropriate to its intended use before delivery to **CITY**.

PSC-27. NON-DISCRIMINATION IN EMPLOYMENT/AFFIRMATIVE ACTION

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.

B. The requirements of Section 10.8.2.1 of the LAAC, including the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.

C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference.

D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include a provision requiring compliance with Sections 10.8.3, and 10.8.4 of the LAAC.

PSC-28. ADDITIONAL STATE LAW AND ORDINANCE COMPLIANCE

In addition to complying with all federal, state, and local laws, as part of **CONTRACTOR's** contractual obligations to the **CITY**, **CONTRACTOR** agrees to comply with the following state laws, local ordinances, and directives, as amended from time to time (*subcontractors are not exempt):

*Living Wage Ordinance (Los Angeles Administrative Code Section 10.37 et seq.)

*Worker Retention Ordinance (Los Angeles Administrative Code Section 10.36 et seq.)

Slavery Disclosure Ordinance (Los Angeles Administrative Code Section 10.41 et seq.)

*First Source Hiring (Los Angeles Administrative Code Section 10.44 et seq.)

Iran Contracting Act 2010 (California Public Contract Code Sections 2200-2208)

Border Wall Contracting (Los Angeles Administrative Code Section 10.50.1 et seq.)

*Local Business Preference (Los Angeles Administrative Code Section 10.25 et seq.)

*MBE/WBE/SBE/EBE/DVBE/OBE (Executive Directive #14 (Villaraigosa))

*Contractor Responsibility (Los Angeles Administrative Code Section 10.40 et seq.)

City Contractor Evaluations (Los Angeles Administrative Code Section 10.39 et seq.)

*Prevailing Wage (Los Angeles Administrative Code Section 10.7.1)

*Child Support Assignment Orders (Los Angeles Administrative Code Section 10.10)

Restrictions on Campaign Contributions and Fundraising in City Elections (Los Angeles Administrative Code Section 49.7.35)

Compliance with California Public Resources Code Section 5164 (CA Public Resources Code Section 5164)

Time Off For Voting (CA Elections Code Section 14000 and 14001)

Zero Waste (Los Angeles Administrative Code Section 10.53)

Any subcontract entered into by a **CONTRACTOR** for work performed under this Contract must include a provision specifically requiring the subcontractor's compliance with each of the above provisions marked with an (*) asterisk.

PSC-29. ACCESS AND ACCOMMODATIONS

CONTRACTOR represents and certifies that:

A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;

B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;

C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities, including equal access to facilities, services, and programs without regard to any person's citizenship or immigration status to the maximum extent that federal and state permits.

D. **CONTRACTOR** shall ensure all web and mobile applications, and web and mobile content, developed, provided to, or maintained on behalf of **CITY,** comply with applicable federal and state accessibility laws, including the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. Section 12101 et seq. and its implementing regulations at 28 C.F.R. Part 35, including Section 35.200 et seq. and subsequent amendments, and California Government Code Section 11135, and shall conform to Web Content Accessibility Guidelines (WCAG) 2.1 Level AA, or any successor standard.

CONTRACTOR understands that **CITY** is expressly relying upon these certifications and representations as a material condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. BUSINESS INCLUSION PROGRAM

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program, including subcontractor outreach, as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Regional Alliance Marketplace for

Procurement ("RAMP") at https://www.rampla.org, to perform and document outreach to Small, Emerging, Disabled Veteran, Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of such effort, without prior written approval of **CITY**.

PSC-31. RESTRICTIONS ON CAMPAIGN CONTRIBUTIONS AND FUNDRAISING IN CITY ELECTIONS

Unless otherwise exempt, if this Contract is valued at $100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR's** principals, and **CONTRACTOR's** Subcontractors expected to receive at least $100,000 for performance under the Contract, and the principals of those Subcontractors (the "Restricted Persons") shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve (12) months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least $100,000 for performance under this Contract:

"Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #_____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles ("**CITY**") officials and candidates for elected **CITY** office for twelve (12) months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten (10) business days if it changes during the twelve (12) month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960."

