

**AGREEMENT FOR THE PROVISION OF an upgrade to the NYPD's current cellular
tracking equipment**

FOR THE NEW YORK CITY POLICE DEPARTMENT

PIN 056090000630

This Agreement is made and entered into on 3/2/09, by and between the City of New York acting through the New York City Police Department located at One Police Plaza, New York, New York 10038, hereinafter referred to as "Department" or "NYPD" and **Harris Corporation, GCSD located at 407 N. John Rodes Boulevard, Melbourne, FL 32935**, (hereinafter referred to as "Contractor" or "Harris Corporation")

WITNESSETH

WITNESS:

WHEREAS, the City desires to purchase **an upgrade to the NYPD's current cellular tracking equipment** (the "Goods") from the Contractor, which purchase is denoted for reference purposes only as PIN: **056090000630**; and

WHEREAS, the Contractor is capable of supplying these Goods.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. Goods. The Contractor shall provide the City with the Goods in the quantity, at the prices and in accordance with the specifications included in herein and made a part of this Master Agreement and as proposed in its proposal, attached as Appendix B.

2. Delivery. The Contractor shall deliver the Goods in accordance with the delivery schedule and comply with the special provisions, if any, included herein and made a part of this Master Agreement. Time is of the essence in compliance by the Contractor with the delivery scheduled.

3. Date of Contract Award. The NYPD shall issue in writing a Notice of Award to Contractor upon the registration of the Contract with the City of New York's Office of the Comptroller. The Notice of Award shall state the date that the Contractor shall commence work. For the purposes of computing time under the Contract, the Date indicated in the Notice of

PIN 056090000630—AGREEMENT-- PAGE 1 of 53

Award shall be the contract commencement date.

4. Payment. Contractor shall be paid for the Goods in accordance with the prices set forth herein following delivery, inspection, approval and acceptance of the Goods, all as more particularly described herein. Invoices should be sent as instructed herein.

5. New York City Non-Bid Purchase Contract. The New York City Non-Bid Purchase Contract is attached hereto and made a part of this Master Agreement as Appendix A.

6. Taxpayer Affirmation. Contractor affirms that Contractor is not in arrears to the City of New York upon debt or contract, or taxes, and is not a defaulter as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the Contractor to receive public contracts.

7. Cost/Pricing Data. Contractor certifies that prices contained herein are no higher than those currently quoted to other preferred governmental or commercial consumers for the same or identical items at substantially similar terms and conditions.

I. SCOPE OF WORK

A. SPECIFICATIONS

Except as modified herein, the Contractor shall deliver **an upgrade to the NYPD's current cellular tracking equipment** as specified in the Contractor's proposal attached hereto as Appendix B.

1. Description of Equipment and Services to be provided

Qty	Item #	Description	Unit Price	Ext. Price
		Maintenance		
		Additional years		\$80,971.20
1	2009523-101	Laptop PC	\$3,450.00	\$3,450.00

Maintenance for
Additional Years

1	2009523-101	Laptop PC	\$3,450.00	\$3,450.00
1	2015651-101	Mini-PC (OQO)	\$3,200.00	\$3,200.00

TOTAL - \$610,791.90

*The prices of the highlighted items are based on GSA Contract [REDACTED]. The remaining items are not on the GSA contract. The NYPD is receiving best commercial pricing for the remaining items.

**The above quote contains a [REDACTED]

a. NYPD Project Manager:

The NYPD Project Manager for this Agreement is as follows:

Commanding Officer, Technical Assistance Response Unit

Inspector DeLayne D. Hurley

1 Police Plaza, Rm 1300

New York, NY 10038

Tel. # 646-610-6710

Upon execution of this Agreement, with the exception of disputes, change orders, time extensions and other contract administration matters, the Contractor shall correspond exclusively with the NYPD Project Manager. For contract administration matters, the Contractor shall correspond directly with the NYPD Agency Chief Contracting Officer:

Frank Bello, Assistant Commissioner
NYPD-Contract Administration Unit
51 Chambers Street, Rm. 310
New York, NY 10007
Tel # 646-610-5753

Upon execution of this Agreement, the Contractor shall correspond exclusively with the NYPD Project Manager.

b. Authorized Contractor Representative

The Contractor asserts that the following individual(s) shall be responsible for the performance requirements in this Agreement and that such individual(s) have agreed to the terms and conditions of the NYPD confidentiality agreements (for individuals).

Authorized Contractor Contract's Representative: Dawnn Wheeler
Representative's Mailing Address: PO Box 9800
Melbourne, FL 32902
Representative's Tel. #: 321-309-[REDACTED]
Representative's Email Address: dawnn.wheeler@harris.com

II. Agreement Terms and Conditions.

A. DELIVERY:

1. The following delivery requirements shall apply:

All deliveries shall be F.O.B. Destination.

2. Warranty/Maintenance:

MAINTENANCE

The NYPD is receiving 3 years of maintenance. The NYPD is receiving year 1 maintenance at no cost. The NYPD is paying for maintenance for years 2 and 3.

Annual maintenance includes:

- A. Customer telephone support during normal business hours (Monday through Friday, Eastern Standard Time).
- B. Additional twelve (12) month warranty on Equipment, with respect to the Equipment Maintenance Agreement.
- C. For Software maintenance agreements it includes notification of and free access to Software upgrades as defined in the maintenance agreement.

LIMITED WARRANTY

A. Harris warrants the Equipment and Software ordered hereunder as of the Date of Acceptance to be substantially free from defects in material and workmanship. Harris' liability under this Limited Warranty shall commence on the Date of Acceptance of the individual item of Equipment and Software and terminate 12 months thereafter. Written notice of any defects shall be given to Harris upon discovery and Harris shall promptly correct such defects by repair or replacement, at its option, without charge, either FOB Harris' plant or service in the field. Harris uses new and reconditioned parts to satisfy warranty repairs and replacements under the terms of this warranty. Defective articles shall not be returned to the Harris' factory without the prior written authorization of the Harris. Call 1-800-358-5297 to obtain a Return Material Authorization (RMA) number. Harris shall have the right of final determination as to the existence and cause of any claimed defect. Specifically excluded from the terms of this Limited Warranty are any defects which occur as a result of:

- (i) Acts of God.
- (ii) Physical impact, crash or foreign object damage.
- (iii) Improper maintenance, storage, modification or alteration by the Customer or its Customer.
- (iv) The Customer's or its Customer operation of the items delivered under this Agreement with any accessory, equipment or part not specifically approved by the Harris unless the Customer furnishes clear and convincing evidence that such accessory, equipment, or part was not a cause of the defect.
- (v) Normal wear and tear. (The Customer recognizes that certain parts have a limited service life and will wear out through normal use).
- (vi) Equipment or Software subjected to misuse or detrimental exposure or negligence;
- (v) Defects caused by improper storage, use, installation or maintenance;

Note: Harris is not responsible under this provision for defects with respect to items not provided by Harris or its subcontractors.

B. For purposes of Harris' warranties for Equipment and Software media, a defect is defined as a failure of any unit or component manufactured or supplied by Harris that is not attributable to unauthorized modification or alteration, lack of care in operation, maintenance or handling. The written notice of claim of defect must include a description of the defect with detailed information, which will enable Harris to identify the defect and determine its probable cause. Components that Customer claims to be defective must be available to Harris for inspection and test. No defective Equipment or parts are to be returned without first receiving written authorization and instructions from Harris. Customs clearance for all replacement parts under the warranty or otherwise will be Customer's sole responsibility.

C. CLAIMS UNDER ANY OF THE FOREGOING WARRANTIES ARE WAIVED UNLESS MADE WITHIN THE EQUIPMENT WARRANTY PERIOD, IN THE CASE OF EQUIPMENT, OR WITHIN THE SOFTWARE WARRANTY PERIOD, IN THE CASE OF SOFTWARE MEDIA. NO PERSON IS AUTHORIZED TO GIVE ANY OTHER WARRANTIES OR TO ASSUME ANY OTHER LIABILITIES ON HARRIS' BEHALF, UNLESS MADE OR ASSUMED IN WRITING BY A DULY AUTHORIZED REPRESENTATIVE OF HARRIS.

D. HARRIS' LIABILITY FOR BREACH OF ANY OR ALL WARRANTIES FOR EQUIPMENT, SOFTWARE MEDIA, SERVICES AND LICENSED HARRIS PROGRAMS IS

PIN 056090000630—AGREEMENT-- PAGE 5 of 53

EXPRESSLY LIMITED TO THE REPAIR, REPLACEMENT, OR REFUND OF THE PURCHASE PRICE OF SUCH DEFECTIVE EQUIPMENT OR SOFTWARE, LESS A REASONABLE CHARGE FOR USE AND IN NO EVENT WILL HARRIS OR ITS LICENSORS BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES BY REASON OF ANY BREACH OF WARRANTY OR DEFECT IN MATERIALS OR WORKMANSHIP. HARRIS WILL NOT BE REQUIRED TO REPAIR, REPLACE, OR REFUND THE PURCHASE PRICE OF EQUIPMENT OR SOFTWARE WHICH HAVE BEEN SUBJECTED TO NEGLIGENCE, ACCIDENT, OR IMPROPER USE, OR WHICH HAVE BEEN ALTERED OTHER THAN BY AUTHORIZED HARRIS PERSONNEL.

E. THIS LIMITED WARRANTY CONSTITUTES HARRIS' SOLE AND EXCLUSIVE LIABILITY HEREUNDER AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR DEFECTIVE OR NON-CONFORMING EQUIPMENT, SERVICES, AND SOFTWARE. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES (EXCEPT AS TO TITLE), WHETHER ORAL, WRITTEN, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY, ANY IMPLIED WARRANTY OR CONDITION OF FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTY OR CONDITION ARISING OUT OF COURSE OF DEALING, COURSE OF PERFORMANCE, OR CUSTOM OR USAGE OF TRADE. CUSTOMER AGREES THAT NO CIRCUMSTANCE CAUSING CUSTOMER EXCLUSIVE AND LIMITED REMEDIES TO FAIL IN THEIR ESSENTIAL PURPOSE SHALL INCREASE OR EXTEND ANY HARRIS WARRANTY. THE TOTAL LIABILITY OF HARRIS AND ITS LICENSORS UNDER THIS WARRANTY SHALL IN ANY EVENT BE SUBJECT TO THE LIMITATIONS IN THIS SECTION.

B. Contract Term:

The estimated completion date for this procurement is 120 days ARO. Units for upgrade have delivery terms of 90-120 days after receipt of unit by Contractor.

C. SUBJECT TO APPROPRIATIONS—NONFUNDING CLAUSE

All payment obligations of the City created hereunder are conditioned upon the availability of City funds duly appropriated and authorized for the payment of such obligations.

D. TOTAL CONTRACT VALUE AND PAYMENT PROVISION:

In accordance with the Contractor's Price Proposal, included in Appendix B, the City agrees to pay the Contractor as follows.

Item Description	Unit /TOTAL Price
UPGRADE TO THE NYPD'S CURRENT CELLULAR TRACKING EQUIPMENT	\$ 610,791.00

Payment Requests shall be submitted to:

Commanding Officer, Technical Assistance Response Unit

Inspector DeLayne D. Hurley

1 Police Plaza, Rm 1300

New York, NY 10038

Tel. # 646-610-6710

E. TOTAL CONTRACT VALUE

The total contract value shall not exceed **Six hundred ten thousand, seven hundred and ninety one dollars, (\$610,791.00).**

F. Insurance

The Contractor shall procure a Commercial General Liability Insurance (CGL) policy in the sum of not less than One Million (1,000,000) Dollars per occurrence and Two Million (\$2,000,000) aggregate, in the Contractor's name. The CGL shall be endorsed to cover liability assumed by the Contractor under the indemnity provisions of this agreement. The CGL shall be in effect before the commencement of work and must be maintained during the life of the contract. The CGL shall protect the Contractor, and his/her subcontractors performing work at the site, from claims for property damage and/or bodily injury that may arise from operations under this contract; whether such operations are performed by him/herself or anyone directly or indirectly employed by him/herself. A certificate of insurance shall be furnished upon request in a manner acceptable to the Police Department.

G. Entire Agreement

The NYPD accepts the Contractor's proposal to provide **an upgrade to the NYPD's current cellular tracking equipment** and shall require the Contractor to perform such services in accordance with the requirements and information contained herein. In the event there is a conflict among and between the provisions of documents included in the Agreement, the controlling order (order of precedence) shall be as follows:

1. This Master Agreement (PIN **056090000630**).
2. Appendix A— POLICE DEPARTMENT CITY OF NEW YORK NON-BID PURCHASE CONTRACT
3. Appendix B— Contractor's Proposal

This Agreement constitutes the entire agreement between the Department and Contractor and may be modified only by further written agreement between the parties hereto.

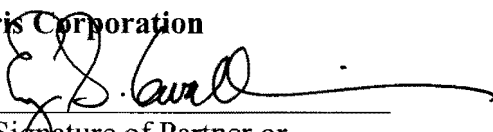
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers, duly authorized by the Contractor and by The Department, as follows:

THE CITY OF NEW YORK POLICE DEPARTMENT

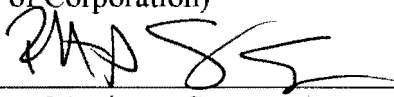
BY: 
Deputy Commissioner
Management & Budget

Date 3/2/09

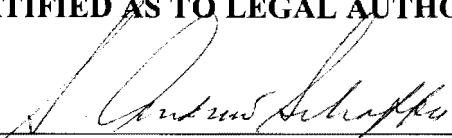
Harris Corporation

BY: 
(Signature of Partner or
Officer of Corporation)

Date 2/11/2009

ATTEST: 
(Secretary of Assistant Secretary)

**CITY OF NEW YORK NYPD LEGAL BUREAU
APPROVED AS TO FORM
CERTIFIED AS TO LEGAL AUTHORITY**

BY: 
NYPD Deputy Commissioner, Legal Matters

DATE: 2/25/09

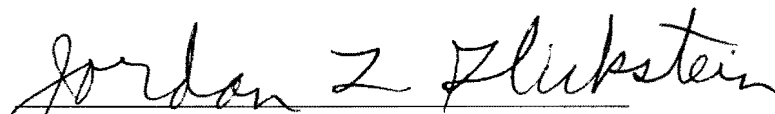
AGREEMENT

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:

On this 2nd day of March, 2009, before me personally came **Edward J. Allocco** to me known and known to me to be the **Deputy Commissioner for Management and Budget** of the City of New York Police Department, the person described as such in and who as such executed the same as Commissioner for the purposes therein mentioned.


Notary Public or Commissioner of Deeds

JORDAN L. GLICKSTEIN
Notary Public, State of New York
No. 02GL5054560
Qualified in Kings County
Commission Expires 01/16/2010

Acknowledgment by Corporation

STATE OF FLORIDA)

COUNTY OF BREVARD)

SS.:

On this 11th day of February, 2009, before me personally came Eugene S. Cavallucci, who being by me duly sworn, did depose and say: that he resides in the City of Melbourne, that he is the Vice President of Harris Corporation, the corporation described in the foregoing instrument; that he knows the seal of said corporation ; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of Board of Directors of said corporation; and that he sign his name thereto by like order. Further, he is personally known to me.


Notary Public or Commissioner of Deeds



AFFIRMATION

The undersigned proposer or bidder affirms and declares that said proposer or bidder is not in arrears to the City of New York upon debt, contract or taxes and is not a defaulter, as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the proposer or bidder to receive public contracts except _____.

Full name of Proposer or Bidder: Harris Corporation

Address: 1025 West NASA Boulevard, Melbourne, FL 32919-0001

CHECK ONE BOX AND INCLUDE APPROPRIATE NUMBER:

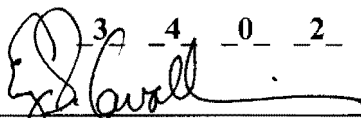
☐ **A - Individual or Sole Proprietorship ***
SOCIAL SECURITY NUMBER

— — — — —

☐ **B - Partnership, Joint Venture or other unincorporated organization**
EMPLOYER IDENTIFICATION NUMBER

— — — — —

☒ **C - Corporation**
EMPLOYER IDENTIFICATION NUMBER

By 
Signature
Eugene S. Cavallucci, Vice President
Title

If a corporation place seal here

Must be signed by an officer or duly authorized representative.

*** Under the Federal Privacy Act the furnishing of Social Security Numbers by bidders on City contracts is voluntary. Failure to provide a Social Security Number will not result in a bidder's disqualification. Social Security Numbers will be used to identify bidders, proposers or vendors to ensure their compliance with laws, to assist the City in enforcement of laws as well as to provide the City a means of identifying of businesses which seek City contracts.**

APPENDIX A-
POLICE DEPARTMENT
CITY OF NEW YORK
NON-BID PURCHASE CONTRACT

PART I

GENERAL DEFINITIONS

The definitions set forth in Chapter 1 of the Procurement Policy Board Rules shall apply to this Contract.

1. "Agency" is the Police Department, City of New York.
2. "Agency Chief Contracting Officer" means the position delegated authority by the Agency Head to organize and supervise the procurement activity of subordinate agency staff in conjunction with the City Chief Procurement Officer, i.e., the Agency Chief Contracting Officer of the Police Department or a delegated representative.
3. "Agency Head" is a term referring to heads of city, county, borough, or other office, administration, department, division, bureau, board of commission, or a corporation, institution or agency of government, the expenses of which are paid in whole or in part from the City treasury, i.e., the Agency Head of the Police Department or a delegated representative.
4. "Blanket Order" is a purchase order issued to a vendor by an agency with a "not to exceed" amount and without specific quantities and delivery dates. This enables the agency to make purchases at different times and in varying amounts from a requirement contract by means of shipping instructions, the total expenditures not to exceed the amount of the blanket order.
5. "City" is the City of New York.
6. "City Chief Procurement Officer" means the position delegated authority by the Mayor to coordinate and oversee the procurement activity of mayoral agency staff, including the Agency Chief Contracting Officers (ACCO) and any offices which have oversight responsibility for the procurement of construction, computer and computer services.
7. "Commissioner" means the Commissioner of the Police Department of the City of New York or any Deputy or Assistant Commissioner who has been delegated authority.

8. "Comptroller" means the Comptroller of the City.
9. "Contract" includes the master agreement, these general definitions, the standard instructions, the general conditions, the special conditions, the affirmations, and the schedule of quantities and prices, the drawings and specifications, the Budget Director's Certificate when applicable, any special instructions, together with all addenda, change orders or modifications, all provisions required by law to be inserted in this Contract whether actually inserted or not, the purchase order or notice of award, any performance and payment bonds when required, and notice to proceed with work when applicable.
10. "Department" means the Police Department, City of New York.
11. "Division" means the Division within the Police Department requiring the goods and services.
12. "Goods" are the subject matter of this contract and include but are not limited to, supplies, articles, commodities, equipment, materials, merchandise or wares, together with any labor, services or other work necessary for performance of the Contract.
13. "Law" or "Laws" shall include but not be limited to the New York City Charter, the New York City Administrative Code, a local law of the City of New York, and any ordinance, rule or regulation having the force of law.
14. "Schedule" is the contract schedule of quantities, prices, specifications and descriptions annexed hereto.
15. "Seller," "Supplier," "Contractor," or "Vendor" is the person, firm or corporation awarded this Contract and obligated to furnish and deliver the Goods to the City in accordance with all the terms and conditions of the Contract.
16. "Time of Performance" means the specific time or times indicated in the Contract at which or within which delivery or other performance is to be completed.

PART II
STANDARD INSTRUCTIONS

THESE INSTRUCTIONS ARE STANDARD FOR ALL CONTRACTS FOR GOODS ISSUED BY THE POLICE DEPARTMENT. THE POLICE DEPARTMENT MAY DELETE, SUPERSEDE OR MODIFY ANY OF THESE STANDARD INSTRUCTIONS FOR A PARTICULAR CONTRACT BY INDICATING SUCH CHANGE IN THE MASTER AGREEMENT OR IN THE SCHEDULE.

1. CONTRACT - INTERPRETATION AND EXAMINATION

1.1 Examination of Documents. Sellers are cautioned to examine this Contract, the Schedule, and all specifications, drawings, samples and other Contract documents.

Failure on the part of Seller to examine all pertinent documents and samples shall not entitle Seller to any relief from the conditions in this Contract.

Request for Interpretation or Correction. When a Seller desires an interpretation or clarification of any ambiguity in this Contract, Seller must write to the Agency Chief Contracting Officer.

Only the written interpretation or correction given by the Agency Chief Contracting Officer is binding. Sellers are warned that no other Officer, agent or employee of the City is authorized to give information concerning, or to explain or interpret, the contract.

1.2 The documents, samples, and any other elements comprising this Contract are intended mutually to explain and complement one another. Any factual conflicts between or among the separate elements, any errors or omissions, or any doubt as to the requirements of this Contract shall be resolved or corrected in writing by the Agency Chief Contracting Officer. The Seller shall have no power unilaterally to make any such resolutions or corrections. Such resolutions or corrections by the Agency Chief Contracting Officer shall be final and conclusive upon the Seller. If Seller fails to bring any conflict, error, or omission to the attention of the Agency Chief Contracting Officer prior to execution of this Contract, Seller shall be deemed to have contracted to produce the goods and perform the work in the most expensive manner using only the best material and workmanship.

1.3 Priority of Documents in the Contract. Should there be conflicting provisions in the documents of this contract, the order of precedence shall be: (1) Master Agreement, (2) Schedule of Quantities, (3) Specifications, (4) Drawings,

(5) Special Instructions, (6) General Conditions and (7) Standard Instructions. When there is a variation in the description of an item between the specification, sample, drawing, and/or catalog number, the specification will prevail.

Drawings or samples, even though approved subsequent to the award, shall not be deemed a waiver or modification of the specifications unless this Contract has been modified as provided in Section 9 of the General Conditions (Part III).

2. PRICES

2.1 Sales, Excise and Federal Transportation Taxes. Unless this Contract indicates otherwise, the City is exempt from the payment of any sales, excise or federal transportation taxes. The price, whether computed as a net unit price or based upon a trade discount from catalog list prices, must be exclusive of taxes and will be so construed. The Purchase Order may be accepted in lieu of a Sales Tax Exemption Certificate.

2.2 Delivery Charges. All prices must be on the basis of F.O.B. delivery point, unloaded, inside and assembled unless otherwise indicated in this Contract.

2.3 Containers and Reels. All containers and reels shall become the property of the City unless otherwise specified. When containers or reels are returnable, they will be returned at the Seller's expense; otherwise they will be paid for by the City at the rate agreed upon in this Contract.

2.4 Manufacturers' Warranties and Guaranties. Unless otherwise indicated in this Contract, the Seller shall issue or obtain all manufacturers' warranties and guaranties of all equipment and materials required by this Contract in the name of the City of New York and shall deliver same to the City.

2.5 Variable Quantities and Delivery Points. The quantities and delivery points set forth in the Master Agreement or in the Schedule will be subject to one of the following variations which will be indicated in the Contract:

(a) Type "A" Contract. The Agency Chief Contracting Officer during the term of this Contract may increase or decrease the quantity of any item or class; however, any contract increases which cumulatively exceed the greater of ten percent (10%) of the total cost of this Contract or \$100,000 must be approved in writing by the City Chief Procurement Officer. Delivery points are limited to those indicated in the Bid Book unless modified by mutual agreement of the parties.

(b) Type "B" Contract. The Agency Chief Contracting Officer reserves the right, during the term of this Contract, to order such quantities

for such delivery points and under such conditions as may be indicated in the Master Agreement or in the Schedule.

(c) Type "C" Contract. (Requirement Contract). A requirement contract is a contract for an indefinite amount of goods to be furnished at specified times, or as ordered, that establishes unit prices, usually of a fixed price type. Generally, an approximate quantity or the best information available as to quantity is stated in the solicitation. The contract may provide a minimum quantity the City is obligated to order and may also provide for a maximum quantity provision that limits the City's obligation to order. The Agency Chief Contracting Officer, with the consent of Seller, may extend the term of this Contract up to an additional 120 days.

2.6 Proprietary Information/Trade Secrets. The Seller shall identify those portions of its bid that it deems to be confidential, proprietary information or trade secrets, and provide justification why such materials shall not be disclosed by the City. All materials the Seller desires to remain confidential shall be clearly indicated by stamping the pages on which such information appears, at the top and bottom thereof with the word "Confidential". Such materials stamped "Confidential" must be easily separable from the non-confidential sections of the bid.

All such materials so indicated shall be reviewed by the Agency and any decision not to honor a request for confidentiality shall be communicated in writing to the Seller. For those bids which are unsuccessful, all such confidential materials shall be returned to the Seller. Prices, makes and model or catalog numbers of the items offered, deliveries, and terms of payment shall be publicly available regardless of any designation of confidentiality made by the Seller.

3. QUALIFICATIONS

3.1 Evidence of Ability.

(a) The City reserves the right to inspect the premises where Goods are manufactured, prepared or stored. When the source of production is outside the City of New York, the Agency Chief Contracting Officer may demand the submission of evidence satisfactory to her/him that the Goods proposed for delivery are in every respect what they are represented to be.

(b) The Seller shall, upon request, submit evidence that will prove to the satisfaction of the Agency Chief Contracting Officer that it is qualified and able to furnish the Goods and deliver them in the manner and time

specified. It shall also furnish evidence that it has secured the necessary licenses, permits or certificates, required by any legislative or regulatory body having jurisdiction, to carry on the business of furnishing the Goods.

(c) The Agency may require any Seller or prospective Seller to furnish all books of account, records, vouchers, statements or other information concerning the Seller's financial status for examination as may be required by the Agency to ascertain Seller's responsibility and capability to perform the contract.

(d) If the evidence required in paragraphs (a), (b) and (c) of this sub-section is not furnished, or if, upon examination of such evidence or other inspection of the plant or premises, it is found that the Seller does not comply with the requirements set forth in this Contract, the Agency Chief Contracting Officer shall have the right to cancel and terminate this Contract and/or declare the Seller in default, in addition to any other remedies provided by contract or at law or equity.

4. SPECIFICATIONS AND SAMPLES

4.1 Unused Goods. Unless specifically noted in the Contract, all goods must be new and unused, however, vendors are encouraged to use secondary or recycled materials in the manufacture of products to the maximum extent practicable without jeopardizing the performance or intended end use of the product unless such use is precluded due to health and welfare or safety requirements or product specifications contained herein.

PART III

GENERAL CONDITIONS

1. PERFORMANCE

The Seller shall furnish and deliver the Goods in the manner and to the destination and within the delivery time herein specified. The Seller shall accept as full compensation therefore the sums set forth opposite the respective Goods called for in the Master Agreement or in the Schedule, which sums are amounts at which the Contract was awarded to the Seller.

2. TIME OF PERFORMANCE

2.1 Extending Time of Performance. The Time of Performance may be extended in either of the following ways:

- (a) If the performance of the Seller is delayed by an act or omission of the City, the Seller shall be allowed a reasonable extension in the Time of Performance, and no claim for the delay or damages resulting therefrom shall be made by or allowed to the Seller.
- (b) If the performance of the Seller is delayed for any other cause beyond the control of either party, an extension of time may be granted by the Agency Chief Contracting Officer solely at his/her discretion. The Seller shall not be responsible for any delay resulting from its failure to deliver if neither the fault nor negligence of the Seller, its officers, employees or agents contributed to such delay and the delay is due directly to acts of God, wars, acts of public enemies or other similar cause beyond the control of the Seller, or to strikes, fires or floods, including strikes, fires or floods affecting its subcontractors or materialmen where no alternate source of supply is available to the Seller. Should such excusable delay inconvenience the City by creating an emergency thus necessitating the purchase of the Goods involved elsewhere, which necessity shall be conclusively determined by the Agency Chief Contracting Officer, the Agency Chief Contracting Officer shall have the right to purchase such Goods elsewhere without liability to the Seller. To the extent such purchases are made, the City shall be relieved of the obligation to purchase the Goods from the Seller and the Seller shall be relieved of the obligation to furnish such Goods to the City.

2.2 Application. Upon written application by the contractor, the Agency Chief Contracting Officer may grant an extension of time for performance of the

contract. Said application must state, at a minimum, in detail, each cause for delay, the date the cause of the alleged delay occurred, and the total number of delay in days attributable to such cause. The ruling of the Agency Chief Contracting Officer shall be final and binding as to the allowance of an extension and the number of days allowed.

- 2.3 Non-Waiver. The delivery and acceptance of any Goods after the Time of Performance shall not be deemed a waiver of the right of the Agency Chief Contracting Officer to terminate this Contract or to require the delivery of any undelivered Goods in accordance with this Contract or of any other remedy whether contractual or otherwise stated in law or in equity.

3. TERMS AND CONDITIONS OF PERFORMANCE

- 3.1 Competent Workers. The Seller shall employ only competent workers in the performance of this Contract. The Seller's performance of this Contract, or of any other work, shall not cause or result in a suspension of, delay in, or strike upon the work to be performed hereunder by any of the trades working hereon or on any other contracts with the City. If, in the opinion of the Agency Chief Contracting Officer, the Seller violates such obligation, the Agency Chief Contracting Officer, in his/her sole discretion and at his/her option, may either demand that any incompetent workers be replaced and not again employed in the performance of this Contract, which demand shall be complied with by the Seller, or s/he may, upon notification to the Seller, consider the Seller in default.
- 3.2 Unsatisfactory Performance. If, in the opinion of the Agency Chief Contracting Officer, either the Seller's performance is unsatisfactory or is not being carried out with due diligence, the Seller shall immediately remedy such performance. Failure of the Seller to so conform will be deemed a material breach of this Contract.
- 3.3 Substitution of Goods. In the event a specified manufacturer's commodity listed in the Contract becomes unavailable or cannot be supplied to the City by the Seller for any reason (except as provided for in 2.1(b) above) a product deemed by the Agency Chief Contracting Officer to be the equal of the specified commodity must be substituted by the Seller at no additional cost or expense to the City.
- 3.4 Purchase Order Binding When Mailed. Unless terminated or cancelled by the Agency Chief Contracting Officer pursuant to the authority vested in him/her, purchase orders shall be effective and binding upon the Seller when placed in the mail prior to the termination of the contract period, addressed to the Seller at the address shown on the award.

- 3.5 Termination or Suspension of Contract. Where the Agency Chief Contracting Officer deems it to be in the interest of the City, the Agency Chief Contracting Officer may terminate or suspend the performance of this Contract in whole or in part, for the convenience of the City.

4. DELIVERY

- 4.1 Notice to Seller to Deliver. No delivery shall become due or be acceptable without a written order or shipping instruction by the City, unless otherwise provided in this Contract. Such order or shipping instruction will contain the quantity, time of delivery and other pertinent data. However, on items urgently required, the Seller may be given telephone notice, to be confirmed by an order in writing. If an urgent delivery is required within a shorter period than the delivery time specified in this Contract and if the Seller is unable to comply therewith, the Agency Chief Contracting Officer reserves the right to obtain such delivery from others without penalty or prejudice to the City or to the Seller.
- 4.2 Delivery Time. Unless otherwise stipulated in this Contract, delivery shall be made between 9 a.m. and 4 p.m., Monday to Friday inclusive. However, on Goods required for daily consumption, or where the delivery is an emergency, a replacement, or is overdue, the convenience of the Agency and the City's inspector shall govern. If, in calculating the number of days from the order date, the delivery date falls on a Saturday, Sunday or holiday, delivery shall be made not later than the next succeeding business day.
- 4.3 Seller's Advice of Manufacture or Delivery. The Seller shall notify the Agency at least twenty-four (24) hours in advance of delivery.

5. INSPECTION

- 5.1 Right to Inspect. The City shall have the right to inspect the Goods at the point or points of delivery. The City reserves the right to make additional inspection(s) at the plant of the manufacturer, packer or Seller or its supplier(s), provided the City bears the expense of all travel and lodging associated therewith. The exercise by the City of the right of inspection shall in no way be deemed a waiver by the City of any right later to reject, revoke acceptance, or recover damages for Goods accepted which are not in fact free from patent or latent defects, or of the Seller's obligation to deliver conforming Goods.
- 5.2 Removal of Non-Conforming Goods. The Seller shall remove any non-conforming Goods or part thereof at Seller's own expense within a reasonable time not to exceed thirty (30) days after notification of any rejection or revocation

of acceptance. The City shall have the right to dispose of rejected Goods left longer than thirty (30) days at no cost or liability to the City and the Seller shall have no right of action for damages or any right to an accounting therefore.

- 5.3 No Obligation to Minimize Seller Damage. The City shall be under no obligation to sell or resell any rejected Goods, whether perishable or non-perishable or whether or not such Goods are threatened to or do depreciate in value, in order to minimize the Seller's damages.
- 5.4 Costs of Additional Inspections. The Seller shall bear the reasonable cost of all further inspections required by reason of any rejection or revocation of acceptance.
- 5.5 Risk of Loss. Title and risk of loss shall not pass from the Seller to the City until the Goods have been received by the ordering Agency and accepted by the City. Mere acknowledgment by Agency personnel of the delivery or receipt of goods (as in a signed bill of lading) shall not be deemed or construed as acceptance of the Goods received. The Seller bears the risk of loss of all Goods until inspected and accepted; if acceptance is revoked the Seller bears the risk of loss thereafter.
- 5.6 Right to Cure. Any right of the Seller to "cure," as defined in the New York Uniform Commercial Code, shall be employed by the Seller within a reasonable time. Such reasonable time as determined by the Agency Chief Contracting Officer shall be conclusive on the Seller.

6. NON-DELIVERY AND REJECTIONS

- 6.1 Rejected Goods. The City may withhold or revoke acceptance of or reject any Goods which are found, upon examination, not to conform to the terms of this Contract. With respect to food and drugs, no written notice of rejection need be given, whereas in all other instances such notice will be in writing.
- 6.2 Labels. All Goods which are customarily labeled or identified must have securely affixed thereto the original unmutated label or marking of the manufacturer. Failure to comply with this requirement may be considered sufficient cause for rejection.

When a label or marking is required by any regulatory agency, it must be affixed to all Goods delivered under this Contract.

- 6.4 Liquidated Damages - Delayed or Defaulted Deliveries.

- (a) It is not the intention of the City to assess liquidated damages unless they are specifically provided for in this Contract.
- (b) Where the "Cover" provision of subsection 6.5 herein below is invoked, the liquidated damages will be assessed as provided therein and will be calculated from the original delivery due date to the date delivery is due from the new Seller.

6.5 Cover (Buying Against Contract).

- (a) If the Seller fails to perform in accordance with this Contract, the Agency Chief Contracting Officer may obtain such Goods or any part thereof from other sources with or without public letting, as s/he may deem advisable, and, with no obligation to Seller to mitigate damages. If the price paid in obtaining the goods from other sources is greater than this Contract's price, the difference, plus the reletting cost and the liquidated damages, if any, will be charged against the Seller. If such price is less, the Seller shall have no claim to the difference, but the reletting cost and the liquidated damages will become charges against the Seller.
- (b) The reletting cost is hereby determined to be one hundred (\$100) dollars for each order, unless a contract readvertisement is necessary, in which case it is determined to be two hundred and fifty dollars (\$250).

6.6 Collection of Charges. All charges becoming due under the provisions of subsection 6.4 hereinabove "Liquidated Damages - Delayed or Defaulted Deliveries" and subsection 6.5 hereinabove "Cover" shall be deducted from current obligations that are due or may become due to the Seller. In the event that collection is not made as provided above, the Seller shall pay to the City on demand the amount of such charges.

7. PAYMENTS

7.1 Weights and Measures. All weights and measures called for shall be net and shall be determined at the point of delivery unless the Contract indicates otherwise.

7.2 Payment

- (a) It is the policy of the City to process contract payments efficiently and expeditiously to assume payment in a timely manner to firms and organizations who do business with the City.

(b) Payments will be made for the net number of conforming units accepted at the price bid per unit. Proper invoices, when submitted, will be payable within thirty (30) days after either receipt of invoice(s) or acceptance of the Goods, whichever date is later. When periodic deliveries are made during the month, such invoices will be payable within thirty (30) days after either the end of the month or the receipt of invoices or acceptance of the Goods, whichever date is latest.

(c) If public necessity requires the use of any Goods which are subsequently found not to comply with the specification requirements, and if no definite deductions are prescribed, the City will make such deductions as it shall determine to be reasonable.

(d) In any case where a question of non-performance of a contract arises, payment may be withheld in whole or in part at the discretion of the Agency Chief Contracting Officer. Should the amount withheld be finally paid, a cash discount for prompt payment originally offered may be taken by the City as if no delay in payment had occurred.

(e) Any claim by or on behalf of the City against the Seller may be deducted by the City from any money due the Seller. If no such deduction or only a partial deduction is made in such fashion the Seller shall pay to the City the amount of such claim or the portion of the claim still outstanding, on demand.

7.3 Prompt Payment

The Prompt Payment provisions of the Procurement Policy Board Rules in effect at the time of this solicitation will be applicable to payments made under this contract. The provisions require the payment to contractors of interest on payments made after the required payment date except as set forth in subdivisions of the Rules.

The contractor must submit a proper invoice to receive payment, except where the contract provides that the contractor will be paid at predetermined intervals without having to submit an invoice for each scheduled payment.

Determinations of interest due will be made in accordance with the provisions of of the Procurement Policy Board Rules and General Municipal Law §3-a.

Pursuant to the Prompt Payment provisions of the Procurement Policy Board Rules, the Division may designate this contract and the items specified herein as subject to a longer acceptance period to afford a practicable opportunity for

testing, installation and inspection. For purposes of vendor payment in such case, the actual date of acceptance by the Division's Bureau of Quality Assurance shall substitute for the Invoice Received/Acceptance Date (IRA Date).

8. FINAL PAYMENT-ESTOPPEL

- 8.1 Acceptance by Seller is Release. Except for the Seller's right to claim any sums retained by the City under the maintenance or guarantee provisions of this Contract, the acceptance by the Seller, or any person claiming under Seller, of the final payment, whether such payment be made pursuant to any order or judgment of any Court or otherwise, shall constitute and operate as a release to the City from all claims of and liability to the Seller, its representatives or assigns for anything theretofore done or furnished for or relating to or arising out of this Contract and the work done hereunder, and for any prior act, omission, neglect or default on the part of the City or any of its officers, agents or employees.
- 8.2 No Interest Allowed. No interest shall be allowed on the amount certified, or audited, by the City as the final payment or on any part thereof which the City is ready and willing to pay, except as provided in subsection 7.3 hereinabove.
- 8.3 City Not Estopped. Neither the City, nor any department, or officer or employee thereof, shall be precluded or estopped by any return or certificate made or given by any officer, inspector, employee, agent or appointee of the City, or under any provision of this Contract, from showing at any time, either before or after the complete performance and acceptance of the performance of this Contract and the last payment hereunder, the actual quantity and nature of the Goods delivered by the Seller, or any person under this Contract; or from showing at any time that any certificate upon which the payment is made for any or all of the Goods is untrue or incorrect, or improperly made in any particular, or that the Goods or any part thereof delivered by the Seller do not conform to this Contract. The City shall have the right to demand and recover from the Seller such damages as it may suffer by reason of Seller's failure to comply with this Contract notwithstanding any return or certificate and payment in accordance therewith, signed by any official of the City, and such right of the City shall include recovery for any payment made for any or all of the Goods delivered and accepted.
- 8.4 Statement of Claim. Seller, however, shall not be barred from commencing an action for breach of contract under this provision provided that a detailed and verified statement of claim is served upon the contracting agency and Comptroller not later than forty (40) days after the mailing of such final payment. The statement shall specify the items upon which the claim will be based and any such claim shall be limited to such items. Should the provisions of this subsection conflict with those of Section 12, the provisions of Section 12 shall control.

9. MODIFICATION

9.1 Waiver. Waiver by the Department of a breach of any provision of this Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Contract unless and until the same shall be agreed to in writing by the City as required and attached to the original Contract.

9.2 Contract Changes. Changes may be made to this contract only as duly authorized by the Agency Chief Contracting Officer or his or her designee. Vendors deviating from the requirements of an original purchase order or contract without a duly approved change order document, or written contract modification or amendment, do so at their own risk. All such changes, modifications and amendments will become a part of the original contract.

Contract changes will be made only for work necessary to complete the work included in the original scope of the contract, and for non-material changes to the scope of the contract. Changes are not permitted for any material alteration in the scope of work. Contract changes may include any contract revision deemed necessary by the Contracting Officer.

The contractor shall be entitled to a price adjustment for extra work performed pursuant to a written change order. If any part of the contract work is necessarily delayed by a change order, the contractor will be entitled to an extension of time for performance. Adjustments to price shall be computed in one or more of the following ways: (i) by agreement of a fixed price; (ii) by unit prices specified in the contract; (iii) by time and material record; and/or (iv) in any other manner approved by the City Chief Procurement Officer.

Where the cost of the change order has been negotiated in the absence of established cost history, the costs are subject to verification by post audit. If the post-audit reveals that the contractor's costs for the change order work were inaccurately stated during negotiations, the agency shall recoup the amount by which the costs were inaccurately stated by proportionately reducing the price of the change order. This remedy is not exclusive and in addition to all other rights and remedies of the City.

Except in the case of requirements contracts, any contract increases which cumulatively exceed the greater of 10% or \$100,000 must be approved in writing by the City Chief Procurement Officer. Any contract amendment which either amends a unit price, cancels required units, or adds a new type of unit item to contract must be approved in writing by the Agency Chief Contracting Officer.

9.3 Price Adjustments for Type "C" Requirement Contracts. Where a requirement contract contains price adjustment provisions, contract changes shall

be made in accordance with those provisions. Where no price adjustment provisions are specified, the City may seek a price decrease where there is evidence that market pricing is lower than contract pricing. If a vendor does not agree to the price adjustment, in addition to any other remedy of the City under this contract, the City may terminate the contract with ninety (90) days' written notice.

9.4 Pricing.

A. The Contractor shall whenever requested by the Commissioner during the contract, including but not limited to the time of bidding, submit cost or pricing data and formally certify that, to the best of its knowledge and belief, the cost or pricing data submitted was accurate, complete, and current as of a specified date. The contractor shall be required to keep its submission of cost and pricing data current until the contract has been completed.

B. The price of any change order, or contract modification subject to the conditions of paragraph A, shall be adjusted to exclude any significant sums by which the City finds that such price was based on cost or price data furnished by the supplier which was inaccurate, incomplete, or not current as of the date agreed upon between the parties.

C. Time of Certification. The Contractor must certify that the cost or pricing data submitted are accurate, complete, and current as of a mutually determined date.

D. Refusal to Submit Data. When any Contractor refuses to submit the required data to support a price, the Contracting Officer shall not allow the price.

E. If the City finds that a price or cost reduction should be made, the Contractor agrees not to raise the following matters as a defense:

(a) The Contractor was a sole source supplier or otherwise in a superior bargaining position and thus the price of the Contract would not have been modified even if accurate, complete and current cost or pricing data had been submitted;

(b) The City should have known that the cost or pricing data in issue were defective even though the contractor took no affirmative action to bring the character of the data to the attention of the City;

(c) The Contract was based on an agreement about the total cost of the contract and there was no agreement about the cost of each item procured under the contract.

10. ASSIGNMENT

- 10.1 Written Consent Required. The Seller shall not assign, transfer, convey, sublet or in any other way dispose of this Contract or any part thereof, or assign any of the monies due or to become due under the Contract, without previous written consent of the Agency Chief Contracting Officer endorsed upon or attached to copies of this Contract. Any such assignment, transfer, conveyance or other disposition without such consent shall be void.
- 10.2 Contract Voidable. If the Seller shall, without the previous written consent of the Agency Chief Contracting Officer, assign, transfer, convey, sublet or otherwise dispose of this Contract to any person, firm or corporation, this Contract may be revoked and annulled and be held void at the sole discretion of the Agency Chief Contracting Officer, and the City shall thereupon be relieved and discharged from any and all liabilities and obligations to the Seller growing out of this Contract, and to its assignee or transferee; provided that nothing herein contained shall be construed to hinder, prevent, or affect an assignment by the Seller for the benefit of its creditors made pursuant to the statutes of the State of New York.

11. COMPLIANCE WITH LAWS AND INDEMNIFICATION

- 11.1 Compliance with Laws. The Seller shall comply with all local, State and Federal laws, and rules and regulations.
- 11.2 This Contract is subject to applicable provisions of Federal, State and Local Laws and Executive Orders requiring affirmative action and equal employment opportunity.
- 11.3 Safe Working Conditions. The Seller shall maintain safe working conditions during the performance of this Contract. Failure to maintain such conditions constitutes a breach of a material provision of this Contract.
- 11.4 Seller Indemnification. The Seller shall indemnify and hold the City harmless from all damages and costs of every nature to which the City may be subjected by reason of all claims arising out of or in any way related to this Contract including injury or alleged injury to the person or property of another, resulting or alleged as resulting from the negligence of the Seller, its employees, agents, subcontractors or assigns in the performance of the Contract. Until all claims for

damages shall have been settled or otherwise disposed of, and evidence to that affect furnished to the Comptroller, any or all of the monies due or to become due under this Contract may at the Comptroller's option be retained by the City in an amount sufficient to meet the Seller's obligations of indemnification. The sufficiency of such amount shall be conclusively determined by the Comptroller.

12. PERIOD OF LIMITATION

No action shall lie or be maintained against the City upon any claim arising out of this Contract unless such action be commenced within one (1) year from acceptance of final payment, termination of contract or accrual of cause of action, whichever is earlier.

13. INFRINGEMENT - VENDOR WARRANTY

The Seller shall deliver the Goods specified free from the claim of any third party by way of infringement including but not limited to patent, copyright, trade secrets, or the like. The execution of this Contract is deemed to be a warranty by the Seller that Seller has inspected the specifications and has determined that no claim of any third party by way of infringement or otherwise will result from compliance with the specifications. The Seller shall indemnify and hold the City harmless against any such claim regardless of whether or not the infringement arises out of compliance with the specifications. The City may retain any funds due or to become due to the Seller sufficient to meet all claims arising from such infringements. The sufficiency of such amount shall be conclusively determined by the Comptroller.

14. AUDIT BY THE DEPARTMENT, AGENCY AND CITY

- 14.1 Invoices Subject to Audit. All vouchers or invoices presented for payment to be made hereunder, and the books, records and accounts upon which said vouchers or invoices are based, are subject to audit by the Department, Agency and the Comptroller of the City of New York pursuant to the powers and responsibilities as conferred by the New York City Charter and Administrative Code of the City of New York, as well as all orders and regulations promulgated pursuant thereto.
- 14.2 Submission of Records. The Seller shall submit any and all documentation and justification in support of expenditures or fees under this Contract as may be required by the Department, Agency and the Comptroller so that they may evaluate the reasonableness of the charges and shall make its records pertaining to this Contract available to the Department, Agency and the Comptroller as they consider necessary.
- 14.3 Final Payment. The Seller shall not be entitled to final payment under this Contract until all requirements have been satisfactorily met.

15. DEFAULT

Agency Chief Contracting Officer's Right to Declare Seller in Default. In addition to any other remedy provided to the City pursuant to this Contract, the Agency Chief Contracting Officer shall have the right to declare the Seller in default if Seller fails to provide the Goods in accordance with any provisions of the contract, including but not limited to the specifications, the delivery schedule, or other conditions of performance.

16. REGISTRATION OF CONTRACTS

16.1 Office of Comptroller. With the exception of a requirement contract, this Contract shall not be binding or of any force unless it has been registered on the books of the Office of the Comptroller and the Comptroller has indicated that there remains unexpended and unapplied a balance of the appropriation or fund applicable hereto sufficient to pay the estimated expense of performing this Contract.

16.2 Requirement Contract. All requirement contracts shall be registered with the Comptroller.

17. COMMUNICATIONS

All communications addressed to the Seller and delivered at Seller's residence or place of business as given in this Contract, or deposited so addressed in a postpaid wrapper in any post office regularly maintained by the Post Office Department, shall be sufficient service thereof upon the Seller for the purposes of this Contract. The place so designated may be changed only by a writing executed and acknowledged by the Seller and delivered to the Agency Chief Contracting Officer. Personal service of communications upon the Seller shall not be precluded or rendered inoperative by any provision of this Contract.

18. INCREASE OR REDUCTION OF QUANTITIES

The unit prices shall not vary notwithstanding any increase or reduction in the quantities to be delivered hereunder, and no claims for damages shall be made by or allowed to the Seller by reason of such increase or reduction, except that when a trade discount is based on quantities or totals, prices will vary in accordance with the trade discounts, on which basis the Contract was awarded, or unless otherwise authorized by the Contract.

19. APPROVALS AND CERTIFICATIONS

19.1 Approvals. This Contract shall be neither binding nor effective unless:

- (a) Approved by the Mayor pursuant to the provisions of Executive Order No. 42, dated October 9, 1975, in the event the Executive Order requires such approval;

- (b) Certified by the Mayor (Mayor's Fiscal Committee created pursuant to Executive Order No. 43 dated October 14, 1975) that performance thereof will be in accordance with the City's financial plan, if required;

19.2 Approvals Not in Lieu of Other Requirements.

The requirements of this Section of this Contract shall be in addition to, and not in lieu of, any approval or authorization otherwise required for this Contract to be effective and for the expenditure of City Funds.

20. ANTITRUST

The Seller hereby assigns, sells, and transfers to the City all right, title and interest in and to any claims and causes of action arising under the antitrust laws of the State of New York or of the United States relating to the particular Goods or services purchased or procured by the City under this Contract.

21. SEVERABILITY AND HEADINGS

The clauses and provisions of this Contract are intended to be severable. The unconstitutionality or unconscionability of any term, clause or provision shall in no way defeat the effect of any other term, clause or provision.

Section and other headings are inserted for convenience only and shall not be used in any way to construe the terms of this Contract.

22. CONFLICT OF LAWS

All disputes which involve this Contract shall be governed by the laws of the State of New York.

23. CHOICE OF LAW, CONSENT TO JURISDICTION AND VENUE

23.1 Law of New York State. This Contract shall be deemed to be executed in the City of New York, State of New York, regardless of the domicile of the Seller, and shall be governed by and construed in accordance with the laws of the State of New York.

23.2 Venue in City. The parties agree that any and all claims asserted by or against the City arising under this Contract or related thereto shall be heard and determined either in the courts of the United States located in New York City ("Federal Courts") or in the courts of the State of New York ("New York State Courts") located in the City and County of New York. To effect this agreement and intent, the Seller agrees:

- (a) If the City initiates any action against the Seller in Federal Court or in

New York State Court, service of process may be made on the Seller either in person, wherever the Seller may be found, or by registered mail addressed to the Seller at its address as set forth in this Contract, or to such other address as the Seller may provide to the City in writing in accordance with this Contract.

- (b) A summons in any action arising out of this Contract may issue from any Court of the State of New York having jurisdiction of the subject matter and service of the summons and complaint against the Seller, served as herein provided, shall be deemed personal service upon the Seller within the State of New York if a copy of each is sent by certified mail addressed to the Seller at the place stated in this Contract, or if such address has been changed pursuant to Section 18, to such changed address.
- (c) Within thirty (30) days after the date of mailing, a copy of the summons and complaint shall be filed with the clerk of the Court in which the action is pending, along with the mailing receipt issued by the Post Office or the affidavit of any officer or employee of the City showing that the summons and complaint were mailed as herein provided. Service shall be complete ten (10) days after such papers are filed.
- (d) With respect to any action between the City and the Seller in New York State Court, the Seller hereby expressly waives and relinquishes any rights it might otherwise have (i) to move to dismiss on grounds of forum non conveniens; (ii) to remove to Federal Court; and (iii) to move for a change of venue to a New York State Court outside New York County.
- (e) With respect to any action between the City and the Seller in Federal Court located in New York City, the Seller expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City of New York.
- (f) If the Seller commences any action against the City in a court located other than in the City and State of New York, upon request of the City, the Seller shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, the Seller shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in New York City.

23.3 Unenforceable Provision. If any provision(s) of this Section is (are) held unenforceable for any reason, each and all other provision(s) shall nevertheless

remain in full force and effect.

24. EMERGENCY

- 24.1 Suspension or Termination. Whenever, in the opinion of the Agency Chief Contracting Officer, an emergency situation arises during the performance of this Contract, the Agency Chief Contracting Officer may either suspend or terminate this Contract in whole or in part without liability being incurred by either the City or the Seller.
- 24.2 Right to Purchase Goods. Pursuant to such decision by the Agency Chief Contracting Officer, where this Contract is terminated in whole or in part, the Agency Chief Contracting Officer may purchase such Goods the delivery of which has been cancelled (in replacement for those called for in this Contract).

25. VENDOR INTEGRITY

The Seller agrees that in the event the Seller or any of its principals or officers are indicted for or otherwise charged with any crime or become the subject of any anti-trust action related to the conduct of the business of the Seller or the award of or performance under any contract or agreement with a government entity or if any supervisory employee of the Seller is indicted based upon facts arising out of the award of or affecting performance under this Contract then the Agency Chief Contracting Officer, in his/her sole discretion, may terminate this Contract by notifying Seller, in writing. In the event of termination of this Contract, the Seller shall not be entitled to any damages or payments for Goods not delivered by date of termination.

26. VENDOR GUARANTEE

The Seller guarantees that the equipment offered is standard new equipment, current model of regular stock product with all parts regularly used with the type of equipment offered; also that no attachment or part has been substituted or applied contrary to the manufacturer's recommendations and standard practice. Every unit, including any substituted or replacement unit delivered, must be guaranteed against faulty material and workmanship for a period of one year from and after the date the unit is accepted unless otherwise specified. Notwithstanding the foregoing, when the manufacturer's standard guarantee for the unit or any component thereof exceeds one year, the longer guarantee period shall apply to such unit or component thereof delivered under the City's contract. Furthermore, the Seller agrees to extend its warranty period with regard to any unit delivered by the cumulative periods of time, after notification, during which the unit requires servicing or replacement (down time) or is in the possession of the Seller, its agents, officers or employees. If during the regular or extended warranty periods faults develop, the Seller shall promptly repair or upon demand, replace the defective unit or

component part affected. All costs for labor and material and transportation incurred to repair or replace defective goods during the warranty periods shall be borne solely by the Seller, and the City shall in no event be liable or responsible therefor. In the event of failure on the part of the Seller to replace or put in first-class condition any such equipment within thirty (30) calendar days from date of notice the City may have the work done by others and offset the cost against money due, or that may become due to the Seller, or if there be no money due, the Seller agrees to pay the City such cost.

27. NO CLAIM AGAINST OFFICERS, AGENTS OR EMPLOYEES

No claim whatsoever shall be made by the Seller against any officer, agent or employee of the City for, or on account of, anything done or omitted in connection with this Contract.

28. FUND AVAILABILITY

All contracts awarded by the Agency Chief Contracting Officer shall be executory only to the extent of funds available to each Agency for the purchase of the Goods.

29. ENTIRE AGREEMENT

The written Contract contains all the terms and conditions agreed upon by the parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto, or to vary any of the terms contained herein.

PART IV
SPECIAL CONDITIONS

1. NONDISCRIMINATION

1.1 Executive Order No. 50 (1980). This Contract is subject to the requirements of New York City Charter Chapter 56, §§1305 et seq. ("Chapter 56"), Executive Order No. 50 (April 25, 1980) ("E.O. 50"), and the Rules and Regulations promulgated thereunder. No contract will be awarded unless and until these requirements have been complied with in their entirety. By signing this Contract, the Seller agrees that it:

- (a) will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or citizenship status, with respect to all employment decisions including, but not limited to recruitment, hiring,

upgrading, demotion, downgrading, transfer, training, rates of pay or other forms of compensation, layoff, termination, and all other terms and conditions of employment;

- (b) will not discriminate in the selection of subcontractors on the basis of the owners' partners' or shareholders' race, color, creed, national origin, sex, age, disability, marital status, sexual orientation, or citizenship status;
- (c) will state in all solicitations or advertisements for employees placed by or on behalf of the Seller that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or citizenship status or that it is an equal opportunity employer;
- (d) will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or memorandum of understanding, written notification of its equal employment opportunity commitments under Chapter 56 and E.O. 50 and the rules and regulations promulgated thereunder; and
- (e) will furnish before the contract is awarded all information and reports, including an Employment Report, which are required by Chapter 56, E.O. 50, the rules and regulations promulgated thereunder, and orders of the Director of the Division of Labor Services ("DLS"). Copies of all required reports are available upon request from the contracting agency; and
- (f) will permit DLS to have access to all relevant books, records and accounts for the purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (g) Seller understands that in the event of its noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, such noncompliance shall constitute a material breach of this Contract and noncompliance with Chapter 56, E.O. 50 and the rules and regulations promulgated thereunder. After a hearing held pursuant to the rules of DLS, the Director may direct the imposition by the contracting agency head of any or all of the following sanctions:
 - (i) disapproval of the Seller;
 - (ii) suspension or termination of all or parts of this Contract and/or of payments therefor;
 - (iii) declaring the Seller in default; or

- (iv) in lieu of any of the foregoing sanctions, the Director may impose an employment program.
- (h) The Director of DLS may recommend to the contracting agency head that a seller who has repeatedly failed to comply with Chapter 56, E.O. 50 and the rules and regulations promulgated thereunder be declared nonresponsible.
- (i) The Seller agrees to include the provisions of the foregoing paragraphs in every subcontract or purchase order in excess of \$50,000 to which it becomes a party unless exempted by Chapter 56, E.O. 50, and the rules and regulations promulgated thereunder, so that such provisions will be binding upon each subcontractor or vendor. The Seller will take such action with respect to any subcontract or purchase order as may be directed by the Director of the Division of Labor Services as a means of enforcing such provisions including sanctions for noncompliance.
- (j) The Seller further agrees that it will refrain from entering into any contract or contract modification subject to Chapter 56, E.O. 50, and the rules and regulations promulgated thereunder with a subcontractor who is not in compliance with the requirements of Chapter 56, E.O. 50 and the rules and regulations promulgated thereunder.

1.2 New York Labor Law Section 220-e:

- (a) In the hiring of employees for the performance of work under this Contract or any subcontract hereunder, neither the Seller, subcontractor, nor any person acting on behalf of the Seller or subcontractor shall by reason of race, creed, color, disability, sex or national origin discriminate against any citizen of the State of New York who is qualified and available to perform the work to which the employment relates;
- (b) Neither the Seller, subcontractor, nor any person acting on his behalf shall in any manner discriminate against or intimidate any employee hired for the performance of work under this Contract on account of race, creed, color, disability, sex or national origin;
- (c) There may be deducted from the amount payable to the Seller by the City under this Contract a penalty of fifty (50) dollars for each person for each calendar day during which such person was discriminated against or intimidated in violation of the provisions of this Contract; and
- (d) This Contract may be cancelled or terminated by the City and all monies

due or to become due hereunder may be forfeited for a second or any subsequent violation of the terms or conditions of this subsection of this Contract.

- (e) The aforesaid provisions of this subsection covering every contract for or on behalf of the State or a municipality for the manufacture, sale or distribution of materials, equipment or supplies shall be limited to operations performed within the territorial limits of the State of New York.

1.3 New York City Administrative Code Section 6-108:

- (a) It shall be unlawful for any person engaged in the construction, alteration or repair of buildings or engaged in the construction or repair of streets or highways pursuant to a contract with the City or engaged in the manufacture, sale or distribution of Goods pursuant to a contract with the City to refuse to employ or to refuse to continue in any employment any person on account of the race, color or creed of such person.
- (b) It shall be unlawful for any person or any servant, agent or employee of any person described in subdivision (a) above to ask, indicate or transmit, orally or in writing, directly or indirectly, the race, color, creed or religious affiliation of any person employed or seeking employment from such person, firm or corporation.
- (c) Disobedience of the foregoing provisions shall be deemed a violation of a material provision of this Contract.
- (d) Any person, or employee, manager or owner of or officer of a firm or corporation who shall violate any of the provisions of this subsection shall, upon conviction thereof, be punished by a fine of not more than one hundred (\$100) dollars or by imprisonment for not more than thirty (30) days, or both.

2. LABOR LAW REQUIREMENTS

2.1 Section 6-109 of the Administrative Code of The City of New York.

- (a) Section 6-109(a).
 - (i) Except for those employees whose minimum wage is required to be fixed by Section 220 of the Labor Law of the State of New York, all persons employed by the Seller and any subcontractor in the manufacture or furnishing of supplies, materials or equipment,

or the furnishing of work, labor or services used in the performance of this Contract will be paid, without subsequent deduction or rebate unless expressly authorized by law, not less than the sum mandated by law.

- (ii) No part of the work, labor or services will be performed or rendered by the Seller in any plants, factories, buildings or surroundings or under working conditions which are unsanitary or hazardous or dangerous to the health and safety of employees engaged in the performance of this Contract. Compliance with the safety, sanitary and factory inspection laws of the state in which the work is to be performed shall be prima facie evidence of compliance with this paragraph.
- (iii) For any breach or violation of any of the representations and stipulations required in any Contract under the provisions of this subsection, the party responsible therefor shall be liable to the City for liquidated damages, which may be withheld from any amounts due on any such Contracts or may be recovered in suits brought by the Corporation Counsel in the name of the City, in addition to damages for any other breach of such Contract, a sum equal to the amount of any underpayment of wages due to any employee engaged in the performance of such Contract. In addition, the Police Department or any other agency entering into such Contract shall have the right to cancel the Contract for any violation of this subsection and enter into other contracts for the completion of the original Contract, charging any additional cost to the original Seller. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages in violation of the provisions of this subsection shall be held in a special deposit account and shall be paid without interest, on order of the Executive Director for Economic Development, directly to the employees who have been paid less than minimum rates of pay as set forth in such Contracts and on whose account such sums were withheld or recovered, provided that no claims by employees for such payments shall be entertained unless made within one year from the date of actual notice to the Seller of the withholding or recovery of such sums by the City.

(b) Section 6-109(b).

The provisions of subdivision (a) of section 6-109 shall not apply to contracts for the furnishing or purchase of agricultural or farm products

processed for first sale by the original producers; nor shall subdivision (a) of section 6-109 apply to any work performed on any contract outside of the United States or its territories.

2.2 Worker's Compensation Laws

If this Contract be of such a character that the employees engaged thereon are required to be insured by the provisions of the New York Worker's Compensation Law, and acts amendatory thereto, the same shall be void and of no effect unless the Seller shall secure compensation for the benefit of, and keep insured during the life of this Contract such employees in compliance with the provisions of said law.

3. INVESTIGATIONS

- 3.1 The parties to this Contract agree to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (State) or City of New York (City) governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit or inquiry.
- 3.2
 - (a) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or;
 - (b) If any person refuses to testify for a reason other than the assertion of his or her privilege against self incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction,

- agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then;
- 3.3 (a) The Agency Chief Contracting Officer or Agency Head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing, upon not less than five (5) days written notice to the parties involved to determine if any penalties should attach for the failure of a person to testify.
- (b) If any non-governmental party to the hearing requests an adjournment, the Agency Chief Contracting Officer or Agency Head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to 3.5 below without the City incurring any penalty or damages for delay or otherwise.
- 3.4 The penalties which may attach after a final determination by the Agency Chief Contracting Officer or Agency Head may include but shall not exceed:
- (a) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and/or
- (b) The cancellation or termination of any and all such existing City contracts, leases, permits or licenses that the refusal to testify concerns and that have not been assigned as permitted under this agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; monies lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.
- 3.5 The Agency Chief Contracting Officer or Agency Head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in paragraphs 3.5(a) and 3.5(b) below. He or she may also consider, if relevant and appropriate, the criteria established in paragraphs 3.5(c) and 3.5(d) below in addition to any other information which may be relevant and appropriate:
- (a) The party's good faith endeavors or lack thereof to cooperate fully and

faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.

- (b) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.
- (c) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.
- (d) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under 3.4 above, provided that the party or entity has given actual notice to the Agency Chief Contracting Officer or Agency Head upon the acquisition of the interest, or at the hearing called for in 3.3(a) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

3.6 Definitions for purposes of this section shall include the following:

- (a) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.
- (b) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee.
- (c) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives monies, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.
- (d) The term "member" as used herein shall be defined as any person associated with another person or entity as a partner, director, officer, principal or employee.

3.7 In addition to and notwithstanding any other provision of this Contract the

Agency Chief Contracting Officer or Agency Head may in his or her sole discretion terminate this Contract upon not less than three (3) days written notice in the event contractor fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this Contract by the contractor, or affecting the performance of this Contract.

4. TOXIC SUBSTANCES - MATERIAL SAFETY DATA SHEETS

Under the New York State Labor Law, Article 28 (the Right to Know Law), Section 876, any manufacturer, importer, producer or formulator of any substance sold for any use within the state must provide, upon request, specific information on the health hazards and proper handling of such substances. The City of New York, in order to meet its responsibilities under the Law as an employer, requires that Seller and its manufacturers and suppliers submit such information in the form of a Material Safety Data Sheet for any toxic substance or product containing a toxic substance to be supplied to the City. Any questions regarding the toxicity of a substance or the requirements of a Material Data Sheet should be addressed to the New York State Bureau of Toxic Assessment.

5. PARTICIPATION IN AN INTERNATIONAL BOYCOTT

- 5.1 The Seller agrees that neither the Seller nor any affiliate is participating or shall participate in an international boycott in violation of the provisions of the Export Administration Act of 1979, as amended, or the regulations of the United States Department of Commerce promulgated thereunder.
- 5.2 Upon the final determination by the Commerce Department or any other agency of the United States as to, or conviction of the Seller or an affiliated company thereof, participation in an international boycott in violation of the provisions of the Export Administration Act of 1979, as amended, or the regulations promulgated thereunder, the Comptroller may, at his/her option, render forfeit and void this Contract.
- 5.3 The Seller shall comply in all respects, with the provisions of Section 6-114 of the Administrative Code of the City of New York and the rules and regulations issued by the Comptroller thereunder.

6. RESOLUTION OF DISPUTES

- 6.1 All disputes between the City and the supplier of the kind delineated in this section that arise under, or by virtue of, this Contract shall be finally resolved in

accordance with the provisions of this section and the applicable section of the Rules of the Procurement Policy Board ("PPB Rules"). The procedure for resolving all disputes of the kind delineated herein shall be the exclusive means of resolving any such disputes.

- (a) This section shall not apply to disputes concerning matters dealt with in other sections of the PPB Rules or to disputes involving patents, copyrights, trademarks, or trade secrets (as interpreted by the courts of New York State) relating to proprietary rights in computer software.
- (b) For construction and construction-related services this section shall apply only to disputes about the scope of work delineated by the contract, the interpretation of contract documents, the amount to be paid for extra work or disputed work performed in connection with the contract, the conformity of the supplier's work to the contract, and the acceptability and quality of the supplier's work; such disputes arise when the Engineer makes a determination with which the supplier disagrees.

6.2 All determinations required by this section shall be clearly stated, with a reasoned explanation for the determination based on the information and evidence presented to the party making the determination. Failure to make such determination within the time required by this section shall be deemed a non-determination without prejudice that will allow application to the next level.

6.3 During such time as any dispute is being presented, heard, and considered pursuant to this section, the contract terms shall remain in full force and effect and the supplier shall continue to perform work in accordance with the contract and as directed by the Agency Chief Contracting Officer ("ACCO") or Engineer. Failure of the supplier to continue the work as directed shall constitute a waiver by the supplier of any and all claims being presented pursuant to this section and a material breach of contract.

6.4 Presentation of Dispute to Agency Head.

- (a) Notice of Dispute and Agency Response. The supplier shall present its dispute in writing ("Notice of Dispute") to the Agency Head within the time specified herein, or, if no time is specified, within thirty (30) days of receiving written notice of the determination or action that is the subject of the dispute. This notice requirement shall not be read to replace any other notice requirements contained in the contract. The Notice of Dispute shall include all the facts, evidence, documents, or other basis upon which the supplier relies in support of its position, as well as a detailed computation demonstrating how any amount of money claimed by the supplier in the dispute was arrived at. Within thirty (30) days after receipt of the

complete Notice of Dispute, the ACCO or, in the case of construction or construction-related services, the Engineer, shall submit to the Agency Head all materials he or she deems pertinent to the dispute. Following initial submissions to the Agency Head, either party may demand of the other the production of any document or other material the demanding party believes may be relevant to the dispute. The requested party shall produce all relevant materials that are not otherwise protected by a legal privilege recognized by the courts of New York State. Any question of relevancy shall be determined by the Agency Head whose decision shall be final. Willful failure of the supplier to produce any requested material whose relevancy the supplier has not disputed, or whose relevancy has been affirmatively determined, shall constitute a waiver by the supplier of its claim.

- (b) **Agency Head Inquiry.** The Agency Head shall examine the material and may, in his or her discretion, convene an informal conference with the supplier and the ACCO and, in the case of construction or construction-related services, the Engineer, to resolve the issue by mutual consent prior to reaching a determination. The Agency Head may seek such technical or other expertise as he or she shall deem appropriate, including the use of neutral mediators, and require any such additional material from either or both parties as he or she deems fit. The Agency Head's ability to render, and the effect of, a decision hereunder shall not be impaired by any negotiations in connection with the dispute presented, whether or not the Agency Head participated therein. The Agency Head may or, at the request of any party to the dispute, shall compel the participation of any other supplier with a contract related to the work of this contract and that supplier shall be bound by the decision of the Agency Head. Any supplier thus brought into the dispute resolution proceeding shall have the same rights and obligations under this section as the supplier initiating the dispute.
- (c) **Agency Head Determination.** Within thirty (30) days after the receipt of all materials and information, or such longer time as may be agreed to by the parties, the Agency Head shall make his or her determination and shall deliver or send a copy of such determination to the supplier and ACCO and, in the case of construction or construction-related services, the Engineer, together with a statement concerning how the decision may be appealed.
- (d) **Finality of Agency Head Decision.** The Agency Head's decision shall be final and binding on all parties, unless presented to the Contract Dispute Resolution Board ("CDRB") pursuant to this section. The City may not

take a petition to the CDRB. However, should the supplier take such a petition, the City may seek, and the CDRB may render, a determination less favorable to the supplier and more favorable to the City than the decision of the Agency Head.

6.5 Presentation of Dispute to the Comptroller. Before any dispute may be brought by the supplier to the CDRB, the supplier must first present its claim to the Comptroller for his or her review, investigation, and possible adjustment.

- (a) Time, Form, and Content of Notice. Within thirty (30) days of receipt of a decision by the Agency Head, the supplier shall submit to the Comptroller and to the Agency Head a Notice of Claim regarding its dispute with the agency. The Notice of Claim shall consist of (i) a brief statement of the substance of the dispute, the amount of money, if any, claimed and the reason(s) the supplier contends the dispute was wrongly decided by the Agency Head; (ii) a copy of the decision of the Agency Head, and (iii) a copy of all materials submitted by the supplier to the agency, including the Notice of Dispute. The supplier may not present to the Comptroller any material not presented to the Agency Head, except at the request of the Comptroller.
- (b) Agency Response. Within thirty (30) days of receipt of the Notice of Claim, the agency shall make available to the Comptroller a copy of all material submitted by the agency to the Agency Head in connection with the dispute. The agency may not present to the Comptroller any material not presented to the Agency Head, except at the request of the Comptroller.
- (c) Comptroller Investigation. The Comptroller may investigate the claim in dispute and, in the course of such investigation, may exercise all powers provided in Sections 7-201 and 7-203 of the New York City Administrative Code. In addition, the Comptroller may demand of either party, and such party shall provide, whatever additional material the Comptroller deems pertinent to the claim, including original business records of the supplier. Willful failure of the supplier to produce within fifteen (15) days any material requested by the Comptroller shall constitute a waiver by the supplier of its claim. The Comptroller may also schedule an informal conference to be attended by the supplier, agency representatives, and any other personnel desired by the Comptroller.
- (d) Opportunity of Comptroller to Compromise or Adjust Claim. The Comptroller shall have forty-five (45) days from his or her receipt of all materials referred to in 6.5(c) to investigate the disputed claim. The

period for investigation and compromise may be further extended by agreement between the supplier and the Comptroller, to a maximum of ninety (90) days from the Comptroller's receipt of all the materials. The supplier may not present its petition to the CDRB until the period for investigation and compromise delineated in this paragraph has expired. In compromising or adjusting any claim hereunder, the Comptroller may not revise or disregard the terms of the contract between the parties.

6.6 Contract Dispute Resolution Board. There shall be a Contract Dispute Resolution Board composed of:

- (a) the chief administrative law judge of the Office of Administrative Trials and Hearings ("OATH") or his/her designated OATH administrative law judge, who shall act as chairperson, and may adopt operational procedures and issue such orders consistent with this section as may be necessary in the execution of the CDRB's functions, including, but not limited to, granting extensions of time to present or respond to submissions;
- (b) the City Chief Procurement Officer ("CCPO") or his/her designee, or in the case of disputes involving construction, the Director of the Office of Construction or his/her designee; any designee shall have the requisite background to consider and resolve the merits of the dispute and shall not have participated personally and substantially in the particular matter that is the subject of the dispute or report to anyone who so participated, and
- (c) a person with appropriate expertise who is not an employee of the City. This person shall be selected by the presiding administrative law judge from a prequalified panel of individuals, established and administered by OATH, with appropriate background to act as decision-makers in a dispute. Such individuals may not have a contract or dispute with the City or be an officer or employee of any company or organization that does, or regularly represent persons, companies, or organizations having disputes with the City.

6.7 Petition to CDRB: In the event the claim has not been settled or adjusted by the Comptroller within the period provided in this section, the supplier, within thirty (30) days thereafter, may petition "Seller," to the CDRB to review the Agency Head determination.

- (a) Form and Content of Petition by Supplier. The supplier shall present its dispute to the CDRB in the form of a Petition, which shall include (i) a brief statement of the substance of the dispute, the amount of money, if any, claimed, and the reason(s) the supplier contends that the dispute was

wrongly decided by the Agency Head; (ii) a copy of the decision of the Agency Head; (iii) copies of all materials submitted by the supplier to the agency; (iv) a copy of the decision of the Comptroller, if any, and (v) copies of all correspondence with, and material submitted by the supplier to, the Comptroller's Office. The supplier shall concurrently submit four complete sets of the Petition: one to the Corporation Counsel (Attn: Commercial and Real Estate Litigation Division), and three to the CDRB at OATH's offices, with proof of service on the Corporation Counsel. In addition, the supplier shall submit a copy of the statement of the substance of the dispute, cited in (i) above, to both the Agency Head and the Comptroller.

- (b) **Agency Response.** Within thirty (30) days of receipt of the Petition by the Corporation Counsel, the agency shall respond to the statement of the supplier and make available to the CDRB all material it submitted to the Agency Head and Comptroller. Three complete copies of the agency response shall be submitted to the CDRB at OATH's offices and one to the supplier. Extensions of time for submittal of the agency response shall be given as necessary upon a showing of good cause or, upon the consent of the parties, for an initial period of up to thirty (30) days.
- (c) **Further Proceedings.** The Board shall permit the supplier to present its case by submission of memoranda, briefs, and oral argument. The Board shall also permit the agency to present its case in response to the supplier by submission of memoranda, briefs, and oral argument. If requested by the Corporation Counsel, the Comptroller shall provide reasonable assistance in the preparation of the agency's case. Neither the supplier nor the agency may support its case with any documentation or other material that was not considered by the Comptroller, unless requested by the CDRB. The CDRB, in its discretion, may seek such technical or other expert advice as it shall deem appropriate and may seek, on its own or upon application of a party, any such additional material from any party as it deems fit. The CDRB, in its discretion, may combine more than one dispute between the parties for concurrent resolution.
- (d) **CDRB Determination.** Within forty-five (45) days of the conclusion of all submissions and oral arguments, the CDRB shall render a decision resolving the dispute. In an unusually complex case, the CDRB may render its decision in a longer period of time, not to exceed ninety (90) days, and shall so advise the parties at the commencement of this period. The CDRB's decision must be consistent with the terms of the contract. Decisions of the CDRB shall only resolve matters before the CDRB and shall not have precedential effect with respect to matters not before the

CDRB.

- (e) Notification of CDRB Decision. The CDRB shall send a copy of its decision to the supplier, the ACCO, the Corporation Counsel, the Comptroller, the CCPO, the Office of Construction, the PPB, and, in the case of construction or construction-related services, the Engineer. A decision in favor of the supplier shall be subject to the prompt payment provisions of the PPB Rules. The Required Payment Date shall be thirty (30) days after the date the parties are formally notified of the CDRB's decision.
- (f) Finality of CDRB Decision. The CDRB's decision shall be final and binding on all parties. Any party may seek review of the CDRB's decision solely in the form of a challenge, filed within four months of the date of the CDRB's decision, in a court of competent jurisdiction of the State of New York, County of New York pursuant to Article 78 of the Civil Practice Law and Rules. Such review by the court shall be limited to the question of whether or not the CDRB's decision was made in violation of lawful procedure, was affected by an error of law, or was arbitrary and capricious or an abuse of discretion. No evidence or information shall be introduced or relied upon in such proceeding that was not presented to the CDRB in accordance with the PPB Rules.

6.8 Any termination, cancellation, or alleged breach of the contract, prior to or during the pendency of any proceedings pursuant to this section shall not affect or impair the ability of the Agency Head or CDRB to make a binding and final decision pursuant to this section.

7. VENDEX QUESTIONNAIRES

Pursuant to Administrative Code §6-116.2 and the applicable section of the Rules of the Procurement Policy Board (9 RCNY §5-02), VENDEX Questionnaires must be completed and submitted by all persons or entities doing business with the City of New York on contracts and/or subcontracts of \$10,000 or more that will be awarded to a sole source and/or whose aggregate business with the City in the preceding twelve (12) months totals \$100,000 or more before any award of contract may be made. The Vendex Questionnaires consist of Business Entity and Principal Questionnaires. Any questions concerning this requirement must be submitted to the Agency Chief Contracting Officer or the contact person for this contract.

8. NON-BIDDERS PROVISION RE: BURMA –NOT APPLICABLE

9. NON-BIDDERS MACBRIDE PRINCIPLES PROVISIONS

ARTICLE I. MACBRIDE PRINCIPLES

PART A

In accordance with section 6-115.1 of the Administrative Code of the City of New York, the contractor stipulates that such contractor and any individual or legal entity in which the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor either (a) have no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Principles, and shall permit independent monitoring of their compliance with such principles.

PART B

For purposes of this section, the following terms shall have the following meanings:

1. "MacBride Principles" shall mean those principles relating to nondiscrimination in employment and freedom of workplace opportunity which require employers doing business in Northern Ireland to:
 - (1) increase the representation of individuals from underrepresented religious groups in the work force, including managerial, supervisory, administrative, clerical and technical jobs;
 - (2) take steps to promote adequate security for the protection of employees from underrepresented religious groups both at the workplace and while traveling to and from work;
 - (3) ban provocative religious or political emblems from the workplace;
 - (4) publicly advertise all job openings and make special recruitment efforts to attract applicants from underrepresented religious groups;
 - (5) establish layoff, recall and termination procedures which do not in practice favor a particular religious group;
 - (6) abolish all job reservations, apprenticeship restrictions and different employment criteria which discriminate on the basis of religion;
 - (7) develop training programs that will prepare substantial numbers of current employees from underrepresented religious groups for skilled jobs,

including the expansion of existing programs and the creation of new programs to train, upgrade and improve the skills of workers from underrepresented religious groups;

- (8) establish procedures to assess, identify and actively recruit employees from underrepresented religious groups with potential for further advancement; and
- (9) appoint a senior management staff member to oversee affirmative action efforts and develop a timetable to ensure their full implementation.

ARTICLE II

ENFORCEMENT OF ARTICLE I.

The contractor agrees that the covenants and representations in Article I above are material conditions to this contract. In the event the contracting entity receives information that the contractor who made the stipulation required by this section is in violation thereof, the contracting entity shall review such information and give the contractor an opportunity to respond. If the contracting entity finds that a violation has occurred, the entity shall have the right to declare the contractor in default and/or terminate this contract for cause and procure the supplies, services or work from another source in any manner the entity deems proper. In the event of such termination, the contractor shall pay to the entity, or the entity in its sole discretion may withhold from any amounts otherwise payable to the contractor, the difference between the contract price for the uncompleted portion of this contract and the cost to the contracting entity of completing performance of this contract either itself or by engaging another contractor or contractors. In the case of a requirements contract, the contractor shall be liable for such difference in price for the entire amount of supplies required by the contracting entity for the uncompleted terms of its contract. In the case of a construction contract, the contracting entity shall also have the right to hold the contractor in partial or total default in accordance with the default provisions of this contract, and/or may seek debarment or suspension of the contractor. The rights and remedies of the entity hereunder shall be in addition to, and not in lieu of, any rights and remedies the entity has pursuant to this contract or by operation of law.

10. INSTALLATIONS

10.1 Labor Law. The Seller specifically agrees, as required by Labor Law Sections 220 and 220-d, as amended, that with respect to public work contracts:

- (a) No laborer, workman, or mechanic, in the employ of the contractor, subcontractor or other person doing or contracting to do the whole or any part of the work contemplated by the contract shall be permitted or required to work more than eight hours in any one calendar day or more than five days in one week, except in the emergencies set forth in the Labor Law.
- (b) The wages paid for a legal day's work shall be not less than the prevailing

rate of wages as defined by law.

- (c) The minimum hourly rate of wage to be paid shall not be less than that stated in the specifications, and any redetermination of the prevailing rate of wages after the contract is approved shall be deemed to be incorporated herein by reference as of the effective date of redetermination and shall form a part of these contract documents.
- (d) The Labor Law provides that the contract may be forfeited and no sum paid for any work done thereunder on a second conviction for willfully paying less than:
 - (1) The stipulated wage scale as provided in Labor Law, Section 220, subdivision 3, as amended, or
 - (2) Less than the stipulated minimum hourly wage scale as provided in Labor Law, Section 220-d, as amended.

10.2 Seller's Obligations.

- (a) Sellers shall acquaint themselves with conditions to be found at the site and shall assume all responsibility for placing and installing the equipment in the required locations.
- (b) Where the contract involves performance of services on City facilities, all Sellers are urged and expected to inspect the site where services are to be performed and to satisfy themselves as to all general and local conditions that may affect the cost of performance of the Contract. In no event will a failure to inspect a site constitute grounds for withdrawal or for a claim after award of the Contract.
- (c) All materials used in the installation shall be of good quality and shall be free from any and all defects which would make the appearance of the equipment or render it structurally unsound.
- (d) The Seller shall protect the site from damage for all its work and shall repair damages or injury of any kind caused by the Seller, its employees, officers or agents.
- (e) Work shall be performed so as to cause the least inconvenience to the City, and its Agencies and with proper consideration for the rights of other contractors or workers. The Seller shall promptly perform its work and shall coordinate its activities with those of other contractors.

- (f) Installation shall include the furnishing of any equipment, rigging and materials required to install or replace the contract item in the proper location. If any alteration, dismantling or excavation, or the like is required to effect installation, the Seller shall thereafter promptly restore the structure or site to its original condition.
- (g) Materials, equipment or supplies shall be stored at the site only with the approval of the using Agency and at the Seller's sole risk. In general, such on-site storage should be avoided to prevent possible damage to or loss of the material.
- (h) The Seller shall clean up and remove all debris and rubbish from its work as required or directed. Upon completion of the work the premises shall be left in a neat unobstructed condition, the buildings broom clean, and everything in satisfactory repair and order.

11. LAW INSERTED

It is the intent and understanding of the parties to this Contract that each and every provision of law required to be inserted in this Contract shall be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is deemed to be inserted herein, and if, through mistake or otherwise, any provision is not inserted herein or is not inserted in correct form, then this Contract shall forthwith, upon the application of either party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of either party.

12. BREACH OF CONTRACT

Any breach or violation of any of the foregoing subdivisions of this Part IV entitled "Special Conditions" shall be deemed a breach or violation of a material provision of this Contract.

13. PROCUREMENT POLICY BOARD RULES

This contract is subject to the Rules of the Procurement Policy Board of the City of New York effective August 1, 1990, as amended. In the event of conflict between said Rules and a provision of this Contract, the rules shall take precedence.

PART V AFFIRMATIONS

THE SELLER AFFIRMS AND DECLARES THAT:

1. NO OTHER PERSON INTERESTED.

The Seller is of lawful age and is the only one interested in this Contract and that no other person, firm or corporation has any interest in this Contract.

2. FAIR PRACTICES

The Seller and each person signing on behalf of the Seller represents and warrants and certifies, under penalty of perjury, that to the best of its knowledge and belief:

- 2.1 No Collusion. The prices in this contract have been arrived at independently without collusion, consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any competitor;
- 2.2 Prices Not Disclosed. Unless otherwise required by law, the prices which have been quoted in this Contract have not been knowingly disclosed by the Seller prior to the proposed opening, directly or indirectly, to any competitor; and
- 2.3 No Attempt to Restrict Competition. No attempt has been made or will be made by the Seller to induce any other person, partnership or corporation to submit or not to submit a proposal for the purpose of restricting competition.

The fact that the Contractor (a) has published price lists, rates, or tariffs covering items being procured, (b) has informed prospective customers of proposed or pending publication of new or revised price lists for such items, or (c) has sold the same items to other customers at the same prices being bid, does not constitute, without more, a disclosure within the meaning of the above.

3. NO INTEREST BY CITY OFFICER OR EMPLOYEE.

No member of the Council, or other officer or employee or person whose salary is payable in whole or in part from the City Treasury is directly or indirectly interested in this Contract or in the Goods or in the performance of this Contract, or in any portion of the profits thereof.

4. NOT IN ARREARS NOR IN DEFAULT TO CITY.

Said Seller is not in arrears to the City of New York upon debt or contract or taxes, and is not a defaulter, as surety or otherwise, upon an obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York or State of New York, nor is there any proceeding pending relating to the responsibility or qualification of the Seller to receive public contracts.

5. COMPLIANCE WITH SECTION 6-109 OF ADMINISTRATIVE CODE

The Seller, as an individual, or as a member, partner, director or officer, if the same be a firm, partnership or corporation, executes this document expressly warranting and representing that the Seller is not disqualified under the provisions of Section 6-109 of the Administrative Code for the award of this Contract and that it and its subcontractors engaged in the performance of the Contract: (i) will comply with the provisions of Section 6-109 of the Administrative Code of the City of New York in relation to minimum wages and (ii) have complied with the provisions of said Section 6-109 and said rules and regulations since their respective effective dates insofar as applicable to the Seller and to its subcontractors.

In the event of breach or violation of any of the foregoing, the Seller may be subject to damages, liquidated or otherwise, and cancellation of this Contract in whole or in part.

6. NON-DISCRIMINATION

The Seller, as an individual, or as a member, partner, director or office, if the same be a firm, partnership or corporation, executes this document expressly warranting and representing that it and its subcontractors engaged in the performance thereof (i) will comply with the provisions of Section 6-108 of the Administrative Code of the City of New York and the nondiscrimination provisions of Section 220-e of the New York State Labor Law; (ii) have complied with the provisions of the aforesaid laws since their respective effective dates; and (iii) will post notices to be furnished by the City, setting forth the requirements of the aforesaid laws in prominent and conspicuous places in each and every plant, factory, building and structure where employees engaged in the performance of this Contract can readily view it, and will continue to keep such notices posted until the supplies, materials and equipment, or work, labor and services required to be furnished or rendered by the Seller have been finally accepted by the City.

7. NO PAYMENT OR GIFT

The Seller, if an individual, or if a firm, partnership or corporation, by executing this document as a member, partner, director or officer and on behalf of such firm, partnership or corporation, represents and warrants that no payment, gift or thing of value has been made, given or promised to obtain this or any other Contract between the parties. The Contractor represents and warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage fee, contingent fee or any other compensation. The Seller makes such representations and warranties to induce the City to enter into this Contract and the City relies upon such representations and warranties in the execution hereof. For breach or violation of such representations or warranties,

the Agency Chief Contracting Officer shall have the right to annul this Contract without liability, entitling the City to recover all monies paid hereunder and the Seller shall not make claims for, or be entitled to recover, any sum or sums due under this Contract. This remedy, if effected, shall not constitute the sole remedy afforded the City for the falsity or breach, nor shall it constitute a waiver of the City's right to claim damages or refuse payment or to take any other action provided for by law or pursuant to this Contract.

Non-Disclosure Agreement (NDA)
Harris Corporation, GCSD
Wireless Products Group (WPG)/Wireless Solutions

Effective Date: 1/13/2011

In order to protect certain Harris Corporation developed "Title 18" Protected Products, (hereinafter called "Products,"), both HARRIS CORPORATION, a Delaware Corporation, through its GCSD Division ("HARRIS") and NEW YORK PD - TARU, FLUSHING, NEW YORK (hereinafter referred to as "Agency") mutually agree as follows:

1. The Products protected under this NDA include, but are not limited to the following:

WPG Title 18 USC Restricted Products		
RayFish Core Hardware Platforms		
[REDACTED]		X
		X
		X
RayFish Core Software		
[REDACTED]		X
		X
		X
		X
RayFish Accessory Software		
[REDACTED]		X
RayFish Converters		
[REDACTED]		X
RayFish Accessories		
[REDACTED]		X
		X
Power Amplifiers		
[REDACTED]		X
		X
Handheld		
[REDACTED]		X
		X
Accessories		
[REDACTED]		X
		X
Wireless LAN Products		
[REDACTED]		X

2. Harris Corporation's Government Communications Systems Division, Wireless Products Group (hereinafter, "Harris") provides a number of tools, equipment and capabilities, both hardware and software (hereinafter "Products"), that provide users a capability to locate targets of interest. These Products are restricted and other wise controlled under United States Code, Title 18, and by other governing policies, regulations and laws.

Missions utilizing in whole or in part the Harris Products are covered in their entirety by this NDA.

Agency is subject to this NDA and except for Court ordered or other judicially mandated disclosures, will not disseminate, publish or release any information about the operations, missions, equipment, CONOPS, mission or investigation results, methods or any other information related to or arising out of the use, deployment or application of the Products that would be deemed a release of technical data as is described and agreed to under this NDA. In the event of a court ordered or judicially mandated disclosure, Agency shall use its best efforts to make such disclosure in a manner that provides

maximum protection of the information to be disclosed. Agency shall promptly notify Harris upon receipt of such order or mandate and provide a copy of any such written order or mandate.

Further, Agency personnel may be exposed to additional Harris WPG equipment to which it may not have direct access, such as might be used by a federal partner to assist Agency and its personnel in performance of their duties. Agency understands that such exposure is also covered by this NDA and that it shall neither disclose its knowledge of such missions, equipment, CONOPS, mission or investigation results, methods or any other information that would be deemed a release of technical data as is described and agreed to under this NDA, nor will Agency or its personnel demand direct access to such Products through direct or indirect pursuits or inquiries to gain access to such restricted equipment.

Further, Agency will ensure the operation of Harris Products will be restricted to only those personnel permanently assigned to department sections tasked with completing electronic surveillance missions. Authorized personnel should be sworn members who possess arrest authority, but may include full-time civilian employees permanently assigned to the same department sections tasked with supporting electronic surveillance missions.

3. Agency shall not discuss, publish, release or disclose any information pertaining to the Products covered under this NDA to any third party individual, corporation, or other entity, including any affiliated or unaffiliated State, County, City, Town or Village, or other governmental agency or entity without the prior written consent of Harris and shall further limit the circulation and disclosure of information regarding the Products within its own organization to its employees or agents having a "need to know" about the Products and shall ensure that they are informed of the sensitive nature thereof and agree to and are required to observe the provisions of confidentiality set forth herein and under Title 18 of the U.S. Code.
4. This Agreement shall be binding upon the parties, their successors, and assignees. Neither party shall assign this Agreement nor any Product received from Harris pursuant to this Agreement without Harris' prior written consent.
5. This Agreement shall be governed by, subject to, and construed in accordance with the laws of the State of Florida. Jurisdiction and venue shall lie in the State of Florida, Brevard County, for all causes of actions arising under this Agreement.
6. Removal of any Product listed herein from the restrictions under Title 18 of the U.S. Code in no way affects, voids or invalidates this Agreement, it being the intent of the Parties to treat this Agreement as enforceable notwithstanding such removal. Protection of all other Products herein remain in full force and effect.

Agency Representative (Department or Division Head):

End User Lead:

X NYPD - TARU

Agency Organization

Delayne Hurley

Name

Inspector

Title

04/01/2011

Date

X NYPD - TARU

End User Organization

Name

Detective

Title

04/01/2011

Date

Harris Corporation, Government Communications Systems Division:

X

Name

Title

Contracts Manager

Date

00/00/0000

PURCHASE ORDER

New York City Police Department
Technical Assistance Response Unit
Fort Totten – Building 614
Bayside, NY 11359
(718)971-1400

P.O.#CF2011-10

March 24, 2011

Vendor Information: Company: Harris Corp – Wireless Products Group
Contact: Jackie Ruble
Address: PO Box 9800, M/S R5-11A
City / State: Melbourne, FL 32902-9800
Phone #: (800) 358-5297 Fax #: (321) 309-7437

Dear Sir/Madam:

Please accept this letter as notification that the NYC Police Department is placing with you the following order. This order is placed under the terms and conditions provided by Quote # QTE6779-02906 from your company:

<u>Item(s)</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
----------------	-----------------	-------------------	-----------------------

[REDACTED]			
------------	--	--	--

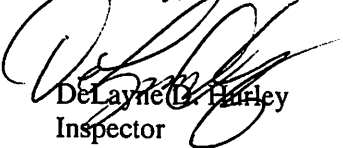
Total

[REDACTED]

Deliver Items and Invoice to: NYC POLICE DEPARTMENT
Fort Totten – Building 614
Bayside, NY 11359

Please direct any questions to Sgt. Allison Keating at 718-971-[REDACTED] Thank you for your assistance and cooperation.

Sincerely,


DeLayne G. Harley
Inspector

This communication is **CONFIDENTIAL** and is for **OFFICIAL USE ONLY**
NOT TO BE PUBLISHED

NYPD Production Page No. 000056

AMENDATORY AGREEMENT
PIN 056090000630

This Amendment Agreement, dated as of May 16, 2011 by and between The City of New York ("the City"), acting by and through the Police Department of the City of New York ("the Department") having its principal office at One Police Plaza, New York, New York 10038 and Harris Corporation ("Harris") having an office at 407 N. John Rodes Boulevard, Melbourne, FL 32935.

Whereas, by an Agreement ("the Original Agreement"), Number CT 056 090000630 entered into between the above parties as of March 2, 2009, the City agreed to purchase and the Contractor agreed to provide the City with an upgrade to the NYPD's cellular tracking equipment, more fully described in the Original Agreement; and

Whereas, the City estimated that the total contract amount of \$610,791.00 payable for said services described in said Original Agreement would be sufficient to cover its anticipated requirements; and

Whereas, the term of the Original Agreement is from March 19, 2009 to June 15, 2012; and

Whereas, the NYPD requires that this contract be extended for one additional year; and

Whereas, it is necessary that maintenance on all Harris equipment be extended to the updated expiration date of this agreement; and

NOW, THEREFORE, in consideration of the promises hereinafter contained, the parties hereto agree to an Amendment of the Original Agreement as follows:

A. Documents forming Amendment Agreement

The following documents, listed in order of precedence (in the event of conflict), shall comprise this Amendment Agreement:

1. This Amendatory Agreement.
2. Attachment 1: Section 4-02 of the City's Procurement Policy Board Rules—Contract Changes.
3. Harris Corporation Quote QTE6779-02724 dated 4/12/2011.

B. Deliverables

Contractor shall provide extended maintenance from 5/1/11 through 6/15/13. The terms and conditions of the extended maintenance shall mirror Section II.A.2

“Warranty/Maintenance” of the original agreement. Extended maintenance shall be provided on the following items:

Item #	Description	Unit Price	Ext. Price
	Maintenance for [REDACTED]		
	Maintenance for [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance for [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
	Maintenance [REDACTED]		
		TOTAL	\$86,389.00

C. Compensation

As consideration for the above, the Department agrees to pay \$86,389.00. Therefore the total contract value has changed from \$610,791.00 to \$697,180.00.

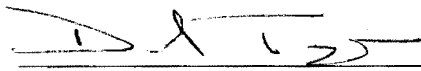
D. Additional Modifications to the Agreement:

The current contract term is from March 19, 2009 to June 15, 2012. This Amendatory Agreement shall increase the contract term by one (1) year. The new contract term shall be from March 19, 2009 to June 15, 2013.

All other terms and conditions of the original Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this agreement on this 16th
day of May, 2011.

Sworn to me this 16 day of
MAY, 2011.


NOTARY PUBLIC

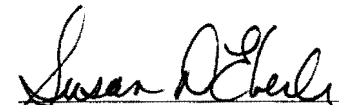
CITY OF NEW YORK
POLICE DEPARTMENT

By: Edward J. Allocco
Edward J. Allocco
Deputy Commissioner,
Management and Budget

DANIEL VINCENT TURRIAGO
Notary Public, State of New York
No. 41-4689374
Qualified in Queens County
Commission Expires 12/31/2014

Sworn to me this 10th day of

May, 2011.


NOTARY PUBLIC

Harris Corporation

By: Julie Bonine
Signature of Authorized
Contract Representative

Corporate Seal:

 SUSAN D. EBERLE
NOTARY PUBLIC
STATE OF FLORIDA
Comm# DD0940245
Expires 2/22/2014

(2) Assessments of Client Satisfaction. The agency shall assess client satisfaction by using techniques such as periodic interviews with clients, interviews with members of the clients' families, questionnaires to survey clients or their families, or such other techniques as may be appropriate. In the event that interviews or surveys are used, clients shall be selected on a statistically random basis to ensure sampling of a representative cross-section of the client population.

Section 4-02 CONTRACT CHANGES.

(a) Policy.

(1) All changes to existing contracts shall be approved by the ACCO and shall be reflected in a change order, which, once authorized, shall become a part of the original contract. A copy of the change order shall be sent to the vendor within ten days after authorization of the change. Vendors who deviate from the requirements of the original contract without a duly authorized change order do so at their own risk.

(2) The ACCO may include in any solicitation a provision for determining the cost of expected changes, so that these costs can be competitively determined before award.

(b) Types of Changes Permitted.

(1) Changes may include any one or more of the following:

(i) specification changes to account for design errors or omissions;

(ii) changes in contract amount due to authorized additional or omitted work. Any such changes require appropriate price and cost analysis to determine reasonableness. In addition, except for non-construction requirements contracts, all changes that cumulatively exceed the greater of ten percent of the original contract amount or \$100,000 shall be approved by the CCPO;

(iii) extensions of a contract term for good and sufficient cause for a cumulative period not to exceed one year from the date of expiration of the current contract. Requirements contracts shall be subject to this limitation;

(iv) changes in delivery location;

(v) changes in shipment method; and

(vi) any other change not inconsistent with this section.

(2) Changes Not Permissible for Material Alterations of Scope. Changes are permitted only for work necessary to complete the work included in the original scope of the contract, and for non-material changes to the scope of the contract. Changes are not permitted for material alterations in the scope of the work or for the insertion of a renewal clause to the contract. Material alterations to the scope of the work may be made only by a new procurement.

(3) Small Purchases. Changes to small purchases shall not bring the total value of the procurement to an amount greater than the small purchase limits.

(c) Adjustments of Price or Time for Performance. The vendor may be entitled to a price adjustment for extra work performed or to be performed pursuant to a written change order. If any part of the contract work is necessarily delayed by a change order, the vendor may be entitled to an extension of time for performance.* Adjustments to price shall be validated for reasonableness by using appropriate price and cost analysis.

(d) Documentation.

(1) Changes shall be categorized by type and numbered sequentially.

(2) For each procurement, the ACCO shall maintain a log of all executed change orders that shall include:

(i) the name of the vendor and the original contract amount;

(ii) the reason(s) for and the dollar amount of the change order; and

(iii) a running total of the value of the changes and the resulting revised contract amount.

(3) As-built field records shall be maintained by the agency or its designated construction site representative.

Section 4-03 **EXTENSIONS OF TIME FOR PERFORMANCE.**

(a) Application. If performance by the contractor is delayed for a reason set forth in the contract, reasonable extension in time for performance may be allowed.

(b) Goods and Non-Construction Related Services.

(1) An extension of time may be granted only by the ACCO of the agency that awarded the contract, upon written application by the contractor.

* §4-03 of these Rules



HARRIS CORP - WIRELESS PRODUCTS GROUP
P.O. BOX 9800, M/S R5-11A
MELBOURNE, FL 32902-9800
PH: 800-358-5297, FAX: 321-309-7437, wpg@harris.com

Quote	QTE6779-02724
Date	4/12/2011
Page:	1

Quotation

Bill To:
New York Police Department TARU Attn: Mike Werner Chief of Dept 150-28 Union Turnpike Flushing NY 11367 [REDACTED]

Ship To:
Allison Keating NYC Police Department Fort Totten Bldg. 614 718-971-[REDACTED] Bayside NY 11359

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
	NYPD-001	WPG3	BEST WAY	Net 30	0/0/0000	3,319

Quantity	Item Number	Description	UOM	Discount	Unit Price	Ext. Price
		NOTE Prices for all items extend Maintenance, to expire 6/15/2013. Serial Numbers are listed below the Maint P/N.	*			\$0.00
	[REDACTED]	Maintenance for [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance for [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance for [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]



HARRIS CORP - WIRELESS PRODUCTS GROUP
P.O. BOX 9800, M/S R5-11A
MELBOURNE, FL 32902-9800
PH: 800-358-5297, FAX: 321-309-7437, wpg@harris.com

Quote	QTE6779-02724
Date	4/12/2011
Page:	2

Quotation

Bill To:
New York Police Department TARU Attn: Mike Werner Chief of Dept 150-28 Union Turnpike Flushing NY 11367 [REDACTED]

Ship To:
Allison Keating NYC Police Department Fort Totten, Bldg. 614 718-971-[REDACTED] Bayside NY 11359

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
	NYPD-001	WPG3	BEST WAY	Net 30	0/0/0000	3,319

Quantity	Item Number	Description	UOM	Discount	Unit Price	Ext. Price
	[REDACTED]	Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
		Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
		Maintenance [REDACTED]	EA		[REDACTED]	[REDACTED]
		NOTE	*			\$0.00
		Prices are subject to change. Quotes are valid 180 days from date of issue. Attached Ts&Cs are applicable to all resultant orders.				

Remit Payment To:		
Electronic Funds Transfer (EFT):	GCSD Mail Deposits:	GCSD Overnight Deliveries:
Harris Corporation, GCSD Citibank Delaware Philadelphia, PA Account No: 30523187 ABA Rtg No: 021000089	Harris GCSD P.O. Box 7247 - LB 6759 Philadelphia, PA 19170-6759	Harris GCSD - LB 6759 C/O Citibank Delaware Lockbox Operations 1615 Brett Road New Castle, DE 19720 Phone number: 302-323-3600
Please reference the invoice number with your paymentNYPD Production Page No. 000063		

Subtotal	\$86,389.00
Misc	\$0.00
Tax	\$0.00
Freight	\$0.00
Trade Discount	\$0.00
Purchase Price	\$86,389.00

PURCHASE ORDER

**New York City Police Department
Technical Assistance Response Unit
Fort Totten – Building 614
Bayside, NY 11359
(718)971-1400**

P.O.#CF2011-17

May 18, 2011

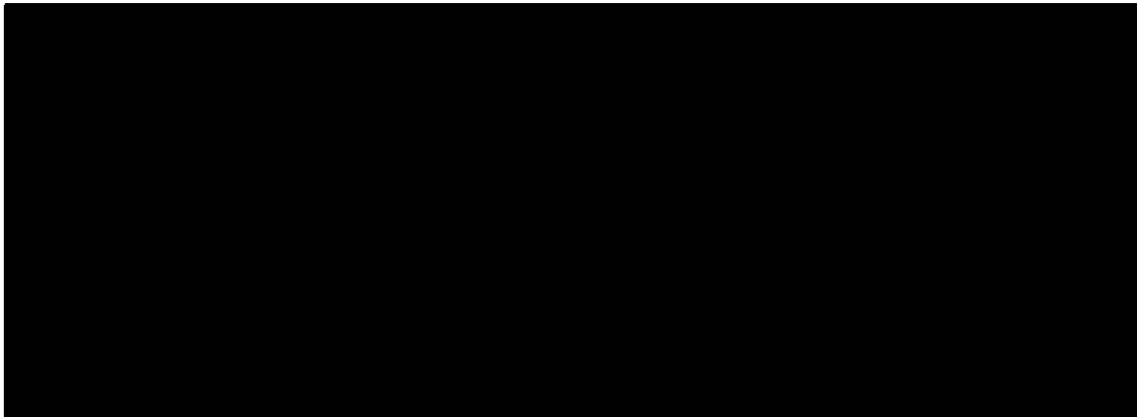
Vendor Information: Company: Harris Corp – Wireless Products Group
Contact: Julie Bonine
Address: PO Box 9800, M/S R5-11A
City / State: Melbourne, Fl 32902-9800
Phone #: (800) 358-5297 Fax #: (321) 309-7437

Dear Sir/Madam:

Please accept this letter as notification that the NYC Police Department is placing with you the following order. This order is placed under the terms and conditions provided by Quote # QTE6779-02724 from your company:

<u>Item(s)</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
----------------	-----------------	-------------------	-----------------------

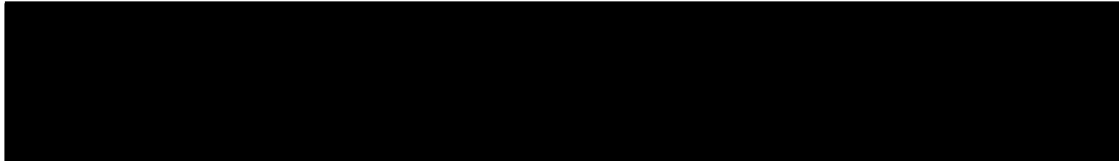
**All listed item numbers are an extension to maintenance from May 1, 2011
Through June 15,2013:**



**This communication is CONFIDENTIAL and is for OFFICIAL USE ONLY
NOT TO BE PUBLISHED**

PURCHASE ORDER

P.O. CF 2011-17 Harris Maintenance



Total

\$86,389.00

Deliver Items and Invoice to:

**NYC POLICE DEPARTMENT
Fort Totten – Building 614
Bayside, NY 11359**

Please direct any questions to Sgt. Allison Keating at 718-971-█ Thank you for your assistance and cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "DeLayne D. Hurley".

**DeLayne D. Hurley
Inspector**

**This communication is CONFIDENTIAL and is for OFFICIAL USE ONLY
NOT TO BE PUBLISHED**

NYPD Production Page No. 000065

PURCHASE ORDER

New York City Police Department
Technical Assistance Response Unit
Fort Totten – Building 614
Bayside, NY 11359
(718)971-1400

P.O.#CF2012-01

August 2, 2011

Vendor Information: Company: Harris Corp – Wireless Products Group
Contact: Susan McCreery
Address: PO Box 9800, M/S R5-11A
City / State: Melbourne, FL 32902-9800
Phone #: (800) 358-5297 Fax #: (321) 309-7437

Dear Sir/Madam:

Please accept this letter as notification that the NYC Police Department is placing with you the following order. This order is placed under the terms and conditions provided by Quote # QTE6779-03097 from your company:

<u>Item(s)</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
----------------	-----------------	-------------------	-----------------------

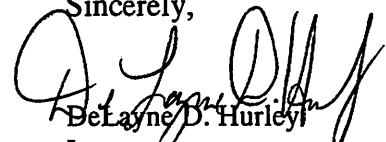
[REDACTED]			
------------	--	--	--

Total	[REDACTED]
-------	------------

Deliver Items and Invoice to: NYC POLICE DEPARTMENT
Fort Totten – Building 614
Bayside, NY 11359

Please direct any questions to Sgt. Allison Keating at 718-971-[REDACTED] Thank you for your assistance and cooperation.

Sincerely,


DeLayne D. Hurley
Inspector

This communication is **CONFIDENTIAL** and is for **OFFICIAL USE ONLY** NOT TO
BE PUBLISHED

AGREEMENT made this 19th day of March, 2013, by and between the CITY OF NEW YORK ("CITY") acting through its Police Department ("Department" or "NYPD") having its principal office located at 1 Police Plaza, New York, NY 10038, and Harris Corporation ("Contractor") a corporation having its principal office located at 1025 West NASA Boulevard, Melbourne, FL 32919.

WITNESSETH

WHEREAS, NYPD currently has [REDACTED] cellular tracking systems which are used by its Technical Assistance Response Unit ("TARU") to covertly identify the location of a targeted cellular device using Radio Frequency Direction Finding technology ("RFDF");

WHEREAS, NYPD desires to purchase [REDACTED] cellular tracking systems to enhance its ability to conduct separate RFDF missions and to upgrade all [REDACTED] systems to [REDACTED] which has the ability to locate [REDACTED] cellular devices in addition to the current [REDACTED];

WHEREAS, NYPD desires also to purchase extended maintenance for all [REDACTED] cellular tracking systems, as well as, training in each of the technologies for its employees;

WHEREAS, NYPD desires to retain the Contractor to perform the services set forth herein; and

WHEREAS, the Contractor is capable of providing such goods and services, having been selected by the NYPD pursuant to section 3-04 of the Procurement Policy Board Rules as a negotiated acquisition;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein set forth, the parties agree as follows:

I. TERM

The NYPD shall issue in writing a Notice of Award to Contractor upon the registration of the Contract with the City of New York's Office of the Comptroller. The Notice of Award shall state the date that the Contractor shall commence work. For the purposes of computing time under the Contract, the Date indicated in the Notice of Award shall be the contract commencement date.

The term of this Agreement shall be for two (2) years from Notice of Award with three (3) one (1) year options for renewal.

II. SCOPE OF SERVICES

The Contractor shall provide the NYPD with cellular tracking systems, upgrades, extended maintenance and training ("Goods and Services") in accordance with the terms and conditions set forth herein:

- A. Cellular Tracking Systems.** The following hardware and software items and upgrades shall constitute the cellular tracking systems ("Systems") to be purchased and maintained pursuant to this Agreement:

<u>QTY</u>	<u>Item</u>	<u>Description</u>
1	[REDACTED]	[REDACTED]
1	2009523-101	[REDACTED] PC Controller
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	2009523-101	Laptop PC Controller
1	<i>This \$3,500 valued laptop PC is included in the cost of the [REDACTED]</i>	
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]

B. Contractor's Maintenance Responsibilities

1. The following maintenance services shall be provided for the Systems by Contractor:

<u>QTY</u>	<u>Item</u>	<u>Description</u>
1	[REDACTED]	Maintenance [REDACTED]
1	[REDACTED]	Maintenance [REDACTED]
1	[REDACTED]	Maintenance [REDACTED]
1	[REDACTED]	Maintenance [REDACTED]
1	[REDACTED]	Maintenance [REDACTED]
1	[REDACTED]	Maintenance [REDACTED]

2. The Contractor shall provide telephone support for on a 24 hour a day/7 day a week/365 day a year basis.

3. The Contractor shall provide off-site hardware and software maintenance during the term of the Agreement. The Contractor shall provide labor, shipping, and new or rebuilt parts at no additional charge to the NYPD, as part of the covered service.
4. The Contractor shall provide any and all software upgrades during the term of the Agreement.

C. Training

<u>QTY</u>	<u>Item</u>	<u>Description</u>
■	TRAIN-MLB	Training - Melbourne (tuition only)
■	TRAIN-MLB	Training - Melbourne (tuition only)
■	TRAIN-MLB	Training - Melbourne (tuition only)
■	TRAIN-MLB	Training - Melbourne (tuition only)

Training classes are 12 hours over 2 days per product per protocol for a maximum of four (4) students. Training will be held in Melbourne, Florida. Travel expenses will be provided by the NYPD.

D. Exclusions and Modifications to Terms and Conditions

1. Appendix A, Article 2, Section 2.02, Paragraphs D-H: Not Applicable to this Agreement.
2. Appendix A, Article 3, Section 3.01, Paragraph E: This language shall be stricken from the Agreement. This Agreement shall not be assigned.
3. Appendix A, Article 3, Section 3.02: This language shall be stricken from the Agreement. This Agreement shall not be subcontracted.
4. Appendix A, Article 6, Section 6.01, Paragraph B: The first sentence shall read, in part, “[a]ny reports, documents, data, photographs, deliverables, and/or other materials *produced* pursuant to this Agreement...” (emphasis added).
5. Appendix A, Article 7, Section 7.07, Paragraph F: The first sentence shall read, in part, “All insurance policies required pursuant to Sections 7.02 and 7.03 shall ~~contain an endorsement requiring that the issuing insurance company or the Contractor~~ endeavor to provide the City with advance written notice in the event such policy is to expire or be cancelled or terminated for any reason...” (emphasis added).

E. Warranty

The Contractor warrants service and parts for one (1) year. The Contractor will repair the Equipment or replace such parts found to be defective during this period. This warranty shall survive the expiration or termination of this Agreement.

F. Delivery

1. All products are to be delivered to the following location, F.O.B. Destination:

New York Police Department TARU
Fort Totten Building 614
Bayside, NY 11359
Attn: Sgt. Allison Keating
646-971-1400

2. The Contractor shall deliver the Goods in accordance with the delivery schedule and comply with the special provisions, if any, included herein and made a part of this Agreement. Time is of the essence in compliance by the Contractor with the delivery schedule.

IV. FINANCIAL PROVISIONS

A. Maximum Reimbursable Amount

The Maximum Reimbursable Amount for the term of this Agreement shall not exceed one million two hundred forty-eight thousand nine hundred dollars (\$1,248,900.00), inclusive of all expenses, overhead and profit. No liability shall be incurred by the City beyond the amount of such monies.

B. Schedule of Payment

1. Payment shall be made in accordance with the Procurement Policy Board (PPB) Rules, Section 4-06.
2. NYPD will pay Contractor in accordance with the following terms:
 - a. Contractor may invoice the Department upon shipment of the Goods. The Department shall pay Contractor upon acceptance of the Goods.
 - b. Invoice and payment for extended maintenance shall be made at the beginning of the maintenance year.
 - c. Contractor may invoice the Department for training upon successful completion of the training classes.
3. Contractor shall deliver invoices to the Department for services performed. Payment Requests are to be forwarded to the Department at the following address(es):

New York Police Department TARU
Fort Totten Building 610
Bayside, NY 11359

4. All invoices submitted by Contractor shall contain the following:

- a. Item description
- b. Category (equipment, labor cost or consultant)
- c. Quantity
- d. Unit Cost
- e. Model and Serial numbers
- f. Description of services performed (when applicable)
- g. Date(s) of service (when applicable)
- h. Invoice date
- i. Invoice number

C. Disallowances

The Department may disallow for payment any expenses or charges which were not authorized or documented in accordance with the terms of this Agreement, or for failure to deliver any required service or work product to the satisfaction of the Department.

V. MISCELLANEOUS

A. Non-Assignment/Subcontractor

This Agreement shall neither be assigned nor subcontracted by the Contractor in whole or in part without the prior express written consent of NYPD.

B. Legal Compliance

Notwithstanding any other provision in this Agreement, the Contractor remains responsible for ensuring that any service provided pursuant to this contract, complies with all pertinent provisions of federal, state or local statutes, rules and regulations, and that all necessary approvals thereunder have been obtained.

C. Termination

The Department shall have the right to terminate this Agreement without cause provided that written notice of termination is given at least ten (10) days prior to the effective date of the proposed termination. Upon termination of this Agreement, the Contractor shall immediately cease the provision of all Services and return to the Department all NYPD equipment, materials and supplies within the possession and control of Contractor.

D. Confidentiality and Security

a. Terms of Confidentiality

1. The Contractor agrees that all NYPD records, reports, information, or data which it may have access to, examine, prepare, maintain, or have custody of and deliver hereunder ("Confidential Information") shall be kept strictly confidential. The Contractor shall not at any time during the term of this Agreement, or thereafter, make any disclosure or statement or release to any third party any Confidential Information without the prior written approval of the NYPD.
2. Upon expiration or termination of this Agreement, the Contractor shall return to the NYPD any and all Confidential Information in the possession of the Contractor or its Subcontractor(s), and permanently delete any and all Confidential Information maintained in any electronic form by the Contractor or its Subcontractors.
3. The Contractor agrees that it will instruct its officers, employees, Subcontractors, and agents regarding the provisions of this Agreement concerning the confidentiality of any and all NYPD Information and hold them responsible for maintaining such confidentiality.
4. A breach of this section shall constitute a material breach of this Agreement for which the NYPD may assess liquidated damages as set forth in this Agreement, if applicable, or terminate the Agreement. The NYPD reserves any and all other rights and remedies in the event of unauthorized disclosure.
5. This provision shall survive the expiration or termination of this Agreement.

b. Security of Facilities

1. The Contractor, Subcontractor(s), and their employees may not make statements to the media about any operations of the OCME or its work performed pursuant to this Agreement without prior written permission of the NYPD. NYPD will either provide such written permission, or notify Consultant that permission will not be given, within fourteen (14) days of receipt of the request.
2. Identification and Sign-In of Contractor employees. NOT APPLICABLE
3. WARNING ON CAMERAS AND RECORDING DEVICES. For security reasons, cameras, video cameras and other image recording devices shall not be used by vendors/bidders or any other non-NYPD personnel during site visits, unless expressly authorized by the NYPD project manager. Anyone caught violating this policy will be escorted off of NYPD property. Furthermore, any images that have been recorded shall be deleted in the presence of NYPD

personnel. In the event that the recording of images is authorized by the NYPD project manager, all recorded images shall remain the exclusive property of the NYPD and shall be deleted/destroyed by the vendor/bidder at the conclusion of the bid process or the term of the contract, whichever comes later. The vendor/bidder shall notify the NYPD project manager in writing that the recorded images have been deleted/destroyed. The authorized recorded images shall be used only for the bid process and/or to complete the project. The Contractor agrees to hold confidential, both during and after the completion or termination of this Contract, all of the authorized recorded images. The Contractor agrees that such authorized recorded images shall not be made available to any person or entity without the prior written approval of the NYPD.

4. Contractor maintains a Top Secret facility clearance. The City must adhere to all security protocols of the Contractor before entering the Contractor's premises, which protocols may include NDAs, security checks and procedures mandated by federal regulations.

E. NO VENDOR INDUCED INHIBITING CODE

The Contractor shall not include any Vendor Induced Inhibiting Code (or VIIC) or any other inhibitor on reports and data submitted and provided to the City under this Agreement. VIIC is defined as any deliberately included application or system code that will degrade performance, result in inaccurate data, deny accessibility, or adversely effect, in any way, programs or data or use of the system.

F. Liquidated Damages

Without limiting any other right in law and at equity, the NYPD reserves the right, during the term of this Agreement, to have the work required hereunder performed by another contractor, and to impose liquidated damages on the Contractor, if the Contractor fails to satisfactorily perform or is unable to perform any specific work order or task. Liquidated Damages are specified as follows:

For each occurrence of a breach of confidentiality, pursuant to Section V (D) above or Section 19.08, Appendix A, Confidentiality and Security of All Materials, the NYPD shall withhold one thousand dollars (\$1,000.00).

G. Merger

This written Agreement, including Appendix A attached hereto and made a part hereof, contains all the terms and conditions agreed upon by the parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto, or to vary any of the terms contained herein.

H. PPB Rules

This contract is subject to the Rules of the Procurement Policy Board of the City of New York effective April 2010, as amended. In the event of a conflict between said Rules and a provision of this contract, the Rules shall take precedence.

I. Notices

All notices or other communications (other than invoices, see above) required or permitted to be given hereunder shall be in writing and shall be deemed given when delivered in person or five (5) days after the date deposited with Federal Express, any other international expedited mail service, or by certified mail, postage prepaid, addressed to the addresses of the parties set forth below:

Contractor Notices: **Harris Corporation – Wireless Products Group, P.O. Box 9800, M/S R5-11A, Melbourne, FL 32902.**

Department Notices: **New York City Police Department, Commanding Officer – TARU, 150-28 Union Turnpike, Flushing, NY 11367.**

Copies of all Notices: **New York City Police Department, Contract Administration Unit, 51 Chambers Street, 3rd floor, New York, New York 10007, Attn: Agency Chief Contracting Officer.**

Each Party shall notify the other party in writing by the methods specified in this section if there are any changes in addresses or in the names or titles of the contact persons. After any such written notification of a change of address, all subsequent notices shall be sent to the new address.

J. Appendix A

Appendix A, "General Provisions Governing Contracts for Consultants, Professional, Technical, Human and Client Services" is annexed hereto and made a part hereof.

K. Priority

In the event of conflict between any attachments incorporated herein by reference and this Agreement, the following order of priority shall apply:

- this Agreement
- Exhibit 1 – Contractor's Price Quote (#QTE6779-03127)
- Appendix A – General Provisions Governing Contracts for Consultants, Professional, Technical, Human and Client Services
- Appendix B – Whistleblower Protection Act
- Appendix C – Iran Divestment Act

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers, duly authorized by the Contractor and by The Department, as follows:

THE NEW YORK CITY
POLICE DEPARTMENT

HARRIS CORPORATION
COMPANY NAME (PRINT)

Frank Bell
AUTHORIZED REPRESENTATIVE

Brian W. Curry
AUTHORIZED REPRESENTATIVE (PRINT)

Asst Com
TITLE

Contracts Manager
TITLE

[Signature]
SIGNATURE

[Signature]
SIGNATURE

3/19/13
DATE

March 14, 2013
DATE

ACKNOWLEDGMENT

STATE OF FLORIDA)
)
COUNTY OF BREVARD)

ss:

On the 14th day of March, 2013, before me the undersigned, personally appeared Deion W. Curry, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument as the **VENDOR** and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Frances R. Matthews
Notary Public or Commissioner of Deeds



STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

ss:

On the 19th day of March, 2013, before me the undersigned, personally appeared Frank Bello, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within this instrument as the **CITY OF NEW YORK, acting through its Police Department**, and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

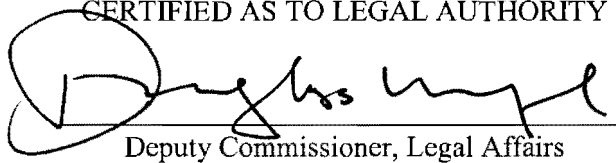
Kevin T. Murtagh
Notary Public or Commissioner of Deeds

KEVIN T. MURTAGH
NOTARY PUBLIC, State of New York
No. 02MU6085420
Qualified in Queens County
Commission Expires Dec. 30, 2014

PIN #: 05613SPEX104

Contract Title: Cellular Tracking Systems, Upgrades, and Maintenance

CITY OF NEW YORK NYPD LEGAL BUREAU
APPROVED AS TO FORM
CERTIFIED AS TO LEGAL AUTHORITY



Deputy Commissioner, Legal Affairs

Dated: 3 / 5 / 13

AFFIRMATION

The undersigned proposer or bidder affirms and declares that said proposer or bidder is not in arrears to the City of New York upon debt, contract or taxes and is not a defaulter, as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the proposer or bidder to receive public contract except n/a.

Full name of Proposer or Bidder *[below]*

Harris Corporation

Address 2400 Palm Bay Road

City Palm Bay State FL Zip Code 32905

CHECK ONE BOX AND INCLUDE APPROPRIATE NUMBER:

A - Individual or Sole Proprietorships

SOCIAL SECURITY NUMBER _____

B - Partnership, Joint Venture or other unincorporated organization

EMPLOYER IDENTIFICATION NUMBER _____

C - Corporation

EMPLOYER IDENTIFICATION NUMBER 34-0276860

By

Signature

Contracts Manager

Title

If a corporation place seal here

Must be signed by an officer or duly authorized representative.

- * Under the Federal Privacy Act, the furnishing of Social Security numbers by bidders or proposers on City contracts is voluntary. Failure to provide a Social Security number will not result in a bidder's/proposer's disqualification. Social Security numbers will be used to identify bidders, proposers or vendors to ensure their compliance with laws, to assist the City in enforcement of laws, as well as to provide the City a means of identifying businesses seeking City contracts.

CERTIFICATION BY BROKER

[Pursuant to Article Seven of Appendix A, every Certificate of Insurance must be accompanied by either the following certification by the broker setting forth the following text and required information and signatures or complete copies of all policies referenced in the Certificate of Insurance. In the absence of completed policies, binders are acceptable.]

CERTIFICATION BY BROKER

The undersigned insurance broker represents to the City of New York that the attached Certificate of Insurance is accurate in all material respects, and that the described insurance is effective as of the date of this Certification.

[Name of broker (typewritten)]

[Address of broker (typewritten)]

[Signature of authorized officer of broker]

[Name of authorized officer (typewritten)]

[Title of authorized officer (typewritten)]

[Contact Phone Number for Broker (typewritten)]

[Email Address of Broker (typewritten)]

Sworn to before me this

_____ day of _____, 201__

NOTARY PUBLIC

APPENDIX B

NOTICE TO BIDDERS, PROPOSERS, CONTRACTORS, AND RENEWAL CONTRACTORS

This contract includes a provision concerning the protection of employees for whistleblowing activity, pursuant to New York City Local Law Nos. 30-2012 and 33-2012, effective October 18, 2012 and September 18, 2012, respectively. The provisions apply to contracts with a value in excess of \$100,000.

Local Law No. 33-2012, the Whistleblower Protection Expansion Act ("WPEA"), prohibits a contractor or its subcontractor from taking an adverse personnel action against an employee or officer for whistleblower activity in connection with a City contract; requires that certain City contracts include a provision to that effect; and provides that a contractor or subcontractor may be subject to penalties and injunctive relief if a court finds that it retaliated in violation of the WPEA. The WPEA is codified at Section 12-113 of the New York City Administrative Code.

Local Law No. 30-2012 requires a contractor to prominently post information explaining how its employees can report allegations of fraud, false claims, criminality, or corruption in connection with a City contract to City officials and the rights and remedies afforded to employees for whistleblowing activity. Local Law No. 30-2012 is codified at Section 6-132 of the New York City Administrative Code.

WHISTLEBLOWER PROTECTION EXPANSION ACT RIDER

1. In accordance with Local Law Nos. 30-2012 and 33-2012, codified at sections 6-132 and 12-113 of the New York City Administrative Code, respectively,

- (a) Contractor shall not take an adverse personnel action with respect to an officer or employee in retaliation for such officer or employee making a report of information concerning conduct which such officer or employee knows or reasonably believes to involve corruption, criminal activity, conflict of interest, gross mismanagement or abuse of authority by any officer or employee relating to this Contract to (i) the Commissioner of the Department of Investigation, (ii) a member of the New York City Council, the Public Advocate, or the Comptroller, or (iii) the City Chief Procurement Officer, ACCO, Agency head, or Commissioner.
- (b) If any of Contractor's officers or employees believes that he or she has been the subject of an adverse personnel action in violation of subparagraph (a) of paragraph 1 of this rider, he or she shall be entitled to bring a cause of action against Contractor to recover all relief necessary to make him or her whole. Such relief may include but is not limited to: (i) an injunction to restrain continued retaliation, (ii) reinstatement to the position such employee would have had but for the retaliation or to an equivalent position, (iii) reinstatement of full fringe benefits and seniority rights, (iv) payment of two times back pay, plus interest, and (v) compensation for any special damages sustained as a result of the retaliation, including litigation costs and reasonable attorney's fees.
- (c) Contractor shall post a notice provided by the City in a prominent and accessible place on any site where work pursuant to the Contract is performed that contains information about:
 - (i) how its employees can report to the New York City Department of Investigation allegations of fraud, false claims, criminality or corruption arising out of or in connection with the Contract; and
 - (ii) the rights and remedies afforded to its employees under New York City Administrative Code sections 7-805 (the New York City False Claims Act) and 12-113 (the Whistleblower Protection Expansion Act) for lawful acts taken in connection with the reporting of allegations of fraud, false claims, criminality or corruption in connection with the Contract.

(d) For the purposes of this rider, "adverse personnel action" includes dismissal, demotion, suspension, disciplinary action, negative performance evaluation, any action resulting in loss of staff, office space, equipment or other benefit, failure to appoint, failure to promote, or any transfer or assignment or failure to transfer or assign against the wishes of the affected officer or employee.

(e) This rider is applicable to all of Contractor's subcontractors having subcontracts with a value in excess of \$100,000; accordingly, Contractor shall include this rider in all subcontracts with a value a value in excess of \$100,000.

2. Paragraph 1 is not applicable to this Contract if it is valued at \$100,000 or less. Subparagraphs (a), (b), (d), and (e) of paragraph 1 are not applicable to this Contract if it was solicited pursuant to a finding of an emergency. Subparagraph (c) of paragraph 1 is neither applicable to this Contract if it was solicited prior to October 18, 2012 nor if it is a renewal of a contract executed prior to October 18, 2012.

Appendix C

IRAN DIVESTMENT ACT COMPLIANCE RIDER FOR NEW YORK CITY CONTRACTORS

The Iran Divestment Act of 2012, effective as of April 12, 2012, is codified at State Finance Law (“SFL”) §165-a and General Municipal Law (“GML”) §103-g. The Iran Divestment Act, with certain exceptions, prohibits municipalities, including the City, from entering into contracts with persons engaged in investment activities in the energy sector of Iran. Pursuant to the terms set forth in SFL §165-a and GML §103-g, a person engages in investment activities in the energy sector of Iran if:

(a) the person provides goods or services of twenty million dollars or more in the energy sector of Iran, including a person that provides oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; or

(b) The person is a financial institution that extends twenty million dollars or more in credit to another person, for forty-five days or more, if that person will use the credit to provide goods or services in the energy sector in Iran and is identified on a list created pursuant to paragraph (b) of subdivision three of Section 165-a of the State Finance Law and maintained by the Commissioner of the Office of General Services.

A bid or proposal shall not be considered for award nor shall any award be made where the bidder or proposer fails to submit a signed and verified bidder's certification.

Each bidder or proposer must certify that it is not on the list of entities engaged in investment activities in Iran created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law. In any case where the bidder or proposer cannot certify that they are not on such list, the bidder or proposer shall so state and shall furnish with the bid or proposal a signed statement which sets forth in detail the reasons why such statement cannot be made. The City of New York may award a bid to a bidder who cannot make the certification on a case by case basis if:

(1) The investment activities in Iran were made before the effective date of this section (i.e., April 12, 2012), the investment activities in Iran have not been expanded or renewed after the effective date of this section and the person has adopted, publicized and is implementing a formal plan to cease the investment activities in Iran and to refrain from engaging in any new investments in Iran: or

(2) The City makes a determination that the goods or services are necessary for the City to perform its functions and that, absent such an exemption, the City would be unable to obtain the goods or services for which the contract is offered. Such determination shall be made in writing and shall be a public document.

**BIDDER'S CERTIFICATION OF COMPLIANCE WITH
IRAN DIVESTMENT ACT**

Pursuant to General Municipal Law §103-g, which generally prohibits the City from entering into contracts with persons engaged in investment activities in the energy sector of Iran, the bidder/proposer submits the following certification:

[Please Check One]

BIDDER'S CERTIFICATION

- ☒ By submission of this bid or proposal, each bidder/proposer and each person signing on behalf of any bidder/proposer certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief, that each bidder/proposer is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law.
- ☐ I am unable to certify that my name and the name of the bidder/proposer does not appear on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law. I have attached a signed statement setting forth in detail why I cannot so certify.

Dated: MARCH, New York
14, 20 13

Brian W. Curry
SIGNATURE

BRIAN W. CURRY
PRINTED NAME

CONTRACTS MANAGER
TITLE

Sworn to before me this

14th day of March, 20 13

Frances R. Matthews
Notary Public

Dated:



PIN #05613SPEX104
Date: 2-26-13

Cellular Tracking Systems
PRIVILEGED AND CONFIDENTIAL

Appendix C
3

PURCHASE ORDER

**New York City Police Department
Technical Assistance Response Unit
Fort Totten – Building 614
Bayside, NY 11359
(718)971-1400**

P.O.#CF2013-12

March 28, 2013

Vendor Information: Company: Harris Corp-Wireless Products Group
Contact: Brian Curry/Louise Moggio
Address: PO Box 9800, M/S R5-11A
City / State: Melbourne, Fl 32902-9800
Phone #: (800) 358-5297 Fax #: (321) 309-7437

Dear Sir/Madam:

Please accept this letter as notification that the NYC Police Department is placing with you the following order. This order is placed under the terms and conditions provided by Contract # 05613SPEX104 (Quote# QTE6779-03127) from your company:

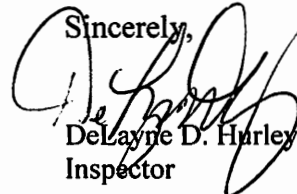
<u>Item(s)</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
----------------	-----------------	-------------------	-----------------------

Cellular Tracking Systems, Upgrades and Maintenance as per contract

Total	\$1,248,900.00
--------------	-----------------------

Deliver Items and Invoice to: **NYC POLICE DEPARTMENT
Fort Totten – Building 614
Bayside, NY 11359**

Please direct any questions to Sgt. Allison Keating at 718-971-█████ Thank you for your assistance and cooperation.

Sincerely,

Delayne D. Hurley
Inspector

**This communication is CONFIDENTIAL and is for OFFICIAL USE ONLY
NOT TO BE PUBLISHED**

2. Except as expressly amended herein, all the terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, this Change Order has been duly executed the date and year first written above.

HARRIS CORPORATION

By: Brian W. Curry

Signature: Brian W. Curry

Title: Contracts Manager

Date: April 4, 2013

NEW YORK POLICE DEPARTMENT

By: Frank Bello

Signature: Frank Bello

Title: Assistant Commissioner

Date: April 8, 2013

STATE OF FL, COUNTY OF Broward, ss:

On the 4th day of April, 2013 before me personally appeared Brian W. Curry, who being by me duly sworn, did say that he/she is the Contracts Mgr. of Harris Corporation, the corporation described in the foregoing instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person, upon behalf of which the individual acted, executed the instrument.

Thomas R. Matthews
Signature of Notary Public



STATE OF NY, COUNTY OF NEW YORK, ss:

On this 8th day of April, 2013 before me personally appeared FRANK BELLO, to me known to be the ASSISTANT COMMISSIONER/ACCO of the City of New York Police Department, the person described as such in and who as such executed the same as Commissioner for the purposes therein mentioned.

Rebecca Blumenkopf
Signature of Notary Public

Rebecca Blumenkopf
Notary Public - State of New York
No. 021616201799
Suffolk County

17

**CHANGE ORDER #2 TO THE
AGREEMENT WITH
HARRIS CORPORATION
PIN 05613SPEX104**

This **Change Order #2**, effective as of the 15th day of April, 2014 to the Agreement is hereby entered into by and between the City of New York acting through the New York City Police Department located at One Police Plaza, New York, New York 10038 ("Department" or "NYPD") and Harris Corporation ("Contractor" or "Harris") a corporation having its principal office located at 1025 West NASA Boulevard, Melbourne, FL 32919.

WITNESSETH:

WHEREAS, the Department and Harris entered into an agreement, PIN 05613SPEX104, for the Contractor to provide the City with cellular tracking systems, upgrades, extended maintenance and training;

WHEREAS, the Department seeks to modify provisions in the contract related to training and purchase additional months of maintenance services for some of its systems; and

WHEREAS, the Agreement is being amended in accordance with the Procurement Policy Board Rules section 4-02 and Article 9 of Appendix A to the Agreement.

NOW THEREFORE, in consideration of these premises, the Parties do hereby agree to amend the Agreement as follows:

1. Contract Value: the value of the Agreement shall be reduced by \$36.00 to \$1,248,864.00.
2. Modify Section II, B. Contractor's Maintenance Responsibilities to add the number of months indicated to extend the current maintenance term for the below-mentioned systems. The costs of the extended maintenance terms shall be prorated accordingly. The extended, prorated maintenance terms shall be as follows:

System	Annual Maint. Cost	Mthly Maint. Cost	Ex. Maint. Months	Total Pro-Rated Cost
			8	
			8	
			7	
			7	
			7	
			7	
			1	

	1	
	1	
	1	
	3	
	3	
	3	
	3	
TOTAL		\$ 34,364.00

3. Delete Section II, C. Training, and replace with the following:

C. Training

<u>QTY</u>	<u>Item</u>	<u>Description</u>	<u>Unit Price</u>	<u>Total Price</u>
2	TRAIN-EC	Training – East Coast	\$6,800.00	\$13,600.00

Training classes are 12 hours over 2 days per product per protocol for a maximum of four (4) students and one (1) observer. Training will be held in New York City at a location to be determined by the NYPD. Contractor's travel, accommodations, and incidental expenses are included in the unit price.

4. Except as expressly amended herein, all the terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, this Change Order 2 has been duly executed in triplicate on the date and year first written above.

HARRIS CORPORATION

By: Brian W. Curry
Signature: Brian W. Curry
Title: Contracts Manager
Date: 4/8/2014

NEW YORK POLICE DEPARTMENT

By: Vincent Grippo
Signature: [Signature]
Title: Deputy Commissioner
Date: 4/15/14

STATE OF ~~Florida~~ COUNTY OF BREVARD, ss:

On the 8th day of April, 2014 before me personally appeared Brian W. Curry, who being by me duly sworn, did say that he/she is the Contracts Manager of Harris Corporation, the corporation described in the foregoing instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Susan D. Eberle
Signature of Notary Public



SUSAN D. EBERLE
NOTARY PUBLIC
STATE OF FLORIDA
Comm# FF083074
Expires 2/22/2018

STATE OF NY, COUNTY OF NEW YORK, ss:

On this 15th day of April, 2014 before me personally appeared Vincent Grippo, to me known to be the DEPUTY COMMISSIONER of the City of New York Police Department, the person described as such in and who as such executed the same as Commissioner for the purposes therein mentioned.

[Signature]
Signature of Notary Public

Rebecca Blumenkopf
Notary Public - State of New York
No. 02BL6201799
Qualified in Kings County
Commission Expires March 02, 2017

**RENEWAL TO THE
AGREEMENT BETWEEN HARRIS CORPORATION AND
THE CITY OF NEW YORK POLICE DEPARTMENT**

This **RENEWAL**, dated as of May 26, 2015, by and between **The City of New York** ("the City"), acting by and through the **Police Department of the City of New York** ("the Department" or "NYPD") having its principal office at One Police Plaza, New York, New York 10038, and **HARRIS CORPORATION** ("Harris" or "Vendor") having its principal office located at 1025 West NA5A Boulevard, Melbourne, FL 32919.

PIN # 05613SPEX104

WITNESSETH:

WHEREAS, by an Agreement ("the Agreement"), CT 05613SPEX104, entered into between the Department and Vendor for a term from March 27, 2013, through March 26, 2015, and in the amount of \$1,248,900.00, the Department agreed to purchase and Vendor agreed to provide the Department with Cellular Tracking Systems, more fully described in the Agreement; and

WHEREAS, the underlying contract was amended once to correct discrepancies between quantities listed in Vendor's Price Quote; and

WHEREAS, the underlying contract was amended a second time to modify provisions in the contract related to training and to purchase additional months of maintenance services for some of its systems, and which lowered the contract amount by \$36.00 to \$1,248,864.00; and

WHEREAS, the City requires additional and upgraded Cellular Equipment; and

WHEREAS, the Agreement term allowed for three, one (1) year renewal options, to allow for further Cellular Equipment and maintenance to be purchased by the Department; and

WHEREAS, the Agreement is being renewed in accordance with Procurement Policy Board Rules section 4-04 and Agreement section I. Contract Term.

NOW THEREFORE, in consideration of these premises, the Parties do hereby agree as follows:

1. The NYPD is now exercising the first of the three renewal options contained in the original agreement, and the Term of this Renewal Agreement shall be from March 27, 2015, through March 26, 2016.

2. The total amount of this Contract Renewal shall not exceed \$333,320.00. The Vendor shall be paid as goods are delivered and accepted in accordance with the payment terms in the Original Agreement, as amended.
3. List of Deliverables: Pursuant to the Original Agreement §II., as amended, the Vendor shall provide the NYPD with cellular tracking systems, upgrades, and training in accordance with the terms and conditions set forth in the Original Agreement, for the term of the Renewal:

Item Description	Estimated Quantity	Unit Price	Total
Item 1: [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Number [REDACTED]			
Item 2: [REDACTED]			
[REDACTED]			
Item 3: [REDACTED]			
Item 4: [REDACTED]			
[REDACTED]			
[REDACTED]			
[REDACTED]			
[REDACTED]			

RENEWAL GRAND TOTAL: \$333,320.00

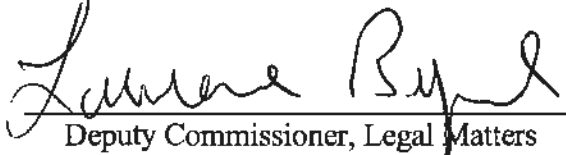
4. Except as expressly amended herein, all the terms and conditions of the Agreement remain unchanged and in full force and effect during the term of this Renewal.

[NO FURTHER TEXT ON THIS PAGE]

PIN # 05613SPEX104

Contract Title: Renewal to the Agreement Between Harris Corporation and The City
of New York Police Department

NEW YORK CITY POLICE DEPARTMENT
DEPUTY COMMISSIONER LEGAL MATTERS
APPROVED AS TO FORM
CERTIFIED AS TO LEGAL AUTHORITY


Deputy Commissioner, Legal Matters

Dated: 5/20/15

TAX AFFIRMATION

The undersigned proposer or bidder affirms and declares that said proposer or bidder is not in arrears to the City of New York upon debt, contract or taxes and is not a defaulter, as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the proposer or bidder to receive public contracts except not applicable.

Full name of Proposer or Bidder: **HARRIS CORPORATION**

Address: **1025 W. NASA Boulevard, Melbourne, FL 32919**

CHECK ONE BOX AND INCLUDE APPROPRIATE NUMBER:

A - Individual or Sole Proprietorship *

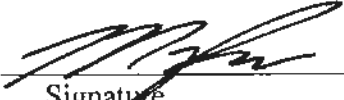
SOCIAL SECURITY NUMBER: _____

B - Partnership, Joint Venture or other unincorporated organization

EMPLOYER IDENTIFICATION NUMBER: _____

X C - Corporation

EMPLOYER IDENTIFICATION NUMBER: 3 4 0 2 7 6 8 6 0

By: 
Signature

Contracts Manager
Title

Must be signed by an officer or duly authorized representative.

If a corporation place seal here

* Under the Federal Privacy Act the furnishing of Social Security Numbers by bidders on City contracts is voluntary. Failure to provide a Social Security Number will not result in a bidder's disqualification. Social Security Numbers will be used to identify bidders, proposers or vendors to ensure their compliance with laws, to assist the City in enforcement of laws as well as to provide the City a means of identifying of businesses which seek City contracts.



Harris Proprietary

Quote	QTE6779-05086
Date	11/20/2014
Page:	1

HARRIS CORPORATION
P.O. BOX 9800, M/S R5-11A
MELBOURNE, FL 32902-9800
PH: 800-358-5297, FAX: 321-309-7437

Quotation

Bill To:
NYPD Intel Center

Ship To:
NYPD Intel Center

DISCLOSURE OF THIS DOCUMENT AND THE INFORMATION IT CONTAINS ARE STRICTLY PROHIBITED BY FEDERAL LAW (18 U.S.C.). THIS DOCUMENT CONTAINS HARRIS TRADE SECRET AND CONFIDENTIAL BUSINESS OR FINANCIAL INFORMATION EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT. THIS DOCUMENT MAY CONTAIN TECHNICAL DATA ACCORDING TO THE DEPARTMENT OF STATE, INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR), 22 CFR CHAPTER 1, SUBCHAPTER M, PARTS 123-130) AND THE DEPARTMENT OF COMMERCE, EXPORT ADMINISTRATION REGULATIONS (EAR), 15 CFR PARTS 730-774. **THIS DOCUMENT AND THE INFORMATION IT CONTAINS MAY NOT BE EXPORTED OR SHARED WITH A FOREIGN NATIONAL WITHOUT A VALID EXPORT AUTHORIZATION.** BEFORE MAKING OR PERMITTING ANY DISCLOSURE OF THIS DOCUMENT OR THE INFORMATION IT CONTAINS, WHETHER IN FULL OR IN PART, HARRIS SHALL BE GIVEN TIMELY NOTICE AND THE OPPORTUNITY TO CHALLENGE SUCH DISCLOSURE UNDER APPLICABLE LAW.

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
	NYPD-001		BEST WAY	Net 30	0/0/0000	5,980
Quantity	Item Number	Description	UOM	Discount	Unit Price	Ext. Price
		Please contact your sales representative for questions regarding the items quoted below.	*			\$0.00
		Delivery is 180 days ARO. Prices are subject to change. Quotas are valid 180 days from issue date. Attached Ts&Cs are applicable to all resultant orders.	*			\$0.00
		Yearly Maint Agreements provide extended hardware warranty and software upgrades. Each Maint Agreement extends maint for an additional year. See Maint Terms for additional information.	*			\$0.00
		This Quote will extend maintenance on the listed units from 4-10-2015 to 4-9-2018.	*			\$0.00
		The GSA Contract Number for purchasing the below items is GS-35F-0283J. Please ensure that the GSA Number is referenced on the PO.	*			\$0.00
			EA			

Additional
year
maintenance
on 4 Hellbore



Harris Proprietary

HARRIS CORPORATION
P.O. BOX 9800, M/S R5-11A
MELBOURNE, FL 32902-9800
PH: 800-358-5297, FAX: 321-309-7437

Quote:	QTE6779-05086
Date:	11/20/2014
Page:	2

Quotation

Bill To:
NYPD Intel Center
[REDACTED]

Ship To:
NYPD Intel Center
[REDACTED]

DISCLOSURE OF THIS DOCUMENT AND THE INFORMATION IT CONTAINS ARE STRICTLY PROHIBITED BY FEDERAL LAW (18 U.S.C.). THIS DOCUMENT CONTAINS HARRIS TRADE SECRET AND CONFIDENTIAL BUSINESS OR FINANCIAL INFORMATION EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT. THIS DOCUMENT MAY CONTAIN TECHNICAL DATA ACCORDING TO THE DEPARTMENT OF STATE, INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR), 22 CFR CHAPTER 1, SUBCHAPTER M, PARTS 123-130, AND THE DEPARTMENT OF COMMERCE, EXPORT ADMINISTRATION REGULATIONS (EAR), 15 CFR PARTS 730-774. **THIS DOCUMENT AND THE INFORMATION IT CONTAINS MAY NOT BE EXPORTED OR SHARED WITH A FOREIGN NATIONAL WITHOUT A VALID EXPORT AUTHORIZATION.** BEFORE MAKING OR PERMITTING ANY DISCLOSURE OF THIS DOCUMENT OR THE INFORMATION IT CONTAINS, WHETHER IN FULL OR IN PART, HARRIS SHALL BE GIVEN TIMELY NOTICE AND THE OPPORTUNITY TO CHALLENGE SUCH DISCLOSURE UNDER APPLICABLE LAW.

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
	NYPD-001		BEST WAY	Net 30	0/0/0000	5,990
Quantity	Item Number	Description	UOM	Discount	Unit Price	Ext. Price
		The items quoted below are Catalog Priced Items not available on the GSA Contract.	*			\$0.00
		Delivery will be 180 days for the above product.	EA			

Remit Payment To:

Electronic Funds Transfer (EFT):

Harris Corporation, GCSD
Citibank Delaware
Philadelphia, PA
Account No: 30523187
ABA Rtg No: 021000089

GCSD Mail Deposits:

Harris GCSD
P.O. Box 7247 - LB 8759
Philadelphia, PA 19170-8759

GCSD Overnight Deliveries:

Harris GCSD - LB 8859
C/O Citibank Delaware Lockbox Operations
400 White Clay Center Drive
Newark, DE 19711
Phone number: 302-781-1702

Please reference the invoice number with your payment.

Harris Tax ID# 34-0276860

Subtotal	\$271,820.00
Misc	\$0.00
Tax	\$0.00
Freight	\$0.00
Trade Discount	\$0.00
Purchase Price	\$271,820.00



Harris Proprietary

HARRIS CORPORATION
P.O. BOX 9800, M/S R5-11A
MELBOURNE, FL 32902-9800
PH: 800-358-5297, FAX: 321-309-7437

Quote	QTE6779-05087
Date	10/2/2014
Page:	1

Quotation

Bill To:
NYPD Intel Center
[REDACTED]

Ship To:
NYPD Intel Center
[REDACTED]

DISCLOSURE OF THIS DOCUMENT AND THE INFORMATION IT CONTAINS ARE STRICTLY PROHIBITED BY FEDERAL LAW (18 U.S.C.). THIS DOCUMENT CONTAINS HARRIS TRADE SECRET AND CONFIDENTIAL BUSINESS OR FINANCIAL INFORMATION EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT. THIS DOCUMENT MAY CONTAIN TECHNICAL DATA ACCORDING TO THE DEPARTMENT OF STATE, INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR), 22 CFR CHAPTER 1, SUBCHAPTER M, PARTS 123-130) AND THE DEPARTMENT OF COMMERCE, EXPORT ADMINISTRATION REGULATIONS (EAR), 15 CFR PARTS 730-774. **THIS DOCUMENT AND THE INFORMATION IT CONTAINS MAY NOT BE EXPORTED OR SHARED WITH A FOREIGN NATIONAL WITHOUT A VALID EXPORT AUTHORIZATION.** BEFORE MAKING OR PERMITTING ANY DISCLOSURE OF THIS DOCUMENT OR THE INFORMATION IT CONTAINS, WHETHER IN FULL OR IN PART, HARRIS SHALL BE GIVEN TIMELY NOTICE AND THE OPPORTUNITY TO CHALLENGE SUCH DISCLOSURE UNDER APPLICABLE LAW.

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
	NYPD-001		BEST WAY	Net 30	0/0/0000	5,991
Quantity	Item Number	Description	UOM	Discount	Unit Price	Ext. Price
		Please contact your sales representative for questions regarding the items quoted below.	*			\$0.00
		Delivery is 120 days ARO. Prices are subject to change. Quotes are valid 180 days from issue date. Attached Ts&Cs are applicable to all resultant orders.	*			\$0.00
		[REDACTED]	EA		[REDACTED]	
		Delivery will be 180 days for the above product after receipt of unit for upgrade.				
		[REDACTED]	EA		[REDACTED]	
		Delivery will be 120 days from initial product release, anticipated the end of April 2015.				
Remit Payment To:				Subtotal \$61,500.00		
Electronic Funds Transfer (EFT):		GCSD Mail Deposits:	GCSD Overnight Deliveries:			
Harris Corporation, GCSD Citibank Delaware Philadelphia, PA Account No: 30523187 ABA Rtg No: 021000089		Harris GCSD P.O. Box 7247 - LB 8759 Philadelphia, PA 19170-8759	Harris GCSD - LB 8859 C/O Citibank Delaware Lockbox Operations 400 White Clay Center Drive Newark, DE 19711 Phone number: 302-781-1702			
Please reference the invoice number with your payment.				Harris Tax ID# 34-0276860		
				NYPD Production Page No. 000099		
				Misc \$0.00		
				Tax \$0.00		
				Freight \$0.00		
				Trade Discount \$0.00		
				Purchase Price \$61,500.00		

PURCHASE ORDER

New York City Police Department
Technical Assistance Response Unit
Fort Totten – Building 614
Bayside, NY 11359
(718)971-1400

P.O.#CF2015-15

June 1, 2015

Vendor Information: Company: Harris Corp-Wireless Products Group
Contact: Matthew Pustay
Address: 1025 W. NASA Blvd,
City / State: Melbourne, FL 32919
Phone #: (800) 358-5297 Fax #: (321) 309-7437

Dear Sir/Madam:

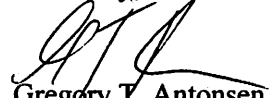
Please accept this letter as notification that the NYC Police Department is placing with you the following order. This order is placed under the terms and conditions provided by Contract # 05613SPEX104 (Quote# QTE6779-05086 and QTE6779-05087) from your company:

<u>Item(s)</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
Cellular Tracking Systems, Upgrades and Maintenance as per contract amendment			
Maintenance	4	\$26,705.00	\$106,820.00
M-18-60-100-000 SN's 40385, 40396, 40057, 52095			
Directional Finding Antennas	3	\$55,000.00	\$165,000.00
N-07-10-100-000			
Directional Finding Antenna	1	\$51,000.00	\$ 51,000.00
N-07-30-216-000			
Roof Rack	1	\$10,500.00	\$ 10,500.00
A-46-10-416-000			
	Total		\$333,320.00

Deliver Items and Invoice to: NYC POLICE DEPARTMENT
Fort Totten – Building 614
Bayside, NY 11359

Please direct any questions to Sgt. Allison Keating at 718-971-1416. All antennas and roof rack need to be delivered prior to **June 30th, 2015**. Thank you for your assistance.

Sincerely,


Gregory T. Antonsen
Inspector

**This communication is CONFIDENTIAL and is for OFFICIAL USE ONLY
NOT TO BE PUBLISHED**

SECOND RENEWAL TO THE AGREEMENT BETWEEN HARRIS CORPORATION AND THE CITY OF NEW YORK POLICE DEPARTMENT

This **SECOND RENEWAL**, dated as of April 22, 2016, by and between **The City of New York** ("the City"), acting by and through the **Police Department of the City of New York** ("the Department" or "NYPD") having its principal office at One Police Plaza, New York, New York 10038, and **HARRIS CORPORATION**, through its **Electronic Systems Segment**, which is included **but not limited to Government Communications Systems**, ("Harris" or "Vendor") having its principal office located at 1025 West NASA Boulevard, Melbourne, FL 32919.

PIN # 05613SPEX104

WITNESSETH:

WHEREAS, by an Agreement ("the Original Agreement"), CT 05613SPEX104, entered into between the Department and Vendor for a term from March 27, 2013, through March 26, 2015, and in the amount of \$1,248,900.00, the Department agreed to purchase and Vendor agreed to provide the Department with Cellular Tracking Systems equipment and maintenance, more fully described in the Original Agreement; and

WHEREAS, the Original Agreement was amended two times which lowered the Original Agreement contract value to \$1,248,864.00; and

WHEREAS, the NYPD requires continued maintenance for items purchased under this contract; and

WHEREAS, the Original Agreement term allowed for three, one (1) year renewal options, to allow for further Cellular Equipment and maintenance to be purchased by the Department; and

WHEREAS, the first one-year Renewal was exercised by NYPD for the term March 27, 2015, through March 26, 2016, and in the amount of \$333,320.00, which included new items and maintenance; and

WHEREAS, NYPD is exercising the second of three, one-year renewal options contained in the Original Agreement, as amended, and is being renewed in accordance with Procurement Policy Board Rules section 4-04 and Original Agreement section I. Contract Term.

NOW THEREFORE, in consideration of these premises, the Parties do hereby agree as follows:

1. The NYPD is now exercising the second of the three, one-year renewal options contained in the Original Agreement, and the Term of this Second Renewal Agreement shall be from March 27, 2016, through March 26, 2017.

2. The total amount of this Contract Renewal shall not exceed \$104,216.00. The Vendor shall be paid as goods and services are delivered and accepted in accordance with the payment terms in the Original Agreement, as amended.
3. List of Deliverables: Pursuant to the Original Agreement §II., as amended, the Vendor shall provide the NYPD with maintenance in accordance with the terms and conditions set forth in the Original Agreement, as amended, and as more fully detailed in Vendor's quote # Q000000204, dated March 2, 2016, attached hereto as Appendix 1 to this Second Renewal Agreement, for the term of the Renewal:

Item Description	Qty.	UOM	Unit Price	Total
Item 1: (Mait 18100) [REDACTED] [REDACTED] GSA# [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]
Item 2: (Mait 18100) [REDACTED] [REDACTED] GSA# [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]
Item 3: (Mait 18100) [REDACTED] [REDACTED] GSA# [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]
Item 4: (Mait 18100) [REDACTED] [REDACTED] GSA# [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]
Item 5: [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]
Item 6: [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]
Item 7: [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]
Item 8: [REDACTED]	[REDACTED]	EA.	[REDACTED]	[REDACTED]

SECOND RENEWAL GRAND TOTAL: \$104,216.00

4. Except as expressly amended herein, all the terms and conditions of the Original Agreement remain unchanged and in full force and effect during the term of this Renewal.

IN WITNESS WHEREOF, the parties hereto have caused this Second Renewal Agreement to be executed in triplicate by their respective officers, duly authorized by the Vendor and by the Department, as follows:

HARRIS CORPORATION,
Electronic Systems Segment
1095 W. NA5A Boulevard
Melbourne, FL 32919

NEW YORK CITY POLICE DEPARTMENT
1 Police Plaza
New York, New York 10038

By: Brooke Rutherford

By: Vincent D. Grippo

Signature: BRutherford

Signature: [Signature]

Title: Contracts Manager

Title: Deputy Commissioner
Management and Budget

Date: 4/5/2016

Date: 4/12/2016

Acknowledgment by Vendor:

STATE OF FLORIDA, COUNTY OF _____, ss.:

On the 5th day of April, 2016, before me, the undersigned, a Notary Public in and for said state, personally appeared Brooke Rutherford, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



SUSAN D. EBERLE
NOTARY PUBLIC
STATE OF FLORIDA
Comm# FF083074
Expires 2/22/2018

[Signature]
Signature of Notary Public

Acknowledgment by Department:

STATE OF NEW YORK, COUNTY OF NEW YORK, ss.:

On the 12th day of April, 2016, before me the undersigned, personally appeared **Vincent D. Grippo**, personally known to me to be the **Deputy Commissioner, Management and Budget**, of the CITY OF NEW YORK, acting through its Police Department, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

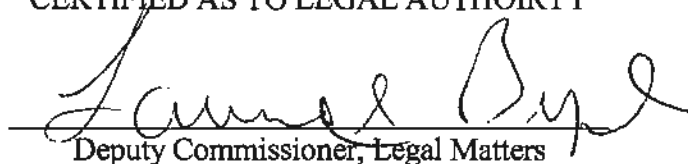
KEVIN T MURTAGH
Notary Public, State of New York
No. 02MU8085420
Qualified in New York County
Commission Expires Dec. 30, 2018

[Signature]
Signature of Notary Public

PIN # 05613SPEX104

**Contract Title: Second Renewal to the Agreement Between Harris
Corporation and The City of New York Police Department**

NEW YORK CITY POLICE DEPARTMENT
DEPUTY COMMISSIONER LEGAL MATTERS
APPROVED AS TO FORM
CERTIFIED AS TO LEGAL AUTHORITY


Deputy Commissioner, Legal Matters

Dated: 3/4/16

TAX AFFIRMATION

The undersigned proposer or bidder affirms and declares that said proposer or bidder is not in arrears to the City of New York upon debt, contract or taxes and is not a defaulter, as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the proposer or bidder to receive public contracts except not applicable.

Full name of Proposer or Bidder: **HARRIS CORPORATION, Electronic Systems Segment, which is included but not limited to Government Communications Systems**
Principal Address: **1025 W. NASA Boulevard, Melbourne, FL 32919**

CHECK ONE BOX AND INCLUDE APPROPRIATE NUMBER:

A - Individual or Sole Proprietorship *
SOCIAL SECURITY NUMBER: _____

B - Partnership, Joint Venture or other unincorporated organization
EMPLOYER IDENTIFICATION NUMBER: _____

X C - Corporation
EMPLOYER IDENTIFICATION NUMBER: 3 4 0 2 7 6 8 6 0

By: BRutherford
Signature
Contracts Manager
Title

Must be signed by an officer or duly authorized representative.

If a corporation place seal here

* Under the Federal Privacy Act the furnishing of Social Security Numbers by bidders on City contracts is voluntary. Failure to provide a Social Security Number will not result in a bidder's disqualification. Social Security Numbers will be used to identify bidders, proposers or vendors to ensure their compliance with laws, to assist the City in enforcement of laws as well as to provide the City a means of identifying of businesses which seek City contracts.



Harris Proprietary

Quotation

HARRIS CORPORATION
P.O. BOX 9800, M/S R5-11A
MELBOURNE, FL 32902-9800
PH: 800-358-5297

Quote	Q000000204
Date	March 2, 2016
Page	1 of 2

Bill To:
NEW YORK POLICE DEPT
KEVIN T. MURTAGH
NEW YORK, NY
KEVIN.MURTAGH@nypd.org

Ship To:
NEW YORK POLICE DEPT
KEVIN T. MURTAGH
NEW YDRK, NY
KEVIN.MURTAGH@nypd.org

DISCLOSURE OF THIS DOCUMENT AND THE INFORMATION IT CONTAINS ARE STRICTLY PROHIBITED BY FEDERAL LAW (18 U.S.C.). THIS DOCUMENT CONTAINS HARRIS TRADE SECRET AND CONFIDENTIAL BUSINESS OR FINANCIAL INFORMATION EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT. THIS DOCUMENT MAY CONTAIN TECHNICAL DATA ACCORDING TO THE DEPARTMENT OF STATE, INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR), 22 CFR CHAPTER 1, SUBCHAPTER M, PARTS 123-130) AND THE DEPARTMENT OF COMMERCE, EXPORT ADMINISTRATION REGULATIONS (EAR), 15 CFR PARTS 730-774. THIS DOCUMENT AND THE INFORMATION IT CONTAINS MAY NOT BE EXPORTED OR SHARED WITH A FOREIGN NATIONAL WITHOUT A VALID EXPORT AUTHORIZATION, BEFORE MAKING OR PERMITTING ANY DISCLOSURE OF THIS DOCUMENT OR THE INFORMATION IT CONTAINS, WHETHER IN FULL OR IN PART, HARRIS SHALL BE GIVEN TIMELY NOTICE AND THE OPPORTUNITY TO CHALLENGE SUCH DISCLOSURE UNDER APPLICABLE LAW.

Line Item	Qty	Part Number	Description	Unit Price	Extended Price
-----------	-----	-------------	-------------	------------	----------------

The GSA Contract Number for purchasing the below items is GS-35F-0283J. Please ensure that the GSA Number is referenced on the PO.

GSA		Mait 18100	
GSA		Mait 18100	
GSA		Mait 18100	
GSA		Mait 18100	

The items quoted below are Catalog Priced Items not available on the GSA Contract.

Remit to Payment:	Subtotal	\$104,216.00
	Tax	\$0.00



Harris Proprietary

Quotation

HARRIS CORPORATION
P.O. BOX 9800, M/S R5-11A
MELBOURNE, FL 32902-9800
PH: 800-358-5297

Quote	Q000000204
Date	March 2, 2016
Page	2 of 2

Electronic Funds Transfer
Harris Corporation, GCS
Citibank Delaware
Philadelphia, PA
Account No: 30523187
ABA Rtg No: 021000089

GCSD Mail Deposits:
Harris GCS
PO Box 7247-LB 6759
Philadelphia, PA 19170-6759

GCSD Overnight Deliveries:
Harris GCS - LB6859
C/O Citibank Delaware Lbox Ops
400 White Clay Center Drive
Newark, DE 19711
Phone: 302-781-1702

Freight	\$0.00
Purchase Price	\$104,216.00

Please reference the invoice number with your payment.

Payment Terms: NET 30

Freight Terms: FOB DESTINATION, NEXT DAY STANDARD OVERNIGHT

Additional Notes

Delivery is 90 days ARO unless otherwise noted.

Quotes are valid 180 days from issue date. Attached Terms and Conditions are applicable to all resultant orders.

Yearly Maint Agreements provide extended hardware warranty and software upgrades.

Each Maint Agreement extends Maint for an additional year. See Maint Terms for additional information.

Maint POP from 07/1/16 to 06/30/17. Previously Quote #5512

**AGREEMENT FOR THE PROVISION OF FORENSIC IMAGING SYSTEM
FOR THE NEW YORK CITY POLICE DEPARTMENT**

PIN 056100000684

This Agreement is made and entered into on 3/31/10, by and between the City of New York acting through the New York City Police Department located at One Police Plaza, New York, New York 10038 (hereinafter referred to as "Department", "NYPD", "City", or "Customer") and ComnetiX, Inc., a wholly owned subsidiary of L-1 Identity Solutions Operating Company, located at 2872 Bristol Circle, Suite 100, Oakville, Ontario, L6H6G4, Canada (hereinafter referred to as "Contractor" or "L-1").

WITNESSETH

WHEREAS, the City desires to purchase forensic imaging systems (the "Goods", and such hardware and software alone, the "Products") from the Contractor, which purchase is denoted for reference purposes only as PIN: **056100000684**; and

WHEREAS, the Contractor is capable of supplying these Goods and the service necessary to develop them ("the Services") in accordance with the City's specifications (Appendix B).

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. Goods. The Contractor shall provide the City with the Goods and Services in the quantity, at the prices and in accordance with the specifications included in herein and made a part of this Master Agreement and as proposed in its proposal, attached as Appendix D.
2. Delivery. The Contractor shall deliver the Goods and Services in accordance with the delivery schedule and comply with the special provisions, if any, included herein and made a part of this Master Agreement. Time is of the essence in compliance by the Contractor with the delivery scheduled.
3. Date of Contract Award. The NYPD shall issue in writing a Notice of Award to Contractor upon the registration of the Contract with the City of New York's Office of the Comptroller. The Notice of Award shall state the date that the Contractor shall commence work. For the purposes of computing time under the Contract, the Date indicated in the Notice of Award shall be the contract commencement date.
4. Payment. Contractor shall be paid for the Goods in accordance with the prices set forth herein following delivery, inspection, approval and acceptance of the Goods, all as more particularly described herein. Invoices should be sent as instructed herein.

5. Appendix A Incorporated Into Contract. The City of New York Police Department Appendix A Supply And Service Terms And Conditions For Information Technology Proposals 2007 is attached hereto and made a part of this Master Agreement as Appendix A.

6. Taxpayer Affirmation. Contractor affirms that Contractor is not in arrears to the City of New York upon debt or contract, or taxes, and is not a defaulter as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the Contractor to receive public contracts.

7. Cost/Pricing Data. Contractor certifies that prices contained herein are no higher than those currently quoted by Contractor to other preferred governmental or commercial consumers for the same or identical items at substantially similar terms and conditions.

I. SCOPE OF WORK

A. SPECIFICATIONS

Except as modified herein, the Contractor shall provide the following as specified in the Contractor's Scope of Work attached hereto as Appendix C.

1. The vendor shall provide a Forensic Imaging System (FIS) that "enrolls" images from the NYPD mug shot system, historically and ongoing, into an FIS database of known entities. The FIS shall also "enroll" images of known entities from other NYPD and non-NYPD sources as is necessary for NYPD investigatory facial recognition purposes. These images shall be enrolled outside of the automated enrollment process that is necessary for the mug shot system. All of these images are to be "quality assured" by the FIS system to ensure all stored images are of acceptable quality for forensic matching. The FIS shall include image capture hardware that is capable of capturing mug shot quality face images, fingerprints and irises.
2. The System shall accept images of unidentified perpetrators from existing NYPD case management systems, or via a manual process, and matches submitted images against NYPD "enrolled" mug shot images and other stored images of known entities and unidentified perpetrators.
3. The System shall perform facial recognition matching and returns results to a Facial Recognition Analyst for review, and subsequently returns results to the NYPD case management system from which the request was originally made.
4. The System shall provide an audit trail, comprehensive reporting and exchange of information needed between the FIS and existing NYPD systems.
5. The vendor shall provide training, training materials and end-user documentation for NYPD personnel utilizing the vendor's hardware and software. Such training shall take place at NYPD approved facilities.
6. The system shall have the capacity to process matches against a minimum of 3 MLN face records, and provide investigative client applications that allow face examiners to perform face recognition searches.
7. The system shall have the ability to accept video and images of varying formats, and shall have the functionality to enhance, manipulate and render those images in an optimal state for forensic matching.
8. The Vendor shall develop and possess all source code to the core technology and shall be actively developing the technologies of interest: face, fingerprint and iris recognition.

9. The Vendor shall provide multi-biometric booking workstations (Kiosks) with mug shot, fingerprint and iris acquisition integrated into a single booking application. Furthermore, the Vendor shall provide an integrated multi-biometric search engine that combines face, fingerprint and iris recognition in a single platform.

10. The Vendor shall provide an unlimited capacity license for the number of face and iris recognition records stored in and processed by the FIS.

11. The Vendor shall provide two onsite forensic examiners ("face examiners"), with training and experience using the vendor's technology, for conducting investigative searches with the FIS. These resources shall have expertise in the vendor's technology and provide training and transition to NYPD Facial Recognition Analysts.

12. At the NYPD's request, the Vendor shall provide an office facility in the vicinity of 1 Police Plaza for temporary hosting of forensic operations. The vendor's facility shall be required to host approximately 10 persons/workstations, a data wall and peripherals. NYPD-approved personnel shall need 24x7 access to this facility and the facility shall comply with NYPD security requirements. The NYPD, if needed, shall use this facility for up to 18 months, with the option to terminate its use of the facility at any time.

13. The Vendor shall provide all technology maintenance and upgrades and the services required to perform upgrades for the duration of 5 years. The vendor shall provide 24x7 end-user support for hardware and software supplied by L-1. Such support may entail on-site visits to NYPD facilities for remediation.

B. Hardware/ System and Application Software

1. Equipment/Hardware/System and Development Software needed to establish the NYPD Forensic Imaging System Project:

Software/Hardware	<i>Quantity</i>
Multi-biometric booking workstations with mug shot, fingerprint and iris acquisition	<i>10</i>
Enterprise edition biometric software for face, iris, fingerprint and palm print	<i>1</i>
Workstation licenses for forensic examination software	<i>10</i>
License for underlying biometric algorithms	<i>Production:2</i>
Unimodal Assembly License	<i>Disaster Recovery:2</i>
Unlimited face capacity	<i>1</i>

license	
<i>Unlimited iris capacity license</i>	<i>1</i>

*Post-warranty maintenance and support renewals shall be invoiced automatically on a yearly basis, at the beginning of each year at a price of \$215,712.00, less 5% retainage, per year unless NYPD notifies Contractor 60 days in advance of the end of the then-current support period of cancellation of services. The Post-Warranty support shall be prepaid by the Department to the Contractor on an annual basis within thirty (30) days of receipt of invoice due on the first day of each contract year.

a. NYPD Project Manager:

The NYPD Project Manager for this Agreement is as follows:

Judy Kehoe, Computer Operations Manager III,
Office of Information Technology
1 Police Plaza, Rm 900
New York, NY 10038
Tel. # 646-610-8974

Upon execution of this Agreement, with the exception of disputes, change orders, time extensions and other contract administration matters, the Contractor shall correspond exclusively with the NYPD Project Manager. For contract administration matters, the Contractor shall correspond directly with the NYPD Agency Chief Contracting Officer:

Frank Bello, Assistant Commissioner
NYPD-Contract Administration Unit
51 Chambers Street, Rm. 310
New York, NY 10007
Tel # 646-610-5753

Upon execution of this Agreement, the Contractor shall correspond exclusively with the NYPD Project Manager.

b. Authorized Contractor Representative

The Contractor asserts that the following individual(s) shall be responsible for the performance requirements in this Agreement and that such individual(s) have agreed to the terms and conditions of the NYPD confidentiality agreements (for individuals).

Authorized Contractor Contract's Representative: Paul Fritze
Representative's Mailing Address: 2872 Bristol Circle, Suite 100
Oakville, Ontario
L6H6G4 Canada

Representative's Tel. #:

Representative's Email Address:

[REDACTED]
[REDACTED]@L1id.com

PIN 056100000684—AGREEMENT-- PAGE 1 of 18

II. Agreement Terms and Conditions.

A. DELIVERY:

1. The following delivery requirements shall apply:

N/A

2. Warranty, Maintenance and Support:

Upon acceptance of the total system, the Contractor will provide complete warranty for 1 year and extended support and maintenance services for an additional 4 years from the Completion of the Warranty period.

During the System Warranty period the Contractor will provide the NYPD with:

- a. All codes, plans, and documentation necessary for future systems maintenance vendors, or NYPD personnel, to maintain the system upon completion of this agreement. The Contractor agrees not to include any imbedded code or other proprietary schemes that will limit the ability of the NYPD to select a qualified vendor or its own personnel to maintain the system upon completion of the term of the Agreement. Notwithstanding the foregoing, delivery of source code for the Products shall be as set forth in Contractor's Proposal attached hereto as Appendix D.
- b. A guarantee that the products, services, and/or systems are free from defects and faulty workmanship and that the System will perform and conform to the NYPD specifications in Appendix B as is or amended thereof during the entire System Warranty period. Any repairs or maintenance performed during the Warranty period should be performed at no additional cost to the NYPD. Contractor warrants that the software meets the industry standard for operating without serious errors and that it has no known serious errors.
- c. Notification of any defect or malfunctions in the hardware, equipment, computerized systems or documentation, including any that the Contractor discovers from any source. The Contractor will be responsible for correcting any defects or malfunctions in the products, services, and/or systems including computerized systems or documentation discovered at any time by either the Contractor or the NYPD. The Contractor will also provide the NYPD with corrected copies of the corresponding documentation.
- d. All subsequent enhancements to the products, services, and/or systems and documentation. Enhancements include all updated versions and modifications to the products, services, and/or systems and previously customized computerized systems, including the underlying biometric algorithms used for template creation and matching.

As new and improved algorithms are installed, the Contractor is expected to recreate biometric templates for the existing FIS images.

- e. Repairs, updates and maintenance in such a way as to minimize business disruptions to the NYPD. Contractor may provide such support and maintenance via remote access if possible, however, agreed upon service levels shall be maintained. When feasible, Contractor shall perform server-related activities that permit the FIS to be operational with remaining servers.
- f. Nonstop/extended (24 hour by 7 days a week) maintenance and technical support with the response times outlined below.
- g. The Contractor should provide detailed information concerning their technical support, including but not limited to responding to the requirements herein.

SERVICE LEVELS FOR L-1 FIS SUPPORT AGREEMENT

The following SLs have been specified based on the type of technology that is in need of being repaired. L-1 kiosks and image capturing software are to be used on a 24x7 process, as part of the NYPD arrest process, thus business continuity for this capability is critical.

SEVERITY LEVEL	L-1 KIOSKS AND IMAGE CAPTURING SOFTWARE	ABIS SERVER SOFTWARE AND FACE EXAMINER SOFTWARE
SEVERITY LEVEL 1: client is unable to use the system, it is not operational. This requires an immediate resolution (either fix or workaround) <i>Assumes client or client representative is available to work with vendor on problem immediately. If client or client representative is not available problem becomes Severity Level 2.</i>	Response callback time: 20 minutes since reporting incident. If both parties agree to an initial attempt at remote resolution, then Contractor will have 2 clock hours to attempt to resolve the problem remotely. If remote resolution is not successful, then dispatch will be required within 2 clock hours after completion of remote resolution attempt. If parties do not agree to attempt remote resolution and dispatch is required: within 2 clock hours	Response callback time: 45 minutes since reporting incident. If dispatch is required: within 4 clock hours Work around solution or fix: within 6 clock hours If work around was provided permanent fix to be delivered: with the next release or patch of the ABIS or Face Examiner software*

	Work around solution or fix: within 4 clock hours If work around was provided permanent fix to be delivered: with the next release or patch of the Kiosk software*	
SEVERITY LEVEL 2: client is able to use the system but their operations are severely restricted by the problem.	Response callback time: 40 minutes since reporting incident. If dispatch is required: within 3 clock hours Work around solution or fix: within 12 business hours If work around was provided permanent fix to be delivered: with the next release or patch of the Kiosk software*	Response callback time: 1 clock hour since reporting incident. If dispatch is required: within 5 clock hours Work around solution or fix: within 16 business hours If work around was provided permanent fix to be delivered: with the next release or patch of the ABIS or Face Examiner software*
SEVERITY LEVEL 3: User is able to use the system with some restrictions. These restrictions do not have a critical effect on operations.	Response callback time: 60 minutes since reporting incident. If dispatch is required: within 1 business day Work around solution or fix: within 2 business days If work around was provided	Response callback time: 2 clock hours since reporting incident. If dispatch is required: within 1 business day Work around solution or fix: within 3 business days If work around was provided

	permanent fix to be delivered: with the next release or patch of the Kiosk software	permanent fix to be delivered: with the next release or patch of the ABIS or Face Examiner software
SEVERITY LEVEL 4: Problem has little or no effect on user operations, client has found something operationally that is not working but has very minor impact such as spelling error, formatting or inconsistency in navigation.	Response callback time: 4 clock hours since reporting incident. If dispatch is required: within 2 business days Work around solution or fix: within 4 business days If work around was provided permanent fix to be delivered: with the next release or patch of the Kiosk software	Response callback time: 8 clock hour since reporting incident. If dispatch is required: within 4 business days Work around solution or fix: no target If work around was provided permanent fix to be delivered: with the next release or patch of the ABIS or Face Examiner software.

* Delivery and installation of software releases or patches that address Severity Level 1 or 2 problems, may not exceed 6 months from the date the problem was reported to L-1.

3. Acceptance and Background Checks for individuals working on the forensic imaging system

a. During the acceptance phase, the Contractor shall maintain a qualified professional technician to answer any questions resulting from questionable test results and/or to fix any identified malfunctions or defects discovered. Acceptance of the goods shall be determined by the Commanding Officer and the Contractor's authorized representative based on satisfaction of an acceptance test plan mutually agreed by the parties with reference to Contractor's proposal document, in advance of the beginning of acceptance testing (such mutually-agreed plan, the "ATP"). The ATP will include a detailed list of test cases covering all system features and functionality.

During the system acceptance phase, the Department shall not accept the goods and authorize any further payment to the vendor until an acceptance test has been successfully completed by reference to the agreed ATP. The Department Project Manager, with the assistance of any required Department specialists, shall conduct detailed testing of the goods. Acceptance by the Department shall not take place until the successful completion of acceptance testing per the ATP. The Department will not use the system for operational use until it is

accepted. Before acceptance is granted, the Department shall consider, at a minimum, the following (all of which shall be incorporated into the ATP):

- Has the contractor met the Department's requirements?
- Does the quality of the product indicate that the product is ready for full release?
- Does the number of trouble reports indicate that the product should be reworked before proceeding?
- Do the types of defects suggest risks to mission critical concerns?
- Is the testing activity complete?

During the acceptance test period, the Department shall notify Contractor in writing if:

- The Department requires the Contractor to repair, change, or replace any component of the goods
- The Department in anyway cannot accept the goods or cannot proceed with production implementation of the goods and thus "First Beneficial Use" (first production use of the FIS by NYPD)
- That the goods are accepted by the NYPD

If the Goods satisfy the requirements of the ATP and the NYPD has an effective "First Beneficial Use" of the FIS, Customer will accept the Goods.

For the avoidance of doubt, except as otherwise provided in this Section 3(a), the following summarizes the order of events relating to acceptance for all purposes under this Contract and Appendix A:

1. Mutual agreement by the parties on an acceptable ATP (acceptance test plan)
2. Acceptance testing per the ATP
3. Satisfactory completion of acceptance testing per the ATP (including resolution of any issues discovered during acceptance testing, and related regression testing for those fixes)
4. First Beneficial Use (first production use of the FIS by NYPD)
5. Acceptance by Customer (also referred to as "Final Acceptance" or "Substantial Completion" in Appendix A. Acceptance shall occur upon completion of 30 days continuous successful production use.
6. Start of warranty period (commences at acceptance (also referred to as "Final Acceptance" or "Substantial Completion" in Appendix A) by Customer and continues for 12 months from the date of acceptance by Customer)
7. Start of support period (commences upon expiration of the warranty period)
8. Final Completion (within meaning of Appendix A)

b. NYPD facilities are highly sensitive sites. For this reason, the Contractor and all of its subcontractors shall submit to the Commanding Officer a list of all of its workers and management that will be present at these sites under this agreement. The Contractor shall be

required to provide the following information regarding each individual who will be on NYPD property during any aspect of implementation, training, maintenance or for any other related purpose.

First Name

Last Name

Any Aliases

Date of Birth

Current Home Address, including City, State and Zip

Social Security Number

Country of Birth

Information on any known criminal record for each individual.

The above information will be forwarded to City and federal investigative units. No Contractor or Subcontractor employee shall be allowed in the NYPD facilities without such security clearance. In the event an individual does not receive security clearance, he will be removed from performing any work required under this agreement, whether it is on-site or off-site.

The City of New York reserves the right not to allow any employee or agent of any Contractor or Subcontractor to perform any work required pursuant to the terms of this agreement based on the information obtained during the background check.

c. Proper Identification and Right to Search – all of the Contractor's and its Subcontractor's workers shall be responsible for wearing Company Identification tags that contain his Full Name and Picture.

All of the Contractor's and its Subcontractor's workers shall be subject to a search, which may include a pat down and a physical search through tool bags and other personal items prior to entering the Department's facilities and upon departing from the Department's facilities. The Contractor shall obtain a written acknowledgement from each of its workers, and its subcontractor's workers agreeing to this security measure.

4. Training

The Contractor should provide training for all aspects of the use of the products and services offered. The contractor shall provide one (1) week of software training for up to fifteen (15) individuals. The contractor shall provide one (1) day of hardware training for up to ten (10) individuals. Training should be provided for products, services, and/or systems operators, IT support personnel and management and supervisory staff. Training should be accomplished at the NYPD Police Academy or other NYPD approved training facility. End-user training shall be conducted by L-1 personnel experienced with the purchased hardware and software, and shall encompass NYPD's customized system design and integrated solution with other NYPD systems. Training for NYPD technical support personnel shall be conducted by L-1 technical staff who are knowledgeable of NYPD's technical architecture. Training shall include a "train the trainer" session for kiosk/image capturing functionality.

PIN 056100000684—AGREEMENT-- PAGE 1 of 18

B. Contract Term:

The estimated completion date for this procurement is 6 months. Upon acceptance of the total system, the Contractor will provide complete warranty for 1 year and extended support and maintenance services for an additional 4 years from the Completion of the Warranty. A detailed and mutually agreed upon schedule shall be supplied by the Contractor within fifteen (15) business days of a Critical Design Review (CDR) where the Department and the Contractor shall finalize and freeze all requirements. For the purposes of project management, NYPD would like the schedule to be provided as an MS Project Plan, for review, modification and approval by the NYPD. The MS Project Plan must include all relevant NYPD activities necessary for task completion and project success. The MS Project Plan must also include milestones related to the FIS Payment Schedule.

C. No Vendor Induced Inhibiting Code

The Contractor shall not include any Vendor Induced Inhibiting Code (or VIIC) or any other inhibitor on reports and data submitted and provided to the City under this Agreement. VIIC is defined as any deliberately included application or system code that will degrade performance, result in inaccurate data, deny accessibility, or adversely effect, in any way, programs or data or use of the system.

D. Reports and Data

Reports and Data written and delivered as a result of the project will be transmitted to the City in a standard commercial form, with complete and acceptable documentation, as it is completed or acquired. Any software required for reading or processing reports and data shall be commercially available and approved by the NYPD before implementation.

E. SUBJECT TO APPROPRIATIONS—NONFUNDING CLAUSE

All payment obligations of the City created hereunder are conditioned upon the availability of City funds duly appropriated and authorized for the payment of such obligations.

F. TOTAL CONTRACT VALUE AND PAYMENT PROVISION:

In accordance with the Contractor's Price Proposal the City agrees to pay the Contractor as follows.

Item Description	Unit /TOTAL Price
FORENSIC IMAGING SYSTEM (with facilities leasing by Contractor).	\$4,709,274.00

PIN 056100000684—AGREEMENT-- PAGE 1 of 18

1. Payment Schedule for System (not inclusive of 1 year warranty and 4 years of maintenance): \$3,655,426

The Department shall make payments to the Contractor based on the following milestones:

- 5% of the total system price upon mutual system design approval (\$182,771.30)
- 10% of the total system price upon hardware delivery (\$365,542.60)
- 25% of the total system price upon delivery and installation of Contractor's automated biometric identification system "ABIS" software solution (\$913,856.50)
- 25% of the total system price upon completion of Acceptance Testing (\$913,856.50)
- 15% of the total system price upon First Beneficial Use (\$548,313.90)
- 15% of the total system price upon Final Acceptance (30 days of continuous successful production use) (\$548,313.90)
- 5% of the total system price upon completion of integration between ABIS and NYPD's NITRO and IDS case management systems, and successful production use of such functionality (\$182,771.30)

For purposes of this payment schedule:

- (i) delivery and installation of the ABIS software solution shall include delivery and installation of the ABIS server software, the facial examiner workstations software, the kiosk software and integration with the Department's [REDACTED] system; and
- (ii) Contractor shall be required to complete the interfaces between Contractor's ABIS and the Department's intelligence and narcotics systems known as "NITRO" and "IDS" in order to receive the final payment; however, the system can be considered operational prior to this milestone.

2. 1 Year Warranty Period: \$119,000.00

- 95% of the total warranty cost upon the earlier of Final Acceptance or 30 days of continuous successful production use (\$113,050.00)
- 5% of total warranty cost (retainage) at completion of 1 year warranty period (\$5,950.00)

3. Payment for 4 Year Post-Warranty Maintenance Period: \$862,848.00

- 95% of 1st year maintenance period upon commencement of 1 year maintenance period (\$204,926.40)
- 95% of 2nd year maintenance period and 1st year retainage upon commencement of 2nd year maintenance period (\$215,712.00)
- 95% of 3rd year maintenance period and 2nd year retainage upon commencement of 3rd year maintenance period (\$215,712.00)
- 95% of 4th year maintenance period and 3rd year retainage upon commencement of 4th year maintenance period (\$215,712.00)
- Payment of \$10,785.60 (4th year retainage) at completion of 4th year of Maintenance Period

4.

Office facility: \$72,000.00 (NYPD's option)

At the NYPD's request, the Vendor shall provide an office facility in the vicinity of 1 Police Plaza for temporary hosting of forensic operations. The vendor's facility will be required to host approximately 10 persons/workstations, a data wall and peripherals. NYPD-approved personnel will need 24x7 access to this facility and the facility shall comply with NYPD security requirements. The NYPD, if needed, will use this facility for up to 18 months, with the option to terminate its use of the facility at any time, at a monthly rate of \$4,000.00 (\$72,000).

If this Agreement is terminated because of the default of the Contractor during the term of the extended warranty, the Contractor shall reimburse the NYPD a pro rata portion of the annual fee for such year (to the extent prepaid by the City).

Payment Requests shall be submitted to:

Judy Kehoe, Computer Operations Manager III,
Office of Information Technology
1 Police Plaza, Rm 900
New York, NY 10038
Tel. # 646-610-8974

G. TOTAL CONTRACT VALUE

The total contract value shall not exceed **Four Million Seven Hundred and Nine Thousand and Two Hundred and Seventy Four Dollars, (\$4,709,274.00).**

H. Insurance

Two (2) certificates of insurance shall be furnished in a manner acceptable to the Police Department. Please see Schedule A for a full description of our insurance requirements.

I. Section 7.2, G. 1 is modified to read as follows:

Customized Software shall mean the interface customizations and customizations being delivered by the Contractors under this Agreement as specified in the Contractor's proposal. Customized Software, data, reports and information shall belong to the NYPD and the following provisions, and the provisions of Design Acceptance shall apply:

Section 7. 2, G. 1. d. is modified to read as follows:

All Customized Software produced under any contract or subcontracts awarded, as a result of this Agreement, will be retained by the NYPD. In order to enable Contractor to provide

warranty, support and customization services to the solution specific software, the NYPD grants a perpetual, non-exclusive, non-transferable, revocable license to Contractor with respect to such software which license shall enable Contractor to use, modify, copy and alter the solution specific software for the sole purpose of providing warranty, support and customization services to the NYPD during the term of the Agreement.

J. Entire Agreement

The NYPD accepts the Contractor's proposal to provide **forensic imaging** and shall require the Contractor to perform such services in accordance with the requirements and information contained herein. In the event there is a conflict among and between the provisions of documents included in the Agreement, the controlling order (order of precedence) shall be as follows:

1. This Master Agreement (PIN **056100000684**).
2. Appendix A— THE CITY OF NEW YORK
POLICE DEPARTMENT APPENDIX A SUPPLY AND SERVICE TERMS AND
CONDITIONS FOR INFORMATION TECHNOLOGY PROPOSALS 2007---Including
Schedule A—General Terms and Conditions.
3. Appendix B – The NYPD Information and Requirements for Application for
Negotiation (PIN 056100000684)
4. Appendix C – Best and Final Offer
5. Appendix D - Contractor's Proposal

This Agreement constitutes the entire agreement between the Department and Contractor and may be modified only by further written agreement between the parties hereto.

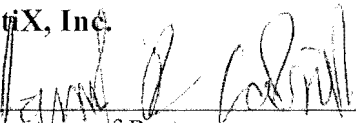
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers, duly authorized by the Contractor and by The Department, as follows:

THE CITY OF NEW YORK POLICE DEPARTMENT

BY: 
Deputy Commissioner
Management & Budget

Date 3/31/10

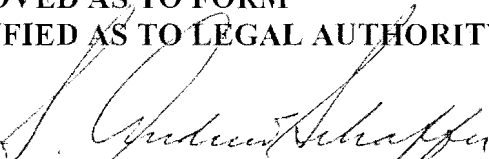
ComnetX, Inc.

BY: 
(Signature of Partner or
Officer of Corporation)

Date 3/26/10

ATTEST: 
(Secretary of Assistant Secretary)

**CITY OF NEW YORK NYPD LEGAL BUREAU
APPROVED AS TO FORM
CERTIFIED AS TO LEGAL AUTHORITY**

BY: 
NYPD Deputy Commissioner, Legal Matters

DATE: 1/29/10

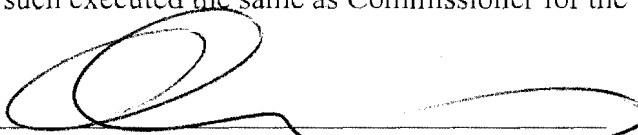
AGREEMENT

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:

On this 31st day of March, 2010 before me personally came **Edward J. Allocco** to me known and known to me to be the **Deputy Commissioner for Management and Budget** of the City of New York Police Department, the person described as such in and who as such executed the same as Commissioner for the purposes therein mentioned.



Notary Public or Commissioner of Deeds

NOTARY PUBLIC - STATE OF NEW YORK

NO. 02NE6206465

QUALIFIED IN NASSAU COUNTY

COMMISSION EXPIRES MAY 18, 2013

PIN 056100000684 AGREEMENT-- PAGE 1 of 18

Acknowledgment by Corporation

STATE OF MINNESOTA)

COUNTY OF HENNEPIN)

SS.:

On this 26TH day of MARCH, 2010, before me personally came Jared Cahill who being by me duly sworn, did depose and say: that he resides in the City of Prior Lake, MN, that he is the Vice President of Finance of the Comnetix, Inc., the corporation described in the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of Board of Directors of said corporation; and that he sign his name thereto by like order.



Carol Cole Rinehimer
Notary Public or Commissioner of Deeds

AFFIRMATION

The undersigned proposer or bidder affirms and declares that said proposer or bidder is not in arrears to the City of New York upon debt, contract or taxes and is not a defaulter, as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the proposer or bidder to receive public contracts except _____.

Full name of Proposer or Bidder: **Comnetix Inc.**

Address: **2872 Bristol Circle, Suite 100, Oakville, Ontario, L6H6G4 Canada**

CHECK ONE BOX AND INCLUDE APPROPRIATE NUMBER:

☐ **A - Individual or Sole Proprietorship ***
SOCIAL SECURITY NUMBER

☐ **B - Partnership, Joint Venture or other unincorporated organization**
EMPLOYER IDENTIFICATION NUMBER

☒ **C - Corporation**

PIN **056100000684**—AGREEMENT-- PAGE 1 of 18

EMPLOYER IDENTIFICATION NUMBER

98-0488004 -----

By

Signature

Title

If a corporation place seal here

Must be signed by an officer or duly authorized representative.

* Under the Federal Privacy Act the furnishing of Social Security Numbers by bidders on City contracts is voluntary. Failure to provide a Social Security Number will not result in a bidder's disqualification. Social Security Numbers will be used to identify bidders, proposers or vendors to ensure their compliance with laws, to assist the City in enforcement of laws as well as to provide the City a means of identifying of businesses which seek City contracts.

FIRST AMENDMENT

to

Agreement for the Provision of Forensic Imaging System for the New York City Police Department PIN056100000684

THIS FIRST AMENDMENT ("FIRST AMENDMENT") to the Agreement for the Provision of Forensic Imaging System for the New York City Police Department PIN056100000684 dated the 31st day of March 2010 (the "Agreement") by and between City of New York acting through the New York City Police Department located at One Police Plaza, New York, New York 10038 (hereinafter referred to as "Department", "NYPD", "City" or "Customer") and ComnetiX, Inc., a wholly owned subsidiary of L-1 Identity Solutions Operating Company located at 2872 Bristol Circle, Suite 100, Oakville, Ontario L6H6G4, Canada (hereinafter referred to as "Contractor" or "L-1") is entered into as of the _____ day of _____ 2011 (the "Effective Date").

WHEREAS Parties desire to amend the Agreement to modify the requirements of the Agreement as provided for herein; and

NOW THEREFORE in consideration of their mutual promises made herein, and for other good and valuable consideration, receipt of which is hereby acknowledged by each party, the parties, intending to be legally bound, hereby agrees as follows:

1. **Defined Terms.** Those capitalized terms that are not defined in this First Amendment shall have the meanings ascribed to such terms in the Agreement.
2. **Amendment of Agreement.** This First Amendment shall serve the purpose of amending those provisions of the Agreement that are expressly described herein. The numbered paragraphs and headings in this First Amendment correspond to those numbered paragraphs and headings in the Agreement. The provisions of the Agreement that are not expressly amended by this First Amendment shall remain in full force and effect. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall control.
3. **Modifications to Application for Negotiation PIN 056100000864, Appendix B, "Scope of Work", "Assumptions and Requirements".** The parties agree to modify Appendix B, "Scope of Work", "Assumptions and Requirements" of the New York City Police Department, Information and Requirements for Application for Negotiation PIN 056100000864 as set forth below:
 - a. **Deletion of requirement (s) to provide an Office Facility: Section II, "Specification Assumptions", "Other Requirements", Section 5, "Forensic Lab", Sub section (b).** The parties agree to delete NYPD's requirement(s) to provide an office facility in the vicinity of 1 Police Plaza including but not limited to the requirement as set forth in Appendix B, Section II, "Specification Assumptions", "Other Requirements", Section 5, "Forensic Lab" Sub section (b).
 - b. **Deletion of requirement(s) to provide interfaces to NYPD systems NITRO and IDS: Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b).** The parties agree to delete the requirement set forth in Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b) to the extent such requirement extends to Contractor's requirement to

provide a system that accepts images from existing NYPD case management systems known as "NITRO" and "IDS". NYPD's amended requirement is as set forth below:

"b) Accepts images of unidentified perps from existing NYPD ECMS case management system and matches submitted images against NYPD "enrolled" mug shot images and other stored images of unidentified perps. These images will arrive in many forms including: printed, digital or video format either online, via mass media transfer (removable hard drives) flash memory drives, video tapes, or printed media."

4. **Modification to Appendix D, "Contractor's Proposal" of the Agreement.** The parties agree to modify Appendix D as set forth below:

- a. **Deletion of requirement (s) to provide an Office Facility:** The parties agree to delete Contractor's requirement to provide an office facility in the vicinity of 1 Police Plaza as set forth on page 76 of Appendix D "Contractor's Proposal", including by not limited to Contractor's requirement as set forth in Section II, "Specific Assumptions", "Other requirements", Provision 5, "Forensic Lab", sub-section (b) of Appendix D, "Contractor's Technical Proposal".
- b. **Deletion of requirement(s) to provide interfaces to NYPD systems NITRO and IDS: Contractor's Technical Proposal, Section 2.5, "Appendix B – Statement of Work, Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b).** The parties agree to delete the requirement set forth on page 63 of Contractor's Technical Proposal, Section 2.5, "Appendix B – Statement of Work, Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b) to the extent it requirements extends to Contractor's requirement to provide a system that accepts images from existing NYPD case management systems known as "NITRO" and "IDS". Contractor's amended response to this requirement is as set forth below:

"L-1 Response: Interface to the NYPD [REDACTED] will be implemented. Unsolved crime scene photograph database will be maintained in ABIS® server."

5. **Modifications to the Agreement, Section I, "Scope of Work":** The parties agree to modify the Agreement at Section I, "Scope of Work" as set forth below:

- a. **Section A, "Specifications":**
 - i. The first sentence of this Section A, Specifications, "Except as modified herein, the Contractor shall provide the following as specified in the Contractor's Scope of Work attached hereto as Appendix C." is hereby modified to read as follows: "Except as modified herein, the Contractor shall provide the following as specified in the Contractor's Proposal attached hereto as Appendix D."
 - ii. **sub-section 2.** The parties agree to delete the requirement set forth in Section A, "Specifications", sub-section 2 to the extent it extends to Contractor's requirement to provide a system that accepts images from existing NYPD case management systems known as "NITRO" and "IDS".
 - iii. **sub-section 12 of the Agreement.** The following provision I.A.12 is deleted from the Agreement in its entirety.

“I.A.12: At the NYPD’s request, the Vendor shall provide an office facility in the vicinity of 1 Police Plaza for temporary hosting of forensic operations. The vendor’s facility shall be required to host approximately 10 persons/workstations, a data wall and peripherals. NYPD-approved personnel shall need 24x7 access to this facility and the facility shall comply with NYPD security requirements. The NYPD, if needed, shall lease this facility for up to 18 months, with the option to terminate the lease at any time.”

b. Section B, “Hardware/System and Application Software”:

- i. Sub-section 1. The sentence in this sub-section 1 beginning with “*Post warranty maintenance and support” is hereby deleted in its entirety and replaced with the following sentence:

“*Post warranty maintenance and support renewals shall be invoiced automatically on a yearly basis, at the beginning of each year at a prices set forth on Schedule 5 to this First Amendment unless NYPD notifies contractor 60 days in advance of the end of the then-current support period of cancellation of services.”

- ii. **Sub-section 1.a, “NYPD Project Manager” of the Agreement.** The parties agree to replace Section I, “Scope of Work”, Section B, “Hardware/System and Application Software”, Sub-section 1.a, “NYPD Project Manager” of the Agreement, with the following:

“a. NYPD Project Manager

Nicholas Puccio, Computer Operations Manager III
Office of Information Technology
1 Police Plaza, Rm 900
New York, NY 10038
Tel. # 646-610-5897

Upon execution of this Agreement, with the exception of disputes, change orders, time extensions and other contract administration matters, the Contractor shall correspond exclusively with the NYPD Project Manager. For contract administration matters, the Contractor shall correspond directly with the NYPD Agency Chief Contracting Officer:

Frank Bello, Assistant Commissioner
NYPD-Contract Administration Unit
51 Chambers Street, Rm. 310
New York, NY 10007
Tel # 646-610-5753

Upon execution of this Agreement, the Contractor shall correspond exclusively with the NYPD Project Manager.”

- 6. Modification to Agreement Section II, “Agreement Terms and Conditions”:** The parties agree to modify the Agreement at Section II, “Agreement Terms and Conditions” as set forth below

- a. **Sub Section F, “Total Contract Value and Payment Provision” of the Agreement.** The parties agree to modify the Total Contract Value and Payment Provision to reflect the modifications as set forth in this First Amendment. The parties agree to delete, in its entirety

Sub section F, "Total Contract Value and Payment Provision" of Section II of the Agreement and to replace it with the Sub Section F, "Total Contract Value and Payment Provision" attached hereto as Schedule 5.

- b. **Sub Section G, "Total Contract Value" of the Agreement.** The parties agree to modify sub-section G, "Total Contract Value" of the Agreement to read: "The total contract value shall not exceed Four Million Seven Hundred Eighty Six Thousand and Two Hundred and Forty Two Dollars, (\$4,786,242.00).
7. **Additional Deliverables: Capture and Verification of Irises.** NYPD requests and Contractor agrees to provide additional deliverables as set forth in Contractor's Statement of Work for the Capture and Verification of Irises dated x/x/xx work attached hereto as Schedule 3, "Additional Deliverables". Such Additional Deliverables shall be considered part of the System for purposes of Warranty, Maintenance and Support.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers, duly authorized by the Contractor and by The Department, as follows:

THE CITY OF NEW YORK POLICE DEPARTMENT

BY: Edward J. Allocco
Deputy Commissioner
Management & Budget

Date: 8/24/11

Comnetix, Inc.

BY: [Signature]
(Signature of Partner or
Officer of Corporation)

Date:

ATTEST: [Signature]
(Secretary or Assistant Secretary)

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:

On this 24th day of June, 2011 before me personally came Edward J. Allocco to me known and known to me to be the Deputy Commissioner for Management and Budget of the City of New York Police Department, the person described as such in and who as such executed the same as Commissioner for the purposes therein mentioned.

[Signature]
Notary Public or Commissioner of Deeds

CHRISTOPHER P. NESTERCZUK
NOTARY PUBLIC - STATE OF NEW YORK
NO. 02NE6206465
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRES MAY 18, 2013

=====

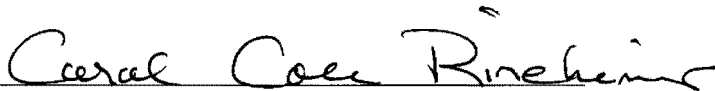
Acknowledgment by Corporation

STATE OF Minnesota)

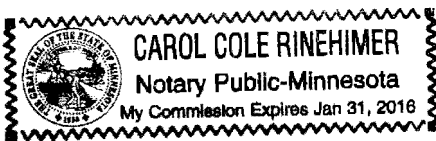
COUNTY OF Hennepin)

SS.:

On this 19th day of April, 2011, before me personally came **Jared R. Cahill** who being by me duly sworn, did depose and say: that he resides in the City of Prior lake, MN, that he is the **Chief Financial Officer** of **ComnetiX Inc.**, the corporation described in the foregoing instrument; that he knows the seal of said corporation ; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of Board of Directors of said corporation; and that he sign his name thereto by like order.



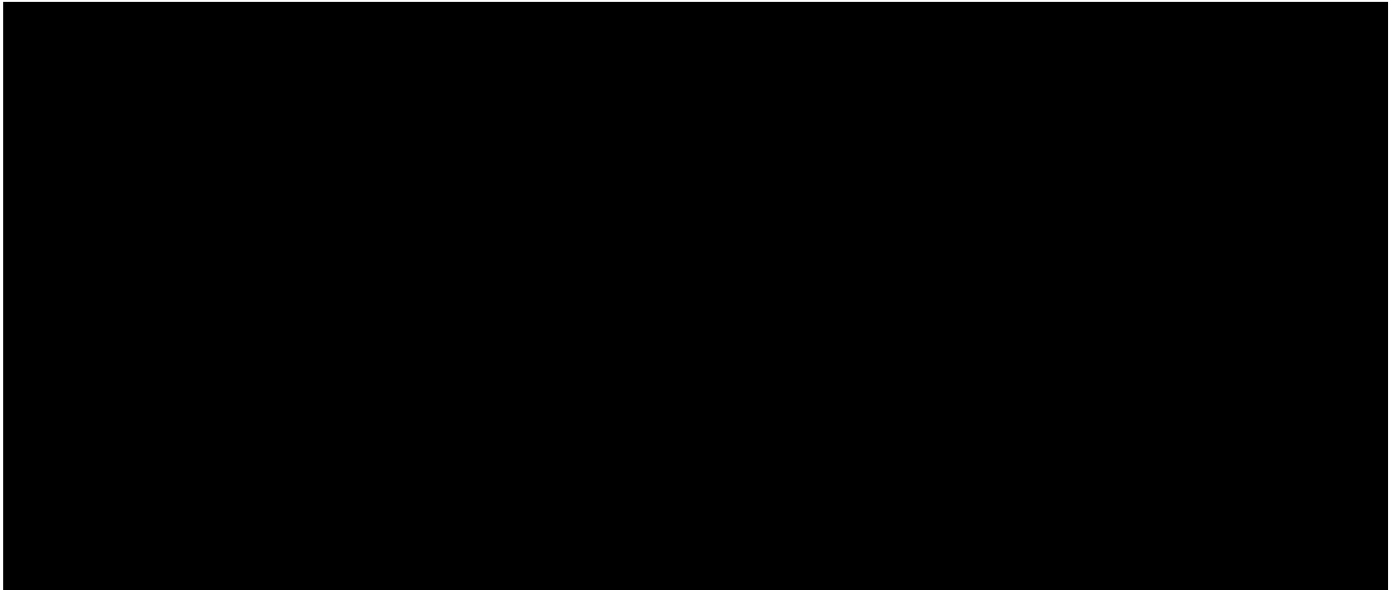
Notary Public or Commissioner of Deeds



Schedule 3
Additional Deliverables

Statement of Work for the Capture and Verification of Irises

NYPD Iris ID Verification Hardware, Software and Services:



Deliverables:

Camnetix Inc. 2872 Bristol Circle Suite 100, Oakville, Ontario Canada L6H 6G4								
Item Number	Description	Product Details	Qty	NYS Net Price	MSRP	Discount off MSRP 15%	Extended Price	24x7 Support 11% of NET
DIGITAL IMAGING HARDWARE AND ACCESSORIES								
PIER-T IRIS Camera	PIER-T IRIS Camera			\$ 2,020	\$ 2,376	15%	\$ 2,020	\$222
Mobile Eyes Iris Camera	Mobile Eyes camera for Enrolment			\$ 1,800	\$ 2,118	15%	\$ 16,200	\$1,782
SubTotals:							\$18,220	\$ 2,004
SOFTWARE								
Workstation Software								
IBIS-DESKTOP	IBIS DESKTOP PC WITH SFR.			\$2,900	\$3,412	15%	\$20,300	\$ 2,233
Sub Totals:							\$ 20,300	\$ 2,233

SERVICES - All Services include Per Diem and Travel									
Services									
SER-01				\$	2,000	\$ 2,353	15%	\$ 24,000	NA
SER-02				\$	1,500	\$ 1,765	15%	\$15,000	NA
SER-02				\$	1,500	\$ 1,765	15%	\$ 15,000	NA
SER-02				\$	1,500	\$ 1,765	15%	\$ 7,500	NA
SER-02				\$	1,500	\$ 1,765	15%	\$ 60,000	NA
PM-01				\$	1,600	\$ 1,882	15%	\$ 24,000	NA
Sub Totals:							\$145,500	NA	

Maintenance:

Maintenance fees for the deliverables provided under this statement of work shall be an additional \$4237.00 per year. The following items listed in the table below are included for purposes of maintenance services.

Item Number	Description	Product Details	Qty	NYS Net Price	MSRP	Discount off MSRP 15%	Extended Price	24x7 Support 11% of NET
DIGITAL IMAGING HARDWARE AND ACCESSORIES								
PIER-T IRIS Camera	PIER-T IRIS Camera			\$ 2,020	\$ 2,376	15%	\$ 2,020	\$222
Mobile Eyes Iris Camera	Mobile Eyes camera for Enrolment			\$ 1,800	\$ 2,118	15%	\$16,200	\$1,782
Sub Totals:							\$18,220	\$ 2,004
SOFTWARE								
Workstation Software								
IBIS-DESKTOP	IBIS DESKTOP PC WITH SFR.			\$2,900	\$3,412	15%	\$20,300	\$ 2,233
Sub Totals:							\$ 20,300	\$ 2,233

Schedule

The delivery of the IRIS system will be incorporated into the FIS project on a schedule to be mutually agreed upon by the parties.

Install Locations:

The table below defines the locations for installation.

Location	Verification QTY	Deployment QTY
MANHATTAN COURT SECTION 100 Centre Street New York, NY 10013	1	1
MIDTOWN COMMUNITY COURT 314 West 54 Street New York, NY 10019	1	1
BROOKLYN COURT SECTION BROOKLYN HOUSE OF DETENTION 275 Atlantic Avenue Brooklyn, NY 11201	0	1
BROOKLYN COURT SECTION BROOKLYN HOUSE OF DETENTION 120 Schermerhorn Street Brooklyn, NY 11201	1	0
RED HOOK COMMUNITY COURT 88 Visitation Place Brooklyn, NY 11231	1	1
BRONX COURT SECTION 215 East 161 Street Bronx, NY 10451	1	1
QUEENS COURT SECTION 125-01 Queens Boulevard Kew Gardens, NY 11424	1	1
STATEN ISLAND COURT SECTION 78 Richmond Terrace Staten Island, NY 10301	1	1
MANHATTAN ARREST PROCESSING CENTER (MAPC) 1 Police Plaza New York, NY 10038	1	1
QUEENS MASS ARREST PROCESSING CENTER (QMAP): the same as Queens Criminal Court 125-01 Queens Blvd. Kew Gardens, NY 11424	1	1

Schedule 5
F. Total Contract Value and Payment Provision

F. TOTAL CONTRACT VALUE AND PAYMENT PROVISION:

In accordance with the Contractor's Price Proposal the City agrees to pay the Contractor as follows.

Item Description	Unit /TOTAL Price
FORENSIC IMAGING SYSTEM (with facilities leasing by Contractor).	\$4,786,242

1. Payment Schedule for System (not inclusive of 1 year warranty and 4 years of maintenance):
\$3,787,446.00

The Department shall make payments to the Contractor based on the following milestones:

Milestone 1: Parties acknowledge payment and receipt of the first milestone payment in an amount equal to \$182,771.30

Milestone 2: Parties acknowledge payment and receipt of the second milestone payment in an amount equal to \$365,542.60

Milestone 3: Upon delivery and installation of Contractor's automated biometric identification system "ABIS" software solution a payment in an amount equal to \$913,856.50;

Milestone 4: Upon delivery and installation of the Iris Capture and Verification solution, a payment in an amount equal to \$184,020.00;

Milestone 5: Upon completion of Acceptance Testing, a payment in an amount equal to \$913,856.50;

Milestone :6 Upon First Beneficial Use, a payment in an amount equal to \$613,699.55; and

Milestone :7 Upon Final Acceptance (30 days of continuous successful production use) a payment in an amount equal to \$613,699.55.

)

For purposes of this payment schedule:

- (i) delivery and installation of the ABIS software solution shall include delivery and installation of the ABIS server software, the facial examiner workstations software, the kiosk software and integration with the Department's [REDACTED] system;

2. 1 Year Warranty Period: \$119,000.00

95% of the total warranty cost upon the earlier of Final Acceptance or 30 days of continuous successful production use (\$113,050.00)

5% of total warranty cost (retainage) at completion of 1 year warranty period (\$5,950.00)

3. Payment for 4 Year Post-Warranty Maintenance Period: \$879,796.00

95% of 1st year maintenance period upon commencement of 1st year maintenance period (\$ 208,951.55)

95% of 2nd year maintenance period and 1st year retainage upon commencement of 2nd year maintenance period (\$ 219,949.00)

95% of 3rd year maintenance period and 2nd year retainage upon commencement of 3rd year maintenance period (\$219,949.00)

95% of 4th year maintenance period and 3rd year retainage upon commencement of 4th year maintenance period (\$219,949.00)

Payment of \$10,997.45 (4th year retainage) at completion of 4th year of Maintenance Period

4. [THIS PROVISION INTENTIONALLY DELETED]

If this Agreement is terminated because of the default of the Contractor during the term of the extended warranty, the Contractor shall reimburse the NYPD a pro rata portion of the annual fee for such year (to the extent prepaid by the City).

Payment Requests shall be submitted to:

Nicholas Puccio, Computer Operations Manager III
Office of Information Technology
1 Police Plaza, Rm 900
New York, NY 10038
Tel. # 646-610-5897

FIRST AMENDMENT

to

Agreement for the Provision of Forensic Imaging System for the New York City Police Department PIN056100000684

THIS FIRST AMENDMENT ("FIRST AMENDMENT") to the Agreement for the Provision of Forensic Imaging System for the New York City Police Department PIN056100000684 dated the 31st day of March 2010 (the "Agreement") by and between City of New York acting through the New York City Police Department located at One Police Plaza, New York, New York 10038 (hereinafter referred to as "Department", "NYPD", "City" or "Customer") and ComnetiX, Inc., a wholly owned subsidiary of L-1 Identity Solutions Operating Company located at 2872 Bristol Circle, Suite 100, Oakville, Ontario L6H6G4, Canada (hereinafter referred to as "Contractor" or "L-1") is entered into as of the _____ day of _____ 2011 (the "Effective Date").

WHEREAS Parties desire to amend the Agreement to modify the requirements of the Agreement as provided for herein; and

NOW THEREFORE in consideration of their mutual promises made herein, and for other good and valuable consideration, receipt of which is hereby acknowledged by each party, the parties, intending to be legally bound, hereby agrees as follows:

1. **Defined Terms.** Those capitalized terms that are not defined in this First Amendment shall have the meanings ascribed to such terms in the Agreement.
2. **Amendment of Agreement.** This First Amendment shall serve the purpose of amending those provisions of the Agreement that are expressly described herein. The numbered paragraphs and headings in this First Amendment correspond to those numbered paragraphs and headings in the Agreement. The provisions of the Agreement that are not expressly amended by this First Amendment shall remain in full force and effect. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall control.
3. **Modifications to Application for Negotiation PIN 056100000864, Appendix B, "Scope of Work", "Assumptions and Requirements".** The parties agree to modify Appendix B, "Scope of Work", "Assumptions and Requirements" of the New York City Police Department, Information and Requirements for Application for Negotiation PIN 056100000864 as set forth below:
 - a. **Deletion of requirement (s) to provide an Office Facility: Section II, "Specification Assumptions", "Other Requirements", Section 5, "Forensic Lab", Sub section (b).** The parties agree to delete NYPD's requirement(s) to provide an office facility in the vicinity of 1 Police Plaza including but not limited to the requirement as set forth in Appendix B, Section II, "Specification Assumptions", "Other Requirements", Section 5, "Forensic Lab" Sub section (b).
 - b. **Deletion of requirement(s) to provide interfaces to NYPD systems NITRO and IDS: Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b).** The parties agree to delete the requirement set forth in Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b) to the extent such requirement extends to Contractor's requirement to

provide a system that accepts images from existing NYPD case management systems known as "NITRO" and "IDS". NYPD's amended requirement is as set forth below:

"b) Accepts images of unidentified perps from existing NYPD ECMS case management system and matches submitted images against NYPD "enrolled" mug shot images and other stored images of unidentified perps. These images will arrive in many forms including: printed, digital or video format either online, via mass media transfer (removable hard drives) flash memory drives, video tapes, or printed media."

4. **Modification to Appendix D, "Contractor's Proposal" of the Agreement.** The parties agree to modify Appendix D as set forth below:

- a. **Deletion of requirement (s) to provide an Office Facility:** The parties agree to delete Contractor's requirement to provide an office facility in the vicinity of 1 Police Plaza as set forth on page 76 of Appendix D "Contractor's Proposal", including by not limited to Contractor's requirement as set forth in Section II, "Specific Assumptions", "Other requirements", Provision 5, "Forensic Lab", sub-section (b) of Appendix D, "Contractor's Technical Proposal".
- b. **Deletion of requirement(s) to provide interfaces to NYPD systems NITRO and IDS: Contractor's Technical Proposal, Section 2.5, "Appendix B – Statement of Work, Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b).** The parties agree to delete the requirement set forth on page 63 of Contractor's Technical Proposal, Section 2.5, "Appendix B – Statement of Work, Section II, "Specification Assumptions", "General Requirements and Scope of Deliverables", sub-section (1)(b) to the extent it requirements extends to Contractor's requirement to provide a system that accepts images from existing NYPD case management systems known as "NITRO" and "IDS". Contractor's amended response to this requirement is as set forth below:

"L-1 Response: Interface to the NYPD [REDACTED] system will be implemented. Unsolved crime scene photograph database will be maintained in ABIS@ server."

5. **Modifications to the Agreement, Section I, "Scope of Work":** The parties agree to modify the Agreement at Section I, "Scope of Work" as set forth below:

- a. **Section A, "Specifications":**
 - i. The first sentence of this Section A, Specifications, "Except as modified herein, the Contractor shall provide the following as specified in the Contractor's Scope of Work attached hereto as Appendix C." is hereby modified to read as follows: "Except as modified herein, the Contractor shall provide the following as specified in the Contractor's Proposal attached hereto as Appendix D."
 - ii. **sub-section 2.** The parties agree to delete the requirement set forth in Section A, "Specifications", sub-section 2 to the extent it extends to Contractor's requirement to provide a system that accepts images from existing NYPD case management systems known as "NITRO" and "IDS".
 - iii. **sub-section 12 of the Agreement.** The following provision I.A.12 is deleted from the Agreement in its entirety.

"I.A.12: At the NYPD's request, the Vendor shall provide an office facility in the vicinity of 1 Police Plaza for temporary hosting of forensic operations. The vendor's facility shall be required to host approximately 10 persons/workstations, a data wall and peripherals. NYPD-approved personnel shall need 24x7 access to this facility and the facility shall comply with NYPD security requirements. The NYPD, if needed, shall lease this facility for up to 18 months, with the option to terminate the lease at any time."

b. Section B, "Hardware/System and Application Software":

- i. Sub-section 1. The sentence in this sub-section 1 beginning with "*Post warranty maintenance and support" is hereby deleted in its entirety and replaced with the following sentence:

"*Post warranty maintenance and support renewals shall be invoiced automatically on a yearly basis, at the beginning of each year at a prices set forth on Schedule 5 to this First Amendment unless NYPD notifies contractor 60 days in advance of the end of the then-current support period of cancellation of services."

- ii. **Sub-section 1.a, "NYPD Project Manager" of the Agreement.** The parties agree to replace Section I, "Scope of Work", Section B, "Hardware/System and Application Software", Sub-section 1.a, "NYPD Project Manager" of the Agreement, with the following:

"a. NYPD Project Manager

Nicholas Puccio, Computer Operations Manager III
Office of Information Technology
1 Police Plaza, Rm 900
New York, NY 10038
Tel. # 646-610-

Upon execution of this Agreement, with the exception of disputes, change orders, time extensions and other contract administration matters, the Contractor shall correspond exclusively with the NYPD Project Manager. For contract administration matters, the Contractor shall correspond directly with the NYPD Agency Chief Contracting Officer:

Frank Bello, Assistant Commissioner
NYPD-Contract Administration Unit
51 Chambers Street, Rm. 310
New York, NY 10007
Tel # 646-610-

Upon execution of this Agreement, the Contractor shall correspond exclusively with the NYPD Project Manager."

6. Modification to Agreement Section II, "Agreement Terms and Conditions": The parties agree to modify the Agreement at Section II, "Agreement Terms and Conditions" as set forth below

- a. **Sub Section F, "Total Contract Value and Payment Provision" of the Agreement.** The parties agree to modify the Total Contract Value and Payment Provision to reflect the modifications as set forth in this First Amendment. The parties agree to delete, in its entirety

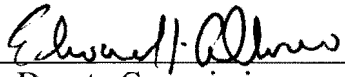
Sub section F, "Total Contract Value and Payment Provision" of Section II of the Agreement and to replace it with the Sub Section F, "Total Contract Value and Payment Provision" attached hereto as Schedule 5.

- b. **Sub Section G, "Total Contract Value" of the Agreement.** The parties agree to modify sub-section G, "Total Contract Value" of the Agreement to read: "The total contract value shall not exceed Four Million Seven Hundred Eighty Six Thousand and Two Hundred and Forty Two Dollars, (\$4,786,242.00).
7. **Additional Deliverables: Capture and Verification of Irises.** NYPD requests and Contractor agrees to provide additional deliverables as set forth in Contractor's Statement of Work for the Capture and Verification of Irises dated x/x/xx work attached hereto as Schedule 3, "Additional Deliverables". Such Additional Deliverables shall be considered part of the System for purposes of Warranty, Maintenance and Support.

[SIGNATURES ON NEXT PAGE]

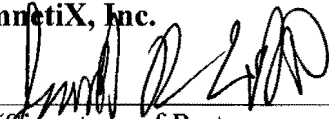
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers, duly authorized by the Contractor and by The Department, as follows:

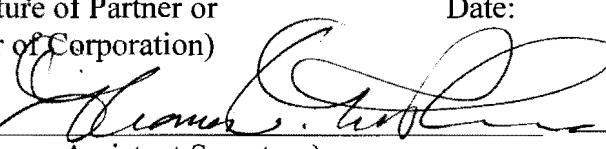
THE CITY OF NEW YORK POLICE DEPARTMENT

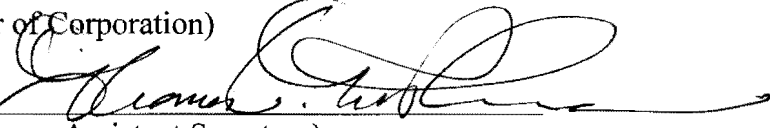
BY: 
Deputy Commissioner
Management & Budget

Date: 8/24/11

Comnetix, Inc.

BY: 
(Signature of Partner or
Officer of Corporation)

Date: 

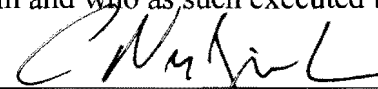
ATTEST: 
(Secretary or Assistant Secretary)

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:

On this 24th day of June, 2011 before me personally came Edward J. Allocco to me known and known to me to be the Deputy Commissioner for Management and Budget of the City of New York Police Department, the person described as such in and who as such executed the same as Commissioner for the purposes therein mentioned.


Notary Public or Commissioner of Deeds

CHRISTOPHER P. NESTERCZUK
NOTARY PUBLIC - STATE OF NEW YORK
NO. 02NE6206465
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRES MAY 18, 2013

=====

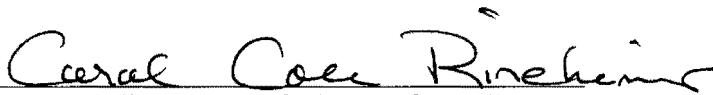
Acknowledgment by Corporation

STATE OF Minnesota)

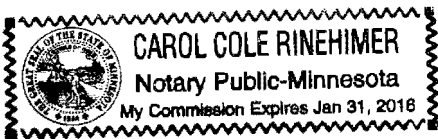
COUNTY OF Hennepin)

SS.:

On this 19th day of April, 2011, before me personally came **Jared R. Cahill** who being by me duly sworn, did depose and say: that he resides in the City of Prior lake, MN, that he is the **Chief Financial Officer** of **ComnetiX Inc.**, the corporation described in the foregoing instrument; that he knows the seal of said corporation ; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of Board of Directors of said corporation; and that he sign his name thereto by like order.



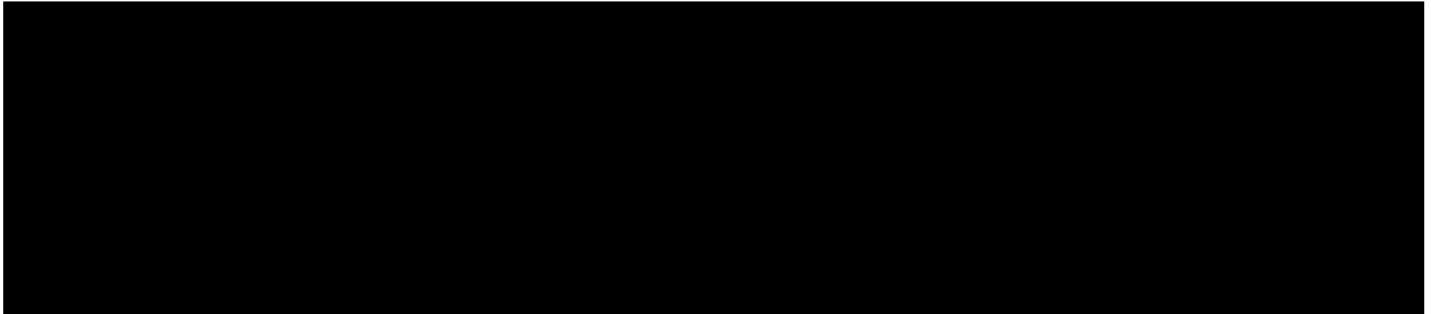
Notary Public or Commissioner of Deeds



Schedule 3
Additional Deliverables

Statement of Work for the Capture and Verification of Irises

NYPD Iris ID Verification Hardware, Software and Services:



Services to be performed:



Deliverables:

Comnetix Inc. 2872 Bristol Circle Suite 100, Oakville, Ontario Canada L6H 6G4								
Item Number	Description	Product Details	Qty	NYS Net Price	MSRP	Discount off MSRP 15%	Extended Price	24x7 Support 11% of NET
DIGITAL IMAGING HARDWARE AND ACCESSORIES								
PIER-T IRIS		1 per iris		\$ 2,020	\$ 2,376	15%	\$ 2,020	\$222
				\$ 1,800	\$ 2,118	15%	\$ 16,200	\$1,782
SubTotals:							\$18,220	\$ 2,004
SOFTWARE								
Workstation Software								
IBIS-DESKTOP	IBIS DESKTOP PC WITH SFR. Desktop workstation provides IBIS search capabilities at agencies with Ethernet access to IBIS central site servers. One year 24/7 Help Desk warranty included.	1 software license per iris verification location	7	\$2,900	\$3,412	15%	\$20,300	\$ 2,233
Sub Totals:							\$ 20,300	\$ 2,233

SERVICES - All Services Include Per Diem and Travel					
Services					
		\$ 2,000	\$ 2,353	15%	\$ 24,000 NA
		\$ 1,500	\$ 1,765	15%	\$15,000 NA
		\$ 1,500	\$ 1,765	15%	\$ 15,000 NA
		\$ 1,500	\$ 1,765	15%	\$ 7,500 NA
		\$ 1,500	\$ 1,765	15%	\$ 60,000 NA
		\$ 1,600	\$ 1,882	15%	\$ 24,000 NA
				Sub Totals:	\$145,500 NA

Maintenance:

Maintenance fees for the deliverables provided under this statement of work shall be an additional \$4237.00 per year. The following items listed in the table below are included for purposes of maintenance services.

Item Number	Description	Product Details	Qty	NYS Net Price	MSRP	Discount off MSRP 15%	Extended Price	24x7 Support 11% of NET
DIGITAL IMAGING HARDWARE AND ACCESSORIES								
IRIS				\$ 2,020	\$ 2,376	15%	\$ 2,020	\$222
				\$ 1,800	\$ 2,118	15%	\$16,200	\$1,782
Sub Totals:							\$18,220	\$ 2,004
SOFTWARE								
Workstation Software								
IBIS-DESKTOP	IBIS DESKTOP PC WITH SFR. Desktop workstation provides IBIS search capabilities at agencies with Ethernet access to IBIS central site servers. One year 24/7 Help Desk warranty included.	1 software license per iris verification location	7	\$2,900	\$3,412	15%	\$20,300	\$ 2,233
Sub Totals:							\$ 20,300	\$ 2,233

Schedule

The delivery of the IRIS system will be incorporated into the FIS project on a schedule to be mutually agreed upon by the parties.

Install Locations:

The table below defines the locations for installation.

Location	Verification QTY	Deployment QTY
MANHATTAN COURT SECTION 100 Centre Street New York, NY 10013	1	1
MIDTOWN COMMUNITY COURT 314 West 54 Street New York, NY 10019	1	1
BROOKLYN COURT SECTION BROOKLYN HOUSE OF DETENTION 275 Atlantic Avenue Brooklyn, NY 11201	0	1
BROOKLYN COURT SECTION BROOKLYN HOUSE OF DETENTION 120 Schermerhorn Street Brooklyn, NY 11201	1	0
RED HOOK COMMUNITY COURT 88 Visitation Place Brooklyn, NY 11231	1	1
BRONX COURT SECTION 215 East 161 Street Bronx, NY 10451	1	1
QUEENS COURT SECTION 125-01 Queens Boulevard Kew Gardens, NY 11424	1	1
STATEN ISLAND COURT SECTION 78 Richmond Terrace Staten Island, NY 10301	1	1
MANHATTAN ARREST PROCESSING CENTER (MAPC) 1 Police Plaza New York, NY 10038	1	1
QUEENS MASS ARREST PROCESSING CENTER (QMAP): the same as Queens Criminal Court 125-01 Queens Blvd. Kew Gardens, NY 11424	1	1

Schedule 5
F. Total Contract Value and Payment Provision

F. TOTAL CONTRACT VALUE AND PAYMENT PROVISION:

In accordance with the Contractor's Price Proposal the City agrees to pay the Contractor as follows.

Item Description	Unit /TOTAL Price
FORENSIC IMAGING SYSTEM (with facilities leasing by Contractor).	\$4,786,242

1. Payment Schedule for System (not inclusive of 1 year warranty and 4 years of maintenance):
\$3,787,446.00

The Department shall make payments to the Contractor based on the following milestones:

Milestone 1: Parties acknowledge payment and receipt of the first milestone payment in an amount equal to \$182,771.30

Milestone 2: Parties acknowledge payment and receipt of the second milestone payment in an amount equal to \$365,542.60

Milestone 3: Upon delivery and installation of Contractor's automated biometric identification system "ABIS" software solution a payment in an amount equal to \$913,856.50;

Milestone 4: Upon delivery and installation of the Iris Capture and Verification solution, a payment in an amount equal to \$184,020.00;

Milestone 5: Upon completion of Acceptance Testing, a payment in an amount equal to \$913,856.50;

Milestone :6 Upon First Beneficial Use, a payment in an amount equal to \$613,699.55; and

Milestone :7 Upon Final Acceptance (30 days of continuous successful production use) a payment in an amount equal to \$613,699.55.

)

For purposes of this payment schedule:

- (i) delivery and installation of the ABIS software solution shall include delivery and installation of the ABIS server software, the facial examiner workstations software, the kiosk software and integration with the Department's "ECMS" system;

2. 1 Year Warranty Period: \$119,000.00

95% of the total warranty cost upon the earlier of Final Acceptance or 30 days of continuous successful production use (\$113,050.00)

5% of total warranty cost (retainage) at completion of 1 year warranty period (\$5,950.00)

3. Payment for 4 Year Post-Warranty Maintenance Period: \$879,796.00

95% of 1st year maintenance period upon commencement of 1st year maintenance period (\$ 208,951.55)

95% of 2nd year maintenance period and 1st year retainage upon commencement of 2nd year maintenance period (\$ 219,949.00)

95% of 3rd year maintenance period and 2nd year retainage upon commencement of 3rd year maintenance period (\$219,949.00)

95% of 4th year maintenance period and 3rd year retainage upon commencement of 4th year maintenance period (\$219,949.00)

Payment of \$10,997.45 (4th year retainage) at completion of 4th year of Maintenance Period

4. [THIS PROVISION INTENTIONALLY DELETED]

If this Agreement is terminated because of the default of the Contractor during the term of the extended warranty, the Contractor shall reimburse the NYPD a pro rata portion of the annual fee for such year (to the extent prepaid by the City).

Payment Requests shall be submitted to:

Nicholas Puccio, Computer Operations Manager III
Office of Information Technology
1 Police Plaza, Rm 900
New York, NY 10038
Tel. # 646-610- [REDACTED]

SECOND AMENDMENT

to

Agreement for the Provision of Forensic Imaging System for the New York City Police Department PIN056100000684

THIS SECOND AMENDMENT ("SECOND AMENDMENT") to the Agreement for the Provision of Forensic Imaging System for the New York City Police Department PIN056100000684 dated the 31st day of March 2010 (the "Agreement") by and between City of New York acting through the New York City Police Department located at One Police Plaza, New York, New York 10038 (hereinafter referred to as "Department", "NYPD", "City" or "Customer") and ComnetiX, Inc., located at 2872 Bristol Circle, Suite 100, Oakville, Ontario L6H6G4, Canada (hereinafter referred to as "Contractor" or "L-1") is entered into as of the 25 day of SEPT, 2012 (the "Effective Date").

WHEREAS Parties desire to amend the Agreement to provide for the delivery of additional goods and services to the Agreement as provided for herein; and

NOW THEREFORE in consideration of their mutual promises made herein, and for other good and valuable consideration, receipt of which is hereby acknowledged by each party, the parties, intending to be legally bound, hereby agrees as follows:

1. **Defined Terms.** Those capitalized terms that are not defined in this Second Amendment shall have the meanings ascribed to such terms in the Agreement.
2. **Amendment of Agreement.** This Second Amendment shall serve the purpose of amending those provisions of the Agreement that are expressly described herein. The numbered paragraphs and headings in this Second Amendment correspond to those numbered paragraphs and headings in the Agreement. The provisions of the Agreement that are not expressly amended by this Second Amendment shall remain in full force and effect. In the event of any inconsistency between the terms of the Agreement and this Second Amendment, the terms of this Second Amendment shall control.
3. **Additional Goods and Services.** NYPD has requested and Contractor has agreed to provide the Goods and Services as described on Schedule 3 to this Second Amendment.
4. **Price and Payment.** Prices for such additional Goods and Services are set forth on Schedule 3. Payment is due net thirty (30) days from date of invoice.
5. **Modification to Agreement Section II, "Agreement Terms and Conditions":** The parties agree to modify the Agreement at Section II, "Agreement Terms and Conditions" as set forth below
 - a. **Sub Section F, "Total Contract Value and Payment Provision" of the Agreement.** The parties agree to modify the Total Contract Value to reflect the modifications as set forth in this Second Amendment. The new Total Contract Value shall be \$ 4,935,542.00
 - b. **Sub Section G, "Total Contract Value" of the Agreement.** The parties agree to modify sub-section G, "Total Contract Value" of the Agreement to read: "The total contract value shall not exceed Four Million Nine Hundred Thirty-Five Thousand and Five Hundred and Forty Two Dollars, (\$4,935,542.00).
6. **Warranty and Post Warranty Maintenance Services.** The additional Goods shall be considered part of the System for purposes of warranty and post warranty maintenance services.

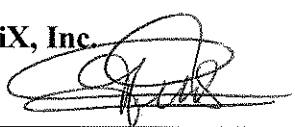
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers, duly authorized by the Contractor and by The Department, as follows:

THE CITY OF NEW YORK POLICE DEPARTMENT

BY: _____
Deputy Commissioner
Management & Budget

Date:

ComnetiX, Inc.

BY:  _____
(Signature of Partner or
Officer of Corporation)

Date: 25 SEPT 2012

ATTEST: _____
(Secretary or Assistant Secretary)

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:

On this _____ day of _____ before me personally came Edward J. Allocco to me known and known to me to be the Deputy Commissioner for Management and Budget of the City of New York Police Department, the person described as such in and who as such executed the same as Commissioner for the purposes therein mentioned.

Notary Public or Commissioner of Deeds

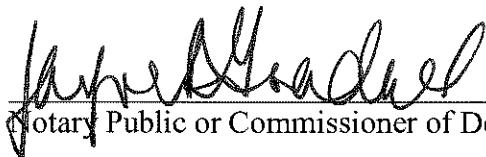
Acknowledgment by Corporation

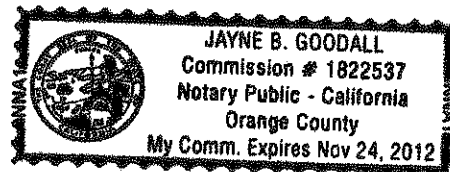
STATE OF CALIFORNIA

COUNTY OF ORANGE

SS.:

On this 25 day of ~~June~~^{SEPT}, 2012, before me personally came Florian Hebras who being by me duly sworn, did depose and say: that he resides in the City of ANAHEIM, CA that he is the **Treasurer** of **ComnetiX Inc.**, the corporation described in the foregoing instrument; that he knows the seal of said corporation ; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of Board of Directors of said corporation; and that he sign his name thereto by like order.


Notary Public or Commissioner of Deeds



Schedule 3
Description of Additional Goods and Services

Modification #1.

Modification to accept files submitted to FEW up to 2 GB in size

L-1 Scope of Work

The currently installed FEW/HTTP client times out prior to full download of files submitted for matching that are larger than 600MB (approx). L-1 will make the necessary modifications to the software to allow the following:

- a. Change upper limit of acceptable file size to 2 GB
- b. Allow for a configurable time out
- c. Provide a status bar for feedback to operator during download

L-1 will provide this modification as further described in CSPR 1688, to the existing Solution Customization. L-1 will integrate the requested functionality into the standard COTS product at no additional charge to NYPD.

Modification #2.

Modification to Enrollment Logic to eliminate duplicate records and to prevent newer records from being over-written by older records

L-1 will provide a modification to the NYPD Face Workflow Manager's enrollment record (MMENR) workflow to replace the existing record data with the newly received data for a specific arrest # as described below and in CSPR 1690.

Requirements

Under the current interface between [REDACTED] and [REDACTED] each time a record is either newly created or updated [REDACTED] will send the record to [REDACTED] as a new enrollment (MMENR). Under this current data interface FIS will store multiple records for the same subject/arrest number. More specifically, an exact duplicate record may be created in FIS as a result.

L-1 Scope of Work

The modification shall examine the date/time stamp of the photo and uses the following rule:

1. if the date/time stamp of the record (ANSI/NIST Tag # 2.730 - Photo Date/Time) is **equal to or more recent** than what is currently stored in FIS database(s), replace the existing FIS record with the new MMENR immediately with no additional action

2. if the date/time stamp of the record (ANSI/NIST Tag # 2.730 - Photo Date/Time) is **older** than what is currently stored in FIS database(s), move the MMENR record to a queue for Face Examiner determination of subsequent action
3. Subsequent action (internal review with other NYPD process participants) will determine next course of action
 - a. Face Examiner may allow the relevant transaction to be processed and replace the record in FIS database(s) by selection an option in the displayed record
 - b. Face Examiner may delete the new incoming MMENR and prevent any further processing in FIS. **No additional action is required in FIS.**
4. The queue shall be made available to any authorized Face Examiner
5. The queue shall allow the Face Examiner to view the new MMENR record, the image(s) and all it's fields of information **AND** the existing FIS record(s) with its/their image(s) and fields of information
6. The viewed records shall be formatted in such a manner as to allow easy viewing and side by side comparison of the two records, or multiple records, in question
7. The Face Examiner shall be provided with the capability to Accept or Not Accept the new MMENR record
 - a. If Accepted, the new MMENR record shall replace the/all instances of that record in the FIS database(s)
 - b. If Not Accepted, the new MMENR record shall be deleted from the queue with no subsequent action in FIS
 - c. Under NYPD-managed Supervisor authorization (no FIS system functionality required), the Face Examiner may accept the new MMENR and shall have the ability to select which of the multiple records that may exist in FIS for the same arrest number shall be replaced in FIS...the others of which shall be deleted in FIS. The end result in this case is that all record occurrences except one shall be deleted from the FIS database(s)
8. FIS system will not be used to edit any of the information or image in either of the subject records. This will be performed between the Face Examiner and the responsible NYPD user. If any corrections are subsequently made, the then new MMENR will be processed in accordance with the requirements of this change order.

L-1 will provide this modification at an additional charge of \$77,080 (**Seventy-Seven Thousand and Eighty Dollars**).

Modification #3.

Modification to Appearance and Functionality of the Search Request Queue and Quality Review Queue

Search Request Queue

L-1 will provide the following data elements to be displayed as columns in the Search Request Queue user interface. L-1 will work with NYPD to determine the desired screen view and as described in CSPR 1689:

- Date/Time
- 61 #
- ECMS #
- Command Description
- Offense
- Investigator's Rank/Name/Tax
- Squad Supervisor's Rank/Name/Tax
- FIS Tracking #
- Source

Quality Review Queue

L-1 will provide the following data elements to be displayed as columns in the Search Request Queue user interface. L-1 will work with NYPD to determine the desired screen view:

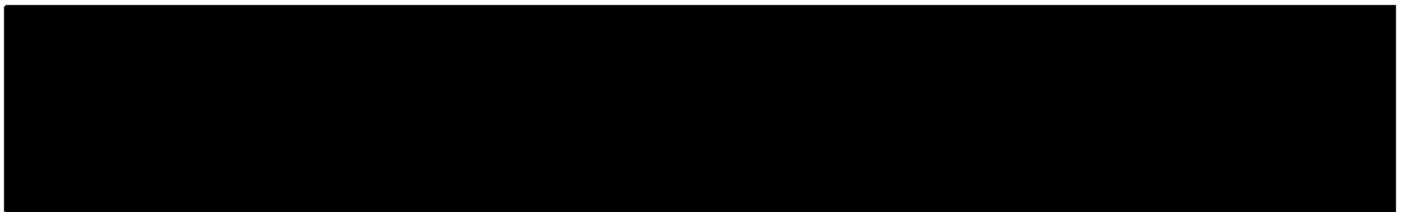
- Date of Photo
- Time of Photo
- Precinct
- Arrest Number
- Photographer Tax ID Number
- First Name of perp
- Last Name of perp
- NYSID Number

Search Request and Quality Review Behavior

L-1 will provide the following:

- A pre-defined display of the data elements in the above queues, such that each and every operator will see the same layout/format.
 - The current Face Examiner user interface allows for the FEW operator to hide columns, re-arrange column orders, etc... however, when the queue plug in is closed and re-opened, none of the FEW operator's selected display settings are preserved, hence the NYPD request to have the user interface somewhat static in what displayed to the operator
 - Only the above NYPD columns are requested to be displayed – all other current FEW / FIS columns (ORI, Priority, Etc) should be removed from the display
- The ability to group transactions in the queue by any of the above defined data elements.
 - Note: The NYPD require the need to group search transactions by Date (extracted from the Date/Time – ADD__TS)

ECMS Search Transaction Extracted Metadata



L-1 will provide this modification at an additional charge of **\$36,540 (Thirty-Six Thousand Five Hundred and Forty Dollars)**.

Modification #4.
Request to modify Reports as a result of a search result

Background

L-1 will provide modification to the reports to distribute to the Investigating Detective whereby the number of records to prepare on the report and which records will be on the report to be selectable by the Face Examiner as described below and in CSPR 1687.

FIS REPORT REQUIREMENTS

1. The system will generate three reports as selected by Face Examiner.
 - a. "POSSIBLE MATCH"
 - b. "NO MATCH FOUND"
 - c. "IMAGE REJECTED"
2. Each of the reports shall take the same basic format with differences as noted in the specifications to be developed as part of the scope of work
3. For each of the reports certain data will be extracted and populated by FIS while others will require manual entry. (see table below)
4. Manual entries shall be made on a screen which shall be completed by the Face Examiner at the time that they pull the search request from the queue.
 - a. Input screen will appear each time a FIS Investigator pulls a case from the queue.
 - b. This screen will be foreground to the Import Screen and cannot be closed until all data fields are populated
 - c. System generated entries shall be extracted from existing NYPD or FIS interfaces
 - d. If the search was initiated manually, meaning NOT through ECMS, the FE will enter all data and all fields will be considered mandatory

<i>Field</i>	<i>Source of Data</i>	<i>Validation or Verification</i>
FIS Log No.	Manual Entry, Face Examiner, Input Screen required	None, Mandatory
Complaint No.	ECMS or Manual (if blank) or Manual Overwrite (if populated)	None, manual entry allowed if not populated from ECMS
Det. Case No. ("caseNumber"- "caseYear" from XML)	ECMS or Manual (if blank) or Manual Overwrite (if populated)	None, fields to be concatenated, no spaces, hyphenated
Crime ("pdcDesc" from XML)	ECMS or Manual (if blank) or Manual Overwrite (if populated)	None, manual entry allowed if not populated from ECMS
Submitting Investigator ("openByFf" from XML)	ECMS or Manual (if blank) or Manual Overwrite (if populated)	None, manual entry allowed if not populated from ECMS
Investigator Command ("commandDesc" from XML)	ECMS or Manual (if blank) or Manual Overwrite (if populated)	None, manual entry allowed even if already populated from

		ECMS
Date & Time Submitted (createdDate, createTime from XML)	ECMS or Manual (if blank) or Manual Overwrite (if populated)	None
FIS Investigator	Manual Entry	Alpha Characters, Mandatory
Date & Time of FIS Response	FIS	None
RTCC Log No.	Manual Entry	None
Source of Image	FIS, such that the field shall report which database(s) the search results originated whether the source currently exists or is developed in the future	None, as stored in FIS or other interface(s) from which image was imported

5. Report type of “POSSIBLE MATCH” will be initiated from the results screen as is currently available
 - a. Once the report is generated, if more than one candidate is desired, a “POSSIBLE MATCH” report shall be generated for each candidate selected by the Face Examiner
 - b. The report, in PDF format, shall be returned to ECMS per current interface
6. The “IMAGE REJECTED” report shall be selected from a drop-down menu on the current search results screen *and* from the IMPORT screen (see below). This will allow the FE the ability to reject an image without performing a search.
 - i. A button shall be made available to select “IMAGE REJECTED”
 - ii. Button to be located next to “IMPORT”
 - b. The submitted/rejected image (ECMS or Manual) shall be imported into the report without FE intervention
 - c. If “IMAGE REJECTED” is selected, a screen shall be made available to the Face Examiner allowing the ability to enter a reason for the rejection of the image
 - i. A drop down menu shall be used to select the reason (entries TBD)
 - ii. A “CUSTOM” selection shall be available to allow the Face Examiner to enter a reason not available in the pull down menu
 - iii. The reason shall be imported into the “IMAGE REJECTED” report
7. The “NO MATCH FOUND” report will be selected from a drop-down menu located on the current search results screen
 - a. The “NO MATCH FOUND” report will be populated with the submitted image

General Requirements

8. All reports output format shall be in PDF

9. Reports shall be automatically stored in Folder (TBD) on NYPD network
10. Resultant image information shall be populated by FIS System
11. Resultant image shall be populated by FIS System, the number of which shall be selected by the FE
12. Probe image shall be populated by FIS unless multiple probe images initiated the Search, in which case the FE shall be provided with the ability to select which of the *N* images to populate the report
 - a. Image selection shall be made at the same time that Incident Information is requested – at the beginning of the process just prior to submitting the Search
 - b. If only one image is selected, from multiple images submitted on the DD5, FIS shall automatically populate the report with that image
13. Ability is required to allow saving of search results until PEER REVIEW and/or SUPERVISOR AUTHORIZATION occurs
 - a. This may be performed either as a saved search in the FE's network folder or in a queue to be selected at a later date.
 - b. A saved search result, once authorized, shall continue in process as though it had not been originally saved
 - c. Once authorization occurs (internal NYPD process), the report shall be distributed as is currently
 - d. Authorization granted shall be managed by the FE and requires no additional entry on the search result screen
 - e. Approval to prepare and distribute the report is as currently performed

L-1 will provide this modification at an additional charge of **\$35,680 (Thirty-Five Thousand Six Hundred and Eighty Dollars)**.

FOURTH AMENDMENT TO PIN # 056100000684

**ONE-YEAR ACCO EXTENSION TO THE AGREEMENT FOR THE PROVISION
OF A FORENSIC IMAGING SYSTEM**

THIS FOURTH AMENDMENT AGREEMENT, dated May 5, 2017, by and between The **City of New York** ("the City"), acting by and through the **Police Department of the City of New York** ("the Department" or "NYPD") having its principal office at One Police Plaza, New York, New York 10038, and **MorphoTrust USA, LLC** ("MorphoTrust") having offices at 296 Concord Road, Suite 300, Billerica, MA 01821.

W I T N E S S E T H

WHEREAS, by an Agreement ("the Original Agreement"), CT 056100000684, entered into between the original contractor, ComnetiX, Inc. ("ComnetiX"), and the City of New York, registered on June 8, 2010, the City agreed to purchase and ComnetiX agreed to furnish the City with a Forensic Imaging System ("FIS" or "the Goods"); and

WHEREAS, the term of the Original Agreement was July 27, 2011 through July 26, 2016 (five years from final acceptance of the FIS); and

WHEREAS, the total maximum contract amount payable for the Goods provided for in the Original Agreement was \$4,709,274.00; and

WHEREAS, the total maximum contract amount was increased, by Amendments #1 and #2 to the Original Agreement, to a new maximum amount of \$4,935,542.00; and

WHEREAS, Amendment # 3 to the Original Agreement, assigned the Original Agreement and Amendments #1 and #2 from Comnetix to MorphoTrust; and

WHEREAS, the Department now requires the contract term to be extended for one (1) year to allow for the continued maintenance and support of the FIS, and to increase the maximum contract amount; and

WHEREAS, the Original Agreement is being amended in accordance with the Procurement Policy Board Rules section 4-03.

NOW THEREFORE, in consideration of these premises, the Parties do hereby agree to amend the Agreement as follows:

1. The Original Agreement term shall be extended by one (1) year, from July 27, 2016 through July 26, 2017.

2. The value of the Original Agreement, as amended, shall be increased by \$343,763.00 to a new maximum contract amount of \$5,279,305.00.
3. Except as set forth in this Fourth Amendment Agreement, the Original Agreement, as amended, is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this Amendment and the Original Agreement, as amended, the terms of this Fourth Amendment will prevail.

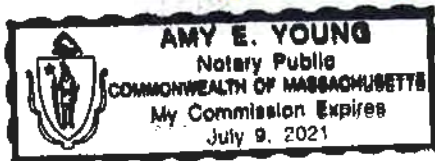
IN WITNESS WHEREOF, the parties hereto execute this Fourth Amendment on this 5
day of May, 2017.

Sworn to me this 5 day of
May, 2017.

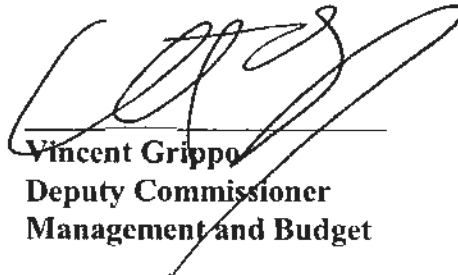

NOTARY PUBLIC
KEVIN T. MURTAGH
Notary Public, State of New York
No. 02MU8085420
Qualified in New York County
Commission Expires Dec. 30, 2018

Sworn to me this 25 day of
April, 2017.

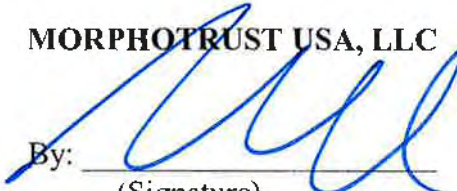

NOTARY PUBLIC



**CITY OF NEW YORK
POLICE DEPARTMENT**

By: 
Vincent Grippone
Deputy Commissioner
Management and Budget

MORPHOTRUST USA, LLC

By: 
(Signature)

Robert Eckel, President & CEO
(Print Name and Title)

VENDOR'S AFFIRMATION

The undersigned Vendor affirms and declares that said Vendor is not in arrears to the City of New York upon debt, Contract or taxes and is not a defaulter, as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the proposer or bidder to receive public Contracts except N/A.

Full name of Vendor: MorphoTrust USA, LLC

Address: 296 Concord Road, Suite 300

City: Billerica State: MA Zip Code: 01821

Signature of Vendor (or on behalf of vendor) _____



CHECK ONE AND INCLUDE APPROPRIATE NUMBER:

A _____ Individual or Sole Proprietorship*

SOCIAL SECURITY NUMBER: _____

B _____ Partnership, Joint Venture or other non incorporated organization

EMPLOYER IDENTIFICATION NUMBER: _____

C X Corporation (If a corporation place seal below)

EMPLOYER IDENTIFICATION NUMBER: 04-3320515

*Under the Federal Privacy Act the furnishing of Social Security Numbers by bidders on City Contracts is voluntary. Failure to provide a Social Security Number will not result in a bidder's disqualification. Social Security Numbers will be used to identify bidders, proposers or vendors to ensure their compliance with laws, to assist the City in enforcement of laws as well as to provide the City a means of identifying businesses which seek City Contracts.

THE CITY OF NEW YORK
POLICE DEPARTMENT

APPENDIX A

SUPPLY AND SERVICE
TERMS AND CONDITIONS FOR INFORMATION TECHNOLOGY PROPOSALS
2007

ARTICLE 1 - THE CONTRACT

This Agreement is subject to the rules of the Procurement Policy Board of the City of New York. In the event of a conflict between said Rules and a provision of the Agreement, the Rules shall take precedence.

ARTICLE 2 - DEFINITIONS

The following words and expressions, or pronouns used instead, shall, wherever they appear in this contract, be construed as follows, unless a different meaning is clear from the context:

- "ACCEPTANCE TESTING" shall mean the process for testing each Milestone and/or Deliverable of the Work as described in the SPECIFICATIONS as agreed upon in the Acceptance Test Plan
- "ADDENDUM" or "ADDENDA" shall mean the additional contract provisions issued in writing by the Commissioner prior to the receipt of Proposals.
- "AGENCY" shall mean a city, county, borough or other office, position, department, division, bureau, board or a corporation, institution or agency of government, the expenses of which are paid in whole or in part from the City treasury.
- "AGENCY CHIEF CONTRACTING OFFICER (ACCO)" - Position delegated by Authority of the Agency Head to organize and supervise the procurement activity of subordinate agency staff in conjunction with the CCPO.
- "AWARD DATE" shall mean the date that the Agreement is registered with the City of New York Office of the Comptroller.
- "CHANGE ORDER" shall mean a document executed by the City and the Contractor modifying or amending this Contract where such modification reflects the parties' agreement to include Extra Work.

- "CITY" shall mean the City of New York, party of the first part.
- "CITY CHIEF PROCUREMENT OFFICER (CCPO)"- Position delegated Authority by the Mayor to coordinate and oversee the procurement activity of mayoral agency staff, including the ACCO and any offices which have oversight responsibility for the procurement of construction.
- "COMMISSIONER (or AGENCY HEAD)" shall mean the Police Commissioner of the City of New York, or his duly authorized representative designated in writing by the Commissioner.
- "COMPTROLLER" shall mean the Comptroller of the City of New York.
- "COMPUTER SOFTWARE," means computer programs, computer databases, and documentation thereof.
- "CONTRACT" or "CONTRACT DOCUMENTS" shall mean the Agreement for the procurement ("Agreement") and the documents listed in Section II (Y) therein.
- "CONTRACTOR" shall mean the party of the second part hereto, whether corporation, firm or individual, or any combination thereof, and its, their or his successors, personal representatives, executors, administrators and assigns, and any person, firm or corporation who or which shall at any time be substituted in the place of the party of the second part under this contract.
- "CONTRACT DRAWINGS" shall mean only those drawings specifically entitled as such and listed in the Specifications or in any addendum thereto, or any detailed drawings furnished by the Commissioner, referenced therein, pertaining or supplemental thereto.
- "CONTRACT PRICE" shall mean the price agreed to be paid by the City for the Work performed hereunder as set forth in the Agreement and any Change Orders agreed to hereunder.
- "CONTRACT WORK" (Or "THE WORK") shall mean everything required to be furnished and done by the Contractor under this Agreement , including Extra Work as hereinafter defined; it being understood that, in case of any inconsistency in or between any part or parts of this Contract, the Project Manager shall determine which shall prevail..
- "CUTOVER" shall mean that the System functionality has been successfully tested.
- "DEPARTMENT, " "Police Department," or "NYPD," shall mean the New York City Police Department acting by and through the Commissioner thereof, or his duly authorized representative.

- "DIRECTED", "required", "permitted", "ordered", "designated", "selected", "prescribed", or words of like import used in the Specifications, or upon the drawings (if any) shall mean, respectively, the direction, requirement, permission, order, designation, selection or prescription of the Project Manager; and similarly the words "approved", "approved manner", "approval", "acceptable", "satisfactory", "equal", "necessary", or words of like import shall mean, respectively, approved by, or acceptable or satisfactory to, or equal, or necessary in the opinion of the Project Manager.
- "ENGINEER" shall have the same meaning as "Project Manager".
- "EXTRA WORK" shall mean work other than that required by the Contract at the time of its execution which shall be performed by Contractor upon agreement to a Change Agreement or Change Order.
- "FINAL ACCEPTANCE" shall mean the acceptance of all System Performance Milestones as defined in the Agreement. Final Acceptance by the Commissioner shall be evidenced by his signature upon his certificate of completion and acceptance filed in the Office of the Comptroller, copy of which shall be sent to the Contractor.
- "FINAL COMPLETION" shall mean the acceptance of the system by the City, as further defined in the Agreement.
- "INSPECTOR" shall mean any representative of the Project Manager designated to act as an inspector.
- "LAW" or "LAWS" shall mean the Constitution of the State of New York, the New York City Charter, the New York City Administrative Code, a statute of the United States or of the State of New York, a local law of the City of New York, and any ordinance, rule or regulation having the force of law.
- "LEGAL PROCEEDING" shall mean every action, litigation, arbitration, administrative proceedings, and other legal or equitable proceeding of any kind whatsoever.
- "LIENS" shall mean any and every lien of any kind whatsoever against the Work, any monies due or to become due from the City to Contractor, and/or any other property of the City, for or on account of the Work, including any Public Lien.
- "MANUFACTURER" -- See "Supplier."
- "MATERIALMAN" shall mean any person, firm or corporation, other than employees of the Contractor, who or which contracts with the Contractor, or any subcontractor to fabricate or deliver, or who actually fabricates or delivers, plant, materials or equipment to be incorporated in the work.
- "NEW YORK STATE" or "State" shall mean the State of New York.

- "NOTICE" shall mean a written notice.
- "NOTICE OF INTENT TO AWARD" shall mean a document that apprises the Contractor that the City intends to award the Contract to the Contractor and instructs the Contractor to execute the Agreement.
- "NYPD" shall mean the New York City Police Department.
- "ORIGINAL EQUIPMENT MANUFACTURER" or "O.E.M." shall mean the standards, requirements, recommendations of the respective Manufacturer.
- "OTHER CONTRACTORS" shall mean any Contractor (other than the party of the second part or his subcontractors) who has a contract with the City for work on or adjacent to the building or sites of the Work.
- "PHASE" shall mean a discrete portion of the Work as described in the Specifications.
- "PROCUREMENT POLICY BOARD" (PPB)- The Procurement Policy Board is a permanent agency of the City of New York whose functions are to establish comprehensive and consistent procurement policies and rules which shall have broad application throughout the City.
- "PROJECT" shall mean the public improvement to which this Contract relates.
- "PROJECT MANAGER" shall mean the representative of the Commissioner duly designated by him to be his representative at the site of work.
- "REQUIRED QUANTITY" in a unit price contract shall mean the actual quantity of any item of work or materials which is required to be performed or furnished in order to comply with the contract.
- "REQUIREMENT CONTRACT" shall mean that the Commissioner will order (if applicable and so designated), during the term of this Contract, all services and supplies that may be needed, if any, by any or all NYPD-Bureaus regardless of the estimated quantities in this Contract. The Commissioner may, with the consent of the Contractor, extend the term of this Contract if so stated in the Specifications.
- "Restricted computer software" means computer software developed at private expense and that is a trade secret; is commercial or financial and confidential or privileged; or is published copyrighted computer software; including modifications of such computer software.
- "SITE" shall mean the area upon or in which the Contractor's operations are carried on, and such other areas adjacent thereto as may be designated as such by the Project Manager.
- "SPECIFICATIONS" shall mean the directions, requirements and standards of performance apply to the Work as set forth in the Agreement except as amended by the Department's Requirements.

- "Standard" means a document that establishes engineering and technical limitations and applications of items, materials, processes, methods, designs, and engineering practices. It includes any related criteria deemed essential to achieve the highest practical degree of uniformity in materials or products, or interchangeability of parts used in those products.
- "SUBCONTRACTOR" shall mean any person, firm or corporation, other than employees of the Contractor, who or which contracts with the Contractor or his subcontractors to furnish, or actually furnishes labor, or labor and materials, or labor and equipment, at the site.
- "Substantial Completion" shall pertain to the implementation portion of the Agreement and shall mean acceptance by the Department of the System. System Performance milestones and all milestones preceding such milestones and the delivery of all manuals and drawings specified for delivery in the Specifications in a final form acceptable to the NYPD.
- "Supplier" shall mean an individual or organization who furnishes materials, equipment or supplies including system hardware and software to the Contractor either directly or indirectly, for incorporation in the Work.
 - "SYSTEM" shall mean the deliverables required and provided for in APPENDIX B.
 - "TREASURER" shall mean the Finance Administrator of the City of New York.
- "Voluntary standard" means a standard established by a private sector body and available for public use.

ARTICLE 3 - CHARACTER OF THE WORK

Unless otherwise expressly provided in the Agreement, Contract Drawings, Specifications and Addenda, the Work must be performed in accordance with the best modern practice, with materials and workmanship of the highest quality, to the satisfaction of the Commissioner and in accordance with the description of the Work in the Specifications.

3.1 RIGHT TO KNOW

Where applicable, as per the NYS "Right to Know" law and the Federal OSHA Hazard Communication standard 29 CER 1200, Contractors providing services to the NYPD are required to submit appropriate Manufactures Safety Data Sheets (MSDS) when using chemically based substances on NYPD premises. Failure to provide the relevant MSDS may cause contract to be deemed informal and thus unacceptable for award or, if work is already in progress, may result in the termination of your contract (with applicable penalties).

If any of your Vendors or Contractors have any questions regarding this regulation, they may contact the Authority listed below for clarification:

BUREAU OF TOXIC SUBSTANCE ASSESSMENT
New York State Health Department

Tower Building, Empire State Plaza
Albany, New York 12237
(518)473-3793

ARTICLE 4- PERIOD OF PERFORMANCE AND THE CONTRACT PROVISIONS

4.1 The period of performance of this Contract shall be as shown in Specifications of this Contract, Schedule A, commencing on the date shown in the NYPD's order to commence work letter.

4.2 PROCESS SCHEDULE –

To enable the Work to be laid out and prosecuted in an orderly and expeditious manner the Contractor, within thirty (30) days after receipt of the commence work letter, shall submit to the project manager a Preliminary Schedule Document as called for in the Specifications of this Contract showing:

- (a) The anticipated time of commencement and completion of each of the various operations to be performed under this Contract; and
- (b) The sequence and interrelationship of each of these operations with the others and with those of other related contracts; and
- (c) The estimated time required for fabrication or delivery, or both, or all materials and equipment required for the Work.

4.3 Upon approval by the Department of the Preliminary Schedule Document, the Contractor shall within ten (10) days submit to the Project Manager a proposed Final Schedule Document including revisions to the schedule based on the information gathered during development of the Functional Design for the System. Unless more time is requested, the City's Project Manager will, within five (5) business days of receipt of the proposed Final Schedule Document, approve, or in good faith negotiate the schedule to be agreed upon in the Final Schedule Document.

4.4 Contractor's Detailed Schedule of Work-- The Contractor shall schedule the Project in accordance with the technical requirements set forth the Specifications. The Contractor shall have broad discretion in scheduling the Project.

The NYPD's basis for disapproval of any Schedule Document shall generally be limited to a determination that the Work sequence lacks logic, is unreasonable, is incomplete or is inconsistent with any other contractual requirement, such as a phasing plan. With respect to any submission by the Contractor under this Article, no review, acceptance or approval by the Project Manager shall release or relieve the Contractor from its obligation to fully and properly complete the Work, or any other duty, responsibility or liability imposed on it under this Contract, including, but not limited to the obligation to complete the Work as provided for in the Agreement unless such release is explicit and is given in writing. No such review, acceptance or approval shall constitute an agreement, concurrence or acquiescence on the part of the NYPD that the Contractor will be able to

proceed with or complete the Project in accordance with the schedule contained in the reviewed, accepted or approved Schedule Document, unless such agreement concurrence, or acquiescence, is given in writing.

4.5 Receipt by the NYPD of an updated or revised Schedule Document shall not be construed to mean that the Project Manager agrees that the progress of the Work is as shown or indicated therein or that the updated or revised Schedule Document is acceptable to the Project Manager unless a change in the Schedule Document is agreed upon in writing. Any change to the Schedule Document which results in a change in the milestone schedule dates shall be documented in an amendment or change order to the Agreement which must be registered with the Comptroller's office. Neither the inclusion of changes into a Schedule Document by the Contractor nor the acceptance or approval of or acquiescence in, by the Project Manager thereof shall be construed as constituting extensions of time to the Contract duration unless a change in the Schedule Document is agreed upon in writing. Such changes are to be deemed to be for the purpose of keeping the schedule up-to-date in order to reflect the Work to be accomplished and to include the best time estimate for Work yet to be completed. Receipt by the Project Manager of the detailed Schedule Document required to be submitted by the Contractor pursuant to this Article shall be a condition precedent to the Contractor's entitlement to any payment. In the event that the Contractor submits, and the Project Manager approves, a Project Schedule Document calling for a shorter Contract Completion date, the approved shorter Contract Completion date shall be deemed to be the Contract Completion date.

4.6 In the event that an updated Schedule Document is not timely submitted by the Contractor or is determined by the Project Manager to be grossly inadequate, the NYPD may, in its discretion and for its own internal use, update the Schedule Document with its own forces or through a consultant/contractor and charge the Contractor the costs thereof, provided, however, that this shall not relieve the Contractor of its obligation to submit such updated Schedule Document.

4.7 The Final Schedule Document shall be agreed upon by the parties as set forth in the Specifications. A proposed Schedule Document is included in the Agreement. In the event the Final Schedule Document changes any of the milestone schedule dates set forth in the Agreement such change must be documented in an amendment or change order to the Agreement which must be registered with the Comptroller's office.

4.8 If the Contractor shall fail to adhere to the approved Final Schedule Document, or to the schedule as revised in accordance with this Article, he must promptly adopt such other or additional means and methods of construction as will make up for the time lost and will assure completion in accordance with such schedule.

4.9 REQUEST FOR INFORMATION OR APPROVAL - From time to time as the Work progresses and in the sequence indicated by the approved Schedule Document, the Contractor must submit to the Project Manager a specific request in writing for each item of information or approval required by him. These requests must state the latest date upon which the information or approval is actually required by the

Contractor, and must be submitted sufficiently in advance thereof to allow the Project Manager a reasonable time to act upon such submissions or any necessary re-submissions thereof. Contractor's submission to the Project Manager of weekly status reports including upcoming schedule of events and City action items shall constitute the written request for information required hereunder. In the event the status report accurately reflects the parties' agreement on time schedules for delivery of information and approvals, the City shall comply with such agreed schedule in submitting the information or approval requested.

4.10 The Contractor shall not have any right to an extension of time on account of delays due to his failure to submit his requests for the required information or the required approval in accordance with the above requirements.

4.11 NOTICE OF CONDITIONS CAUSING DELAY - Within ten (10) business days after Contractor learns of any condition which is causing or may cause delay in Contractor's performance in accordance with the Schedule Document, including conditions for which the Contractor may be entitled to an extension of time, the Contractor must notify the Project Manager in writing of the effect, if any, of such condition upon the previously approved Schedule Document, and must state why and in what respects, if any, the condition is causing or may cause such delay.

4.12 Failure strictly to comply with this requirement may, in the discretion of the Commissioner, be deemed sufficient cause to deny any extension of time on account of delay in completion arising out of or resulting from any change, Extra Work, suspension, or other condition. Such failure shall also constitute a waiver, by the Contractor, of any and all claims for damages for delay arising therefrom.

4.13 If and when appropriate, the Schedule Document shall be revised by the Contractor as and when agreed upon by the Project Manager and Contractor, and when approved by the Project Manager, the revised Schedule Document must be strictly adhered to by the Contractor.

4.14 COORDINATION WITH OTHER CONTRACTORS - During the progress of the Work, other Contractors may be engaged in performing other work in the project area. In that event the Contractor shall coordinate the Work to be done hereunder with the work of such other Contractors in such manner as the Project Manager may reasonably direct.

4.15 If the Project Manager shall determine that the Contractor is failing to coordinate his Work with the work of other Contractors as the Project Manager has reasonably directed:

A. The Commissioner shall have the right to withhold any payments otherwise due hereunder until the Project Manager's directions are complied with by the Contractor, and

B. Subject to the Limitation of Liability provision of this Agreement, the Contractor shall indemnify and hold the City harmless from any and all claims or judgments for damages and from costs and expenses to which the City may be subjected or which it may suffer or incur by reason of the Contractor's failure to comply with the Project Manager's directions promptly; and

C. The Comptroller shall have the right to exercise any applicable powers reserved in to it under the City Charter with respect to any claims which may be made for damages due to this Contractor's failure to comply with the Project Manager's direction promptly.

4.16 If the Contractor notifies the Project Manager in writing that another contractor on this project is failing to coordinate his work with the Work of this Contract as directed, the Project Manager must promptly issue such directions to the other contractor with respect thereto as the situation may require. **The City shall not, however, be liable for any damages suffered by this Contractor by reason of the other Contractor's failure to promptly comply with the directions so issued by the Project Manager, or by reason of another Contractor's default in performance, it being understood that the City does not guarantee the responsibility or continued efficiency of any contractor.** However, the Project Manager shall, in good faith, reasonably approve any change in the Schedule Document, reflecting any delay in Contractor's performance necessitated by the failure of the other contractor to coordinate its work with the Work of Contractor hereunder and shall relieve Contractor from any claims against Contractor resulting from the other contractor's failure to coordinate its work with the Work of Contractor hereunder.

4.17 Should the Contractor sustain any damage through any act or omission of any other contractor having a contract with the City for the performance of work upon the site or of work which may be necessary to be performed for the proper prosecution of the Work to be performed hereunder or through any act of omission of a subcontractor of such contract, the Contractor shall have no claim against the City for such damage, but shall have a right to recover such damage from the other contractor under the provision similar to the following provisions which, the City warrants, shall have been or will be inserted in the contracts with such other contractors.

4.18 Should any other contractor having or who shall hereafter have a contract with the City for the performance of work upon the site sustain any damage through any act of omission of the Contractor hereunder or through any act or omission of any subcontractor of the Contractor, the Contractor agrees to reimburse such other contractor for all such damage and the indemnify and hold the City harmless from all such claims.

4.19 FURNISH, DELIVERY, INSTALLATION, ACCEPTANCE AND REJECTION

A. The Contractor shall furnish all of the Work described in the Specifications. The Contractor is responsible for the complete installation of all software, equipment and required services as described in the Specifications. All equipment will be installed according to the manufacturer's specifications. The Work shall undergo a series of tests during the installation and modification process in accordance with Acceptance Testing procedures agreed upon in accordance with the Acceptance Test Plan agreed upon by the parties. These tests shall provide basic assurance that the various components of the Work operate as specified in the Specifications. On request, the Contractor shall be prepared to demonstrate any function of the Work prior to the start of the Acceptance Testing.

B. Upon notification by the Contractor that the various components of the Work are ready for Acceptance Testing, such Testing shall be conducted in accordance with the terms of the Agreement .

C. The Contractor shall be responsible for ensuring that the Work conforms to the requirements for successful completion of Acceptance Testing as agreed in the Acceptance Test Plan.

D. The right of inspection by the NYPD herein provided is intended solely for the NYPD' benefit; and the Contractor covenants and warrants that the Work performed hereunder shall, at the time of Final Acceptance and through the period of warranty, be free from defects in workmanship and material and shall perform in accordance with the criteria agreed upon by the parties in the Acceptance Test Plan.

E. The NYPD reserves the right to temporarily suspend the performance of the whole or any part of the Work, if it shall deem it in its best interest to do so. Such suspension, shall be made without compensation to the Contractor for such suspension other than extending the time for completing the Work as much as in the opinion of the NYPD the Contractor may have been delayed by such suspension. In order to minimize the additional costs imposed upon the Contractor for project delays resulting from temporary suspensions of project work, the parties agree that, In the event Contractor is unable to proceed with its Work due to the lack of activity on the part of the City, and the City does not anticipate a timely resumption of activity enabling the Contractor to proceed, the City will, in a timely manner, issue a Notice of Suspension, enabling the Contractor to redeploy its resources. In the event that no substantial activity on the part of the City has taken place for a period of 20 days, Contractor shall notify the City, in writing, of its intent to deem Notice of Suspension to have been given. Unless the City resumes normal project activity within ten (10) days of receipt of such written notice, Notice of Suspension will be deemed to have been given enabling the Contractor to redeploy its resources. Upon such suspension, the Contractor shall be entitled to payment for any completed milestones in accordance with the Milestone Payment Schedule in the Agreement and for any partially completed milestones in accordance with the dollar values agreed upon in the description of tasks included in the Work Breakdown Structure

in the detailed Project Schedule.

The Preliminary Schedule Document, to be delivered in accordance with Section 4.2 above, and subject to NYPD's approval, will include a detailed Work Breakdown Structure (WBS) of tasks and dollar amounts relative to the overall fixed price of the project associated with each task. In the event the Agreement is suspended as provided herein, or terminated by NYPD for its convenience as provided in Section 13.1 herein, Contractor shall receive payment in accordance with the dollar amount indicated in the WBS for partially completed milestones.

Upon receipt of written notice that the City is able to resume normal project activity, the Contractor shall reconstitute a project team and the parties will agree on a new schedule for completion of the project. The new project Schedule will be substantially the same as the Schedule prior to the suspension, taking into account the period of suspension. Contractor shall use all commercially reasonable efforts to reconstitute a project team and to resume project work within thirty (30) days of receipt of notice to resume.

F. Upon Substantial Completion, as defined above, of the Project Manager will issue a Certificate of Substantial Completion

G. In the event the required level of reliability is not demonstrated to the satisfaction of the NYPD during the 30 day System Performance Period portion of the Acceptance Testing, the acceptance test/System Performance Period shall be extended until the required performance level has been demonstrated as agreed upon in the Acceptance Test Plan.

H. Delivery and installation shall not be made on a Saturday, Sunday, or NYPD observed holidays unless so authorized by the Project Manager.

J. Prior to delivery and installation of the Work, the Contractor shall give the NYPD at least five (5) business days advance notice by contacting the Project Manager.

4.20 Final Completion shall occur when all work, including warranty and extended warranty and maintenance has been successfully completed and accepted by the Department.

ARTICLE 5 - PAYMENT

The Prompt Payment provisions set forth in Chapter 4, Section 4-06, of the Procurement Policy Board Rules in effect at the time of this solicitation will be applicable to payments made under this Contract.

The Contractor must submit a proper invoice to receive payment, except where the Contract provides that the Contractor will be paid at predetermined intervals without having to submit an invoice for each scheduled payment. Subject to the PPB rules, NYPD will make payments associated with the implementation portion of the project in accordance with the

Milestone Payment Schedule included in the Agreement.

Determinations of interest will be made in accordance with the provisions of Section 5-07 of the Procurement Policy Board Rules and General Municipal Law (Section 3-a).

If the Contractor is paid interest, the proportionate share of that interest shall be forwarded by the Contractor to its subcontractor(s).

Unless otherwise agreed between the Contractor and its Subcontractors, the Contractor shall pay each subcontractor (including a materials supplier) not later than seven (7) days after receipt of payment out of amounts paid to the contractor by the City for work performed in a timely manner in accordance with payment terms agreed upon by Contractor and the subcontractor or supplier under this Contract.

The Contractor shall include in each of its subcontracts a provision requiring each subcontractor to make payment to each of its lower-tier subcontractors or suppliers for work performed under this contract in the same manner and within the same time period set forth above.

ARTICLE 5a. AWARDED PRICE

For the Contractor's complete performance of the Work, the City will pay, and the Contractor agrees to accept, subject to the terms and conditions hereof, the lump sum price or unit prices at which this Contract was awarded, and as set forth in the AGREEMENT plus the amount required to be paid for any Extra Work ordered by the Commissioner under Article 17 hereof, less credit for any Work omitted pursuant to this Agreement.

ARTICLE 5b. SUBMISSION OF REQUESTS FOR PAYMENT

If this Contract allows for partial payments for lump sum work or unit price, the Contractor shall submit a maximum of one request for payment per month (30 day period). Requests for payments in excess of one per month will be returned to the Contractor; such invoices will not be subject to the Prompt Payment conditions of 37 of the Information For Vendors.

5b.1 The City agrees to pay and the Contractor agrees to accept, as full consideration for the complete and satisfactory performance of the Work required herein, the amount set forth in Agreement plus the amount required to be paid for any Extra Work ordered and agreed upon hereunder.

5b.2 The Contractor shall submit numbered invoices for payment in accordance with the payment schedule established in the Agreement. Such invoices shall set forth the Work for which payment is requested, and approval thereof of the Department shall be a prerequisite to payment. All payments shall be subject to such provisions for set off as may be set forth in this

Agreement and in the Specifications attached hereto.

5b.3 Payments shall be made out of such moneys as may be reserved by the Comptroller of the City of New York for the purpose herein provided.

5b.4 The Contract and all payments hereunder shall be subject to audit by the NYPD and post audit by the Comptroller of the City in accordance with the New York City Charter and Administrative Code.

5b.5 The City of New York is exempt from the payment of any Federal, State and City sales or excise taxes.

ARTICLE 6- INSURANCE, LIQUIDATED DAMAGES, MAINTENANCE AND GUARANTY

6.1 INSURANCE

During performance and up to the date of Final Acceptance, the Contractor must effect and maintain insurance of the kind and at the limits set forth in the General Conditions, Schedule "A". All required insurance policies shall be maintained with companies that may lawfully issue the required policy and have an A.M. Best rating of at least A-7 or a Standard and Poor's rating of at least AA, unless prior written approvals is obtained from the New York City Mayor's Office of Operations.

6.2 LIQUIDATED DAMAGES

Contractor shall pay liquidated damages as provided in the Agreement.

Liquidated damages received hereunder are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the City's right to indemnification under this Agreement, or the Contractor's obligation to indemnify the City, or to any other remedy provided for by contract or by law.

The Comptroller will deduct and retain out of the moneys which may become due hereunder, the amount of such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages suffered by the City, the Contractor shall be liable to issue a credit for the difference upon demand by the Comptroller.

6.3 MAINTENANCE AND GUARANTY

The Contractor must promptly repair or replace, any finished Work in which defects of materials or workmanship may appear or to which damage may occur because of such defects, during the one year warranty period subsequent to the date of Substantial Completion and for any subsequent period of maintenance agreed upon hereunder.

Notice by the Commissioner to the Contractor to repair or replace such defective or

damaged Work shall be timely if given no later than ten (10) days subsequent to the expiration of the one (1) year warranty period provided for herein.

If the Contractor shall fail to repair or replace such defective or damaged Work within the time period agreed upon in the Specifications, the Commissioner shall have the right to have the Work done by others in the same manner as is provided for the completion of a defaulted contract, under Article 13 hereof and to deduct the cost thereof from the amount retained hereunder. The balance, if any, shall be returned to the Contractor without interest.

If the amount so retained be insufficient to cover the cost of such work, the Contractor shall be liable to pay such deficiency on demand by the Comptroller.

The Project Manager's certificate setting forth the actual cost of repairing or replacing any damaged or defective work when performed by one other than the Contractor shall be binding and conclusive as to the amount thereof upon the Contractor provided it reflects the actual and true cost.

The Contractor shall obtain all manufacturer's warranties and guaranties of all equipment and materials required by this Contract in the name of the City of New York and shall deliver same to the City.

6.4 RETAINED PERCENTAGE - IF SO STATED IN SCHEDULE A

The City will retain five percent (5%) of each partial payment made during the implementation phase of the project. This holdback amount is to be paid at the completion of the Warranty period (within one year of Substantial Completion).

6.5 ACCOUNTING OF RETAINED AMOUNTS

On each anniversary of the effective date of this Agreement, the City will provide Contractor with a statement of all amounts retained hereunder including the City's budget codes associated with the retained amounts.

ARTICLE 7 - LIABILITY OF CONTRACTOR

7.1 GENERAL LIABILITY

A. The Contractor Each party shall be solely responsible for all physical injuries or death to its agents, servants, or employees or to any other person and for all damage to any personal and/or real property (intellectual property indemnification is addressed in Article 7.3) sustained during its operations and Work under this Agreement to the extent resulting from any negligent acts or willful misconduct of Contractor and any of its officers, trustees, employees, agents, servants, or independent contractors, and shall hold harmless and indemnify the City

from liability for all third party claims for damages on account of such injuries or death to any such person or damages to property on account of such negligent acts or willful misconduct of the Contractor, its officers, trustees, employees, agents, servants, or independent contractors. The Contractor shall be solely responsible for the safety and protection of all of its employees and shall be solely responsible for worker's compensation to any such employees due to injury sustained by such employee in the course of Contractor's performance hereunder .

B. In the event that a claim is made for which the City may be entitled to indemnification for any act included in paragraph A above, then the City shall have the right to withhold further payments hereunder for the purpose of setoff in sufficient sums to cover the said claim or action. The rights and remedies of the City provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

C. The City shall provide Contractor prompt written notice of any claim for which indemnification is sought hereunder and shall further provide Contractor reasonable assistance in the defense of such claim and the sole authority to defend and/or settle the claim.

7.2 PROTECTION OF CITY PROPERTY AND RISK OF LOSS TO THE WORK

A. The Contractor assumes the risk of, and shall be responsible for any loss or damage to the City's personal and/or real property including property and equipment leased by the City, used in the performance of this Agreement, and caused, either directly or indirectly, by the negligent acts, conduct, omissions, or lack of good faith or willful misconduct of the Contractor, its officers, managerial personnel employees, or any person, firm, company, agent or other engaged by the Contractor as expert, consultant, specialist or subcontractor hereunder.

B. In the event that any such City personal and/or real property is lost or damaged except for normal wear and tear, or to the extent that such property is consumed in the performance of this Agreement then the City shall have the right to withhold further payments hereunder for the purpose of setoff in sufficient sums to cover such loss or damage.

C. The Contractor agrees to indemnify the City and hold it harmless from any and all liability or claims for damages due to any such loss or damage to any such City tangible personal and/or real property under the circumstances described in subsection A above. The City shall provide Contractor prompt written notice of any claim for which indemnification is sought hereunder and shall further provide Contractor reasonable assistance in the defense of such claim and the sole authority to defend and/or settle the claim.

D. The rights and remedies of the City provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law or by this Agreement.

E. The Contractor assumes all risk of loss or damage to the Work to the fullest extent permitted by applicable law up until such time as the Work is accepted by the City.

For equipment and other tangible deliverables, risk of loss shall pass to the City upon acceptance of delivery at the City's premises. Such risk shall be irrespective of whether such loss or damage arises from acts or omissions (whether negligent or not) of the Contractor, or of its agents, employees, and subcontractors. In addition, Contractor shall assume risk of loss or damage to the Work, after acceptance arising from the negligent acts or willful misconduct of Contractor, its agents, employees, or subcontractors.

Subject to the Limitation of Liability provision of this Agreement, the Contractor shall be liable for all loss or damage resulting from its failure to perform warranty or maintenance work.

F. Contractor's obligation hereunder is to immediately repair, replace and make good such loss or damage so as to restore the Work to the same character and condition as before the loss or damage in accordance with the Contract Documents without cost to the NYPD.

G. CUSTOMIZED SOFTWARE--CITY PROPERTY

1. Customized Software shall mean the interface customizations and customizations being delivered by the Contractors under this Agreement. Customized Software, data, reports and information shall belong to the NYPD and the following provisions, and the provisions of Design Acceptance shall apply:

a. All Customized Software and all reports, data, information, and flow charts provided and developed under this contract which relate to the Customized Software, or which include information which is unique to NYPD, shall be the sole property of the NYPD and will be transmitted to the NYPD promptly upon request, completion or termination of the contract, at no cost to the NYPD, in a format that is easily usable and does not contain any proprietary software or other materials of the Contractor or third parties. The contractor shall provide to the NYPD an extraction function that allows the NYPD to extract out the NYPD's data without proprietary restrictions at any time the NYPD requires such information, at no additional cost to the City. The Contractor will not include any imbedded codes or proprietary schemes that limit the ability of the NYPD to continue usage of such information. Customized Software shall be considered "work-made-for-hire" within the meaning and purview of Section 101 of the United States Copyright Act, 17 U.S.C. §101, and the City shall be the copyright owner thereof and of all aspects, elements and components thereof in which copyright protection might subsist.

b. To the extent that any Customized Software does not qualify as "work-made-for-hire," the Contractor hereby irrevocably transfers, assigns and conveys exclusive copyright ownership in the Customized Software to the City, free and clear of any liens, claims, or other encumbrances.

c. Software, data, flow charts, reports, and information provided to the Contractor by the NYPD, remains the sole property of the NYPD. The Contractor does not have the right to retain copies of any product, software, report, data, etc., developed or acquired as

result of this contract either for further use or for purposes of resale. The contractor shall transmit such materials to the NYPD promptly upon request, completion or termination of the contract, at no cost to the NYPD, in a format that easily usable and does not contain any proprietary software or other materials of the Contractor or third parties.

d. All Customized Software produced under any contract or subcontracts awarded, as a result of this Agreement, will be retained by the NYPD.

e. All forms of data generated as a result of this contract will be delivered to the NYPD at the direction of the NYPD Project Manager, or his/her authorized designee, at no cost to the NYPD. To the extent such information is the property of NYPD, as provided in this Section F.1.(a) above, the information may not be disclosed to third parties, except as expressly provided in the contract, without the written permission of the NYPD Project Manager.

2. Any data resulting from the NYPD's use of the system shall become the sole property of the NYPD.

7.3 INFRINGEMENTS

The Contractor shall be liable to the Department and hereby agrees to indemnify and hold the Department harmless from any damage or loss or expense sustained by the Department from any infringement by the Contractor of any copyright, trademark or patent rights of design, systems, software, drawings, graphs, charts, specifications or printed matter furnished or used by the Contractor in the performance of this Agreement. Contractor shall pay all costs and damages finally awarded to the third party claimants or agreed to by Contractor in settlement of the claim, provided that the City furnishes Contractor with prompt written notice of the claim, reasonable assistance and sole authority to defend or settle the claim. In the event an injunction or order is obtained against the City's use of the Work as a result of an infringement claim, or if in the Contractor's opinion the Work is likely to become the subject of such a claim, Contractor, at its option and expense, may reperform the Work for the City, provide replacement Work to become non-infringing, obtain for the City the right to continue using the Work or replace or modify the Work so it becomes non-infringing. If such remedies are not reasonably available, Contractor shall grant a credit, not to exceed the purchase price for the infringing Work, less a reasonable charge for use to date and accept its return. Contractor shall have no liability for any claim resulting from information, instructions or specifications furnished by the City, for infringing Work performed at the direction of the City, if the alleged infringement is the result of a modifications made by the City without Contractor's approval, or if the alleged infringement relates to any third party product used in combination with the Work delivered by Contractor hereunder. This paragraph states the entire liability of Contractor for claims for infringing Work hereunder.

7.4 LIMITATIONS ON LIABILITY

Contractor's total liability for all causes whatsoever arising from its performance under this Agreement shall be limited to direct damages in an amount not to exceed the total amount paid to Contractor under the Contract. The foregoing limitation shall not apply to (i) liability for personal injury including death, and property damage, and (ii) liability for indemnification against claims of intellectual property infringement. IN NO EVENT SHALL CONTRACTOR BE LIABLE FOR ANY INDIRECT, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, FORESEEABLE OR UNFORESEEABLE, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOST DATA AND LOSS OF USE.

ARTICLE 8- PROVISIONS RELATING TO LABOR

8.1 REQUIRED CONTRACT LANGUAGE EO. 50 RIDER - EQUAL EMPLOYMENT OPPORTUNITY

This contract is subject to the requirements of New York City Charter Chapter 13-B, subsection 350 et seq. (Chapter 13-B), Executive Order No. 50 (April 25, 1980) (EO. 50) and the Rules (1991) and Regulations (1982) promulgated thereunder. No contract will be awarded unless and until these requirements have been complied with in their entirety. By signing this Contract, the Contractor agrees that it:

- (1) will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or citizenship status with respect to all employment decisions including, but not limited to recruitment, hiring, upgrading, demotion, downgrading, transfer, training, rates of pay or other form of compensation, layoff, termination, and all other terms and conditions of employment;
- (2) will not discriminate in the selection of subcontractors on the basis of the owner's partners' or shareholders' race, color, creed, national origin, sex, age, disability, marital status, sexual orientation or citizenship status;
- (3) will state in all solicitations of advertisement for employees placed by or behalf of the Contractor that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, age, handicap, marital status, sexual orientation or citizenship status or is an equal employment opportunity employer;
- (4) will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or memorandum of understanding, written notification of its equal employment opportunity commitments under Chapter 13-B and EO. 50 and the Rules and Regulations promulgated thereunder;
- (5) will furnish before the Contract is awarded all information and reports including an

Employment Report which are required by Chapter 13-B, EO. 50, the Rules and Regulations promulgated thereunder, and orders of the Director of the Division of Labor Services (DLS). Copies of all required reports are available upon request from the contracting agency; and

(6) will permit DLS to have access to all relevant books, records and accounts by DLS for the purposes of investigation to ascertain compliance with such rules, regulations, and orders.

The Contractor understands that in the event of its noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, such noncompliance shall constitute a material breach of the Contract and compliance with Chapter 13-B, EO. 50 and Rules and Regulations promulgated thereunder. After a hearing held pursuant to the rules of DLS, the Director may direct the imposition by the contracting agency head of any or all of the following sanctions:

- (i) disapproval of the Contractor;
- (ii) suspension or termination of all or parts of the Contract and/or of payments therefor;
- (iii) declaring the Contractor in default; or
- (iv) in lieu of any of the foregoing sanctions, the Director may impose an employment program.

The Director of DLS may recommend to the contracting agency head that a board of responsibility constituted pursuant to the Rules and Regulations of the Procurement Policy Board be convened for purposes of declaring a Contractor who has repeatedly failed to comply with Chapter 13-B, EO. 50 and the Rules and Regulations promulgated thereunder to be nonresponsive.

The Contractor agrees to include the provisions of the foregoing paragraphs in every subcontract or purchase order in excess of \$50,000 to which it becomes a party unless exempted by Chapter 13-B, EO. 50 and Rules and Regulations promulgated thereunder, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as may be directed by the Director of DLS as a means of enforcing such provisions including sanctions for noncompliance.

The Contractor further agrees that it will refrain from entering into any contract or contract modifications subject to Chapter 13-B, EO. 50 and Rules and Regulations promulgated thereunder with a subcontractor who is not in compliance with the requirements of EO. 50 and Rules and Regulations promulgated thereunder.

8.2 SUPERVISION BY CONTRACTOR

A. The Contractor shall give its personal supervision to the Work or have a

competent manager, foreman or supervisor, satisfactory to the Commissioner assigned to the Work at all times during performance of the Contract, with NYPD to act for the Contractor.

B. In the performance of the Contract hereunder, the Contractor shall utilize competent and qualified persons. All such persons are the employees of the Contractor and not of the City and the Contractor shall be responsible for their acts, personal conduct and work.

C. All services shall be performed in a skillful and workmanlike manner. The Commissioner may require and the Contractor agrees to the removal from the Work of any of the Contractor's personnel or its subcontractor's personnel deemed incompetent, careless or otherwise objectionable by the Commissioner.

D. The Department shall have the right to have representatives of the Department or of the City or the State or Federal governments present at the site of the engagement to observe the Work being performed.

8.3 PROHIBITED ACTS

The Contractor shall not employ any labor, or utilize materials or means which employment or utilization during the course of this agreement may in any way tend to cause or result in strikes, work stoppages, delays, suspensions of work or similar troubles by workmen employed by the Contractor, or by any of the trades working in or above the buildings and premises where Work is being performed under this agreement, or by Contractors or their subcontractors pursuant to other agreements or contracts, or on any other building or premises owned or operated by the City of New York, its agencies, departments, boards or authorities. Any violation by the Contractor of these requirements should be considered as proper and sufficient cause for declaring the Contractor to be in default.

8.4 NOTICE OF LABOR DISPUTES

Whenever the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, the Contractor shall immediately give notice to the Department, including all relevant information with respect thereto.

8.5 MINIMUM WAGE AND WORKING CONDITIONS

A. Except for those employees whose minimum wage is required to be fixed pursuant to Section 220 d of the Labor Laws of the State of New York, all persons employed by the Contractor and any subcontractor in the manufacture or furnishing of work, labor or services, used in the performance of this Contract will be paid not less than the federal minimum wage.

B. No part of the Work, labor or services will be performed or rendered by the Contractor in any plants, factories, buildings or surrounding or working under conditions which

are unsanitary or hazardous or dangerous to the health and safety of employees engaged in the performance of this Contract. Compliance with the safety, sanitary and factory inspection laws of the state in which the Work is to be performed shall be prima facie evidence of compliance with this paragraph.

C. For any break or violation of any of the provisions of paragraphs A and B above, the Contractor shall be liable to the City for liquidated damages, which may be withheld from any amounts due herein or may be recovered in suits brought by the Corporation Counsel in the name of the City, in addition to damages for any other breach of this Contract, a sum equal to the amount of any underpayment of wages due to any employee engaged shall have the right to cancel this contract for violation of this clause and enter into other contracts for the completion of this contract, charging any addition cost to the Contractor. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages in violation of the provisions of this clause, shall be held in a special deposit account and shall be paid without interest, on order of the City Commissioner of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth herein and on whose account such sums were withheld or recovered, provided that no claims by employees for such payments shall be entertained unless made within one year from the date of actual notice to the Contractor of the withholding or recovery of such sums by the City.

8.6 HOURS AND WAGES

Pursuant to the provisions of Section 220 of the New York State Labor Law:

A. No laborer, workman or mechanic in the employ of the Contractor, subcontractor or other person doing or contracting to do the whole or a part of the Work contemplated by the contract shall be permitted or required to work more than eight hours in any one calendar day or more than five days in any one week except in cases of extraordinary emergency including fire, flood or danger to life or property. No such person shall be so employed more than eight hours in any day or more than five days in any one week except in such emergency, and unless specific dispensation shall have been granted by the industrial commissioner. Whenever such a dispensation is granted, all work in excess of eight (8) hours per day and five (5) days per week shall be considered overtime work, and the laborers, workmen and mechanics performing such work shall be paid a premium wage commensurate with the premium wages prevailing in the area in which the work is performed.

B. The wages to be paid and the supplements to be provided, for a legal day's work, to laborers, workmen or mechanics employed by the Contractor shall not be less than the prevailing wages and supplement required to be paid to such employees, as ascertained and prescribed by the Comptroller in the Specifications attached hereto.

8.7 MINIMUM WAGES

In accordance with the provisions of Section 343.9.0 of the New York City Administrative Code, as amended:

- A. Except for employees whose wage is required to be fixed pursuant to Section 220 of the Labor Law, all persons employed by the Contractor and any subcontractor in the manufacture or furnishing of the supplies, materials, or equipment, or the furnishing of Work, labor or services, used in the performance of this Contract, shall be paid without subsequent deduction or rebate unless expressly authorized by law, not less than the sum mandated by law.
- B. For any breach or violation of the paragraphs on working condition and minimum wages above, the party responsible therefor shall be liable to the City for liquidated damages, which may be withheld from any amounts due on any contracts with the City of such party responsible, or may be recovered in suits brought by the Corporation Counsel in the name of the City, in addition to damage for any other breach of this Contract, a sum equal to the amount of any underpayment of wages due to any employee engaged in the performance of this Contract. In addition, the Commissioner shall have the right to cancel this Contract and enter into other contracts for the completion of the original Contract, with or without public letting, and the original Contractor shall be liable for any additional cost. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages hereunder, shall be held in a special deposit account and shall be paid without interest, on order of the Commissioner of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth herein and on whose account such sums were withheld or recovered, provided that no claims by employees for such payments shall be entertained unless made within one year from the date of actual notice to the Contractor of the withholding or recovery of such sums by the City.
- C. In the event of any breach or violation of any of the provisions of this Article, and in addition to any other provisions above, pertaining to said breach or violation, no contracts shall be awarded to the Contractor or subcontractor, as the case may be, or to any firm, corporation, partnership or association in which the Contractor or subcontractor has a controlling interest until three years have elapsed from the date of such breach.
- D. The Contractor and his Subcontractors shall within ten (10) days after mailing of a Notice of Award or written order, post in prominent and conspicuous places in each and every plant, factory building and structure where employees of the Contractor and his Subcontractors engaged in the performance of this Contract are employed, notices furnished by the City, in relation to prevailing wages and supplements, minimum wages and other stipulations contained in Section 343.9.0 of the Administrative Code of the City of New York, and the Contractor and his subcontractors shall continue to keep such notices posted in such prominent and conspicuous places until Final Acceptance of the supplies, materials equipment, or Work, labor or services required to be furnished or rendered under this Contract.

E. The Contractor and his subcontractors shall keep such employment records as are required in the Rules and Regulations of the Board of Estimate of the City of New York adopted pursuant to the provisions of Section 343.9.0 of the Administrative Code.

F. In all orders or contracts by the Contractor to the subcontractor for; (a) manufacturing or furnishing any of the supplies, material or equipment required under the Contract; (b) furnishing any of the Work, labor or services required under the Contract, the Contractor shall insert a notice to the subcontractor to the effect that such supplies, materials, equipment or work, labor or services are for the City of New York and that the subcontractor is subject to the provisions of Section 343.9.0. of the New York City Administrative Code.

G. At the time the Contractor makes application for each partial payment and for final payment, the Contractor shall submit to the Commissioner a written certification of compliance with the prevailing wage, minimum wage and other provisions and stipulation required by Section 220 of the New York State Labor Law and Section 343.9.0 of the Administrative Code of the City of New York and the Rules and Regulations of the Board of Estimate adopted pursuant thereto and any and all supplements and amendments to such rules and regulations. Compliance with the provisions of this paragraph shall be a condition precedent to payment shall be made to the Contractor unless and until each such certification shall have been submitted to and received by the Commissioner.

H. This Contract is executed by the Contractor with the express warranty and representation that the Contractor is not disqualified under the provisions of Section 343.9.0 of the Administrative Code for the award of the Contract.

I. Any breach or violation of any of the foregoing shall be deemed a breach or violation of a material provision of this Contract, and ground for cancellation thereof by the City.

NOTE: Sections 8.8 through 8.11 apply to contracts for building service work.

8.8 PREVAILING WAGE AND SUPPLEMENTS (sec. 231 - Labor Law)

A. The wage which the Contractor shall pay for a legal day's work and supplements to be provided to building service employees, as defined in Section 230 of the Labor Law, employed upon the whole or part of the building service work contemplated by this contract, shall not be less than the prevailing rate of wages and any supplements required to be paid to the various classes of employees on such work, ascertained and determined by the Comptroller as set forth in a schedule which is set forth in Section B of Specifications of this Contract of the Proposal for Bid.

B. No later than the first day upon which work on this contract is to commence, the

Contractor shall post in a prominent and accessible place on the site of work a legible statement of the wages to be paid to the employees for the building service work contemplated.

C. An apprentice in a craft or trade may be permitted to work at a wage lower than that established for the journeyman in such craft or trade only if all of the following conditions are met:

(1) such apprentice has been individually registered in an apprenticeship program which is duly registered with the New York State Industrial Commissioner in conformity with Article 23 of the Labor Law;

(2) such apprentice's registration occurred prior to his/her employment as an apprentice on such craft or trade service work; and

(3) written proof of such individual registration is submitted to the Agency prior to such apprentice's employment as an apprentice. The proof submitted shall include evidence of the appropriate ratios and apprentice's wage rates. In no event shall the ratio of apprentice to journeyman employed on such service work be greater than the lesser of the following rate:

(a) the ratio permitted in the apprenticeship program approved by the industrial commissioner, or

(b) the ratio prevailing in the locality where the service work will be performed.

8.9 OVERTIME (Sec. 232 - Labor Law)

All building service employees, who work more than eight hours in any one day or more than forty hours in any workweek, shall be paid wages for such overtime by the Contractor, at a rate not less than one-and-one-half times his prevailing basic hourly rate.

8.10 RECORD KEEPING (Sec 233 - Labor Law)

A. The Contractor shall keep original payrolls or transcripts thereof subscribed and confirmed by it as true, under penalties of perjury showing the hours and days worked by each employee, the craft, trade or occupation at which he/she was employed, and the wages paid.

B. Where the wages paid include sums which are not paid directly to the employee weekly and which are expended for supplements, the records shall include the hourly payment on behalf of such employees, the supplement for which such payment has been made, and the name and address of the person to whom such payment has been made. In

all cases, the Contractor shall keep a true and inscribed copy of the agreement under which such payments are made, a record of all net payments made thereunder, and a list of all persons for whom such payments are made.

C. The records required herein shall be kept on the site of the work during all of the time that work hereunder is being performed. Upon a formal order of the City, the Contractor shall produce within five (5) days on the site of work, such records subscribed and affirmed by it as true under the penalties of perjury.

8.11 CERTIFICATION OF WAGE AMOUNTS (Sec. 237 - Labor Law)

As a prerequisite to any payment by the City, the Contractor and his subcontractors shall file a statement in writing and in form satisfactory to the Comptroller, certifying to the amounts then due for daily or weekly wages on account of labor performed upon the work hereunder, setting forth therein the names of the persons whose wages are unpaid and the amount due to you on behalf of each respectively, which statement so to be filed shall be certified by the oath of the Contractor or subcontractor, as the case may be that he has read such statement subscribed by him and knows the contents thereof, and that the same is true of his own knowledge.

ARTICLE 9 - BOOKS AND RECORDS

9.1 MAINTENANCE

The Contractor agrees to maintain separate and accurate books, records documents and other evidence and accounting procedures and practices which sufficiently and properly support all charges to the City under this Agreement.

9.2 RETENTION OF RECORDS

The Contractor agrees to retain all books, records, and other documents relevant to this Agreement for six years after the final payment or termination of this Agreement, whichever is later. City, State and Federal auditors and any other persons duly authorized by the Department shall have full access to and the right to examine any of said materials during said period.

9.3 NO REMOVAL OF RECORDS FROM PREMISES

Where performance of this Agreement involves use by the Contractor of Department papers, files, data or records at Departmental facilities or offices, the Contractor shall not remove any such papers, files, data or records therefrom without the prior approval of the Department's designated official.

9.4 AUDIT BY THE DEPARTMENT OF THE COMPTROLLER OF THE CITY OF NEW YORK

All vouchers or invoices presented for payment to be made hereunder, and the books, records and accounts upon which said vouchers or invoices are based are subject to audit by the Department and by the Comptroller of the City of New York pursuant to the powers and responsibilities as conferred upon said Department and said Comptroller by the New York City Charter and Administrative Code of the City of New York and PPB rules, , as well as all orders and regulations promulgated pursuant thereto.

The Contractor shall submit any and all documentation and justification in support of fees charged to the City under this Agreement as may be required by said Department and said Comptroller so that they may evaluate the reasonableness of the charges and shall make its records available to the Department and the Comptroller as they consider necessary, consistent with the authority given to the Department and the Comptroller in the New York City Charter and Administrative Code of the City of New York, and the PPB rules.

All books, vouchers, records, reports, canceled checks and any and all similar material may be subject to periodic inspection, review and audit by the State of New York, Federal Government and other persons duly authorized by the City.

The Contractor shall not be entitled to final payment under the Agreement until all requirements under this Contract have been satisfactorily met in accordance with the obligations specified herein.

ARTICLE 10 - REPRESENTATIONS AND WARRANTIES

10.1 PROCUREMENT OF AGREEMENT

A. The Contractor represents and warrants that, except for its employees and consultants engaged in promoting the sale of products and services to the City of New York, no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage fee, contingent fee or any other compensation. The Contractor further represents and warrants that no payment, gift or thing of value has been made, given or promised to obtain this or any other agreement between the parties. The Contractor makes such representations and warranties to induce the City to enter into this Agreement and the City relies upon such representations and warranties in the execution hereof.

B. For a breach or violation of such representations or warranties, Commissioner shall have the right to annul this Agreement without liability, entitling the City to recover all moneys paid hereunder and the Contractor shall not make claim for, or be entitled to recover, any sum or sums, due under this Agreement. This remedy, if effected, shall not constitute the sole remedy afforded The City the falsity or breach, nor shall it constitute a waiver of the City's right to claim damages or refuse payment or to take any other action provided for by law or pursuant to this Agreement.

10.2 CONFLICT OF INTEREST

The Contractor represents and warrants that neither it nor any of its directors, officers, members, partners or employees, has any interest nor shall they acquire any interest, directly or indirectly which would or may conflict in any manner or degree with the performance or rendering of the services herein provided. The Contractor further represents and warrants that in the performance of this Agreement no person having such interest or possible interest shall be employed by it. No elected official or other officer or employee of the City or Department, nor any person whose salary is payable, in whole or part, from the City Treasury, shall participate in any decision relating to this Agreement which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is, directly or indirectly, interested nor shall any such person have any interest, direct or indirect, in this Agreement or in the proceeds thereof.

10.3 FAIR PRACTICES

The Contractor and each person signing on behalf of any Contractor represents and warrants and certifies, under penalty of perjury, that the best of its knowledge and belief:

A. The prices in this Agreement have been arrived at independently without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating such prices with any other Vendor or with any competitor.

B. Unless otherwise required by law, the prices which have been quoted in this Agreement and on the proposal submitted by the Contractor have not been knowingly disclosed by the Contractor prior to the proposal opening, directly or indirectly, for the purpose of restricting competition to any other Vendor or any competitor; and

C. No attempt has been made or will be made by the Contractor to include any other person, partnership or corporation to submit or not to submit a proposal for the purpose of restricting competition.

The fact that the Contractor (a) has published price lists, rates or tariffs covering items being procured, (b) has informed prospective customers of proposed or pending publication of new or revised price lists for such items, or (c) has sold the same items to others customers at the same prices being Proposed, does not constitute, without more, a disclosure within the meaning of the above.

ARTICLE 11. EXTENSION OF TIME FOR PERFORMANCE

Upon written application by the Contractor, the Agency Chief Contracting Officer may grant an extension of time for performance of the Contract. Said application must state, at a

minimum, in detail, each cause for delay, the date(s) the cause of the alleged delay occurred, and the total number of delay in days attributable to such cause.

The Agency Chief Contracting Officer shall give reasonable and good faith consideration to the Contractor's application for extension of time for performance. The ruling of the Agency Chief Contracting Officer shall be the final agency action on the Contractor's written application for an extension and the number of days allowed.

ARTICLE 12 - COVENANTS OF THE CONTRACTOR

12.1 EMPLOYEES

All experts or consultants or employees of the Contractor who are employed by the Contractor to perform Work under this Agreement are neither employees of the City nor under contract to the City and the Contractor alone is responsible for their Work, direction, compensation and personal conduct while engaged under this Agreement. Nothing in this Agreement shall impose any liability or duty on the City for the acts, omissions, liabilities or obligations of the Contractor or any person, firm, company, agency, association, corporation or organization engaged by the Contractor as expert, consultant, independent contractor, specialist, trainee, employee, servant, or agent or for taxes of any nature including but not limited to unemployment insurance, worker's compensation, disability benefits and social security, or, except as specifically stated in this Agreement to any person, firm or corporation.

12.2 INDEPENDENT CONTRACTOR STATUS

The Contractor and the Department agree that the Contractor is an independent contractor, and not an employee of the Police Department, or any other Department, of the City of New York, and that in accordance with such status as independent contractor, the Contractor agrees that neither it nor its employees or agents will hold themselves out as, nor claim to be, officers or employees of the City of New York, or of any department, agency or unit thereof, by reason thereof and that they will not, by reason hereof, make any claim, demand or application to or for any right or privilege applicable to an officer or employee of the City of New York including, but not limited to, Worker's Compensation coverage, Unemployment Insurance Benefits