PSC-32. CONTRACTORS' USE OF CRIMINAL HISTORY FOR CONSIDERATION OF EMPLOYMENT APPLICATIONS

CONTRACTOR shall comply with the City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 et seq., as

amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-33. LIMITATION OF CITY'S OBLIGATION TO MAKE PAYMENT TO CONTRACTOR

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-34. COMPLIANCE WITH IDENTITY THEFT LAWS AND PAYMENT CARD DATA SECURITY STANDARDS

If **CONTRACTOR** stores, processes, transmits, or can access payment card data, financial account information, taxpayer information, or credentials that permit access to accounts or payment instruments, **CONTRACTOR** shall comply with all applicable identity theft, payment card, consumer protection, and data security laws and standards, including laws related to payment devices, credit and debit card fraud, the Fair and Accurate Credit Transactions Act ("FACTA"), and the then-current Payment Card Industry Data Security Standards ("PCI DSS"). **CONTRACTOR** shall use such information solely for the purpose of performing this Contract, shall not store authentication data after authorization except as expressly permitted by applicable standards, and shall implement reasonable measures to prevent skimming, credential compromise, and unauthorized account access. During the performance of any service to install, program, maintain, or update payment devices or payment applications, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA. Upon request, **CONTRACTOR** shall provide **CITY** with current attestation or other evidence of compliance reasonably acceptable to **CITY**. Any payment Security Incident shall be handled in accordance with PSC-22.

PSC-35. POSSESSORY INTEREST TAX

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax at its own expense. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-36. TAXES

CONTRACTOR shall report and pay all taxes, fees, levies, imposts, duties, assessments, charges and withholdings of any similar nature, however designated (including, any value added, transfer, sales, use, gross receipts, business, occupation, excise, personal property, real property, stamp or other taxes) ("Taxes") now or hereafter imposed or assessed by governmental body, agency or taxing authority in connection with this Contract, whether assessed on **CONTRACTOR** or **CITY**, other than any such Taxes required by law to be reported and paid by the **CITY**. **CITY** shall within 120 days of invoice reimburse **CONTRACTOR** for all such Taxes paid by **CONTRACTOR** on **CITY's** behalf, excluding Taxes on or measured by the overall gross receipts, net income, or the like of **CONTRACTOR** or its affiliates.

PSC-37. CONFIDENTIALITY

All City Data, Personal Information, Work Product, security information, system architecture, credentials, records, documents, materials, and other nonpublic information provided by **CITY** to **CONTRACTOR** or accessed, received, created, or developed by **CONTRACTOR** or its Subcontractors in connection with this Contract (collectively, "Confidential Information") are confidential. Confidential Information does not include information that **CONTRACTOR** can demonstrate by contemporaneous written records: (1) was lawfully known to **CONTRACTOR** without restriction before disclosure by **CITY**; (2) was independently developed without use of Confidential Information; or (3) becomes publicly available through no breach of this Contract; provided, however, that City Data, Personal Information, Work Product, and security information shall remain Confidential Information unless expressly released in writing by **CITY** or made public by **CITY**.

CONTRACTOR shall protect Confidential Information using at least the same degree of care it uses to protect its own confidential information of a similar nature, and in no event less than reasonable care. **CONTRACTOR** shall not access, use, reproduce, disclose, distribute, transfer, publish, or permit access to Confidential Information except as necessary to perform this Contract, as expressly authorized in writing by **CITY**, or as required by law. **CONTRACTOR** shall restrict access to Confidential Information to personnel and approved Subprocessors with a need to know and who are bound by written obligations of confidentiality and restricted use at least as protective as those contained in this Contract.

CONTRACTOR shall promptly notify **CITY** of any actual or attempted unauthorized access to Confidential Information and of any subpoena, court order, public records request, or other legal process seeking Confidential Information, unless prohibited by law. If disclosure is required by law, **CONTRACTOR** shall disclose only the minimum information legally required and, to the extent legally permitted, provide **CITY** a reasonable opportunity to seek protective relief or otherwise direct the response. **CONTRACTOR** shall not issue press releases or other public statements referencing **CITY's** Confidential Information without **CITY's** prior written approval.

Upon **CITY's** request or expiration or termination of this Contract, **CONTRACTOR** shall return or securely destroy Confidential Information in accordance with PSC-22. This provision shall survive expiration or termination of this Contract.

PSC-38. CONTRACTOR DATA REPORTING

If **CONTRACTOR** is a for-profit, privately owned business, **CONTRACTOR** shall, within thirty (30) days of the effective date of the Contract and on an annual basis thereafter (i.e., within thirty (30) days of the annual anniversary of the effective date of the Contract), report the following information to **CITY** via the Regional Alliance Marketplace for Procurement ("RAMP") or via another method specified by **CITY**: **CONTRACTOR's** and any Subcontractor's annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner ("Contractor/Subcontractor Information"). **CONTRACTOR** shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by **CITY**.

PSC-39. SIGNATURES

This Contract may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or handwritten signatures scanned into .pdf format (or another electronic format designated by **CITY**) and sent by e-mail shall be deemed original signatures. Each party further agrees, and acknowledges that it is such party's intent, that if such party signs this Contract using an electronic signature, it is signing, and accepting this Contract and that signing this Contract using an electronic signature evidences the equivalent intent of a handwritten or facsimile signature on this Contract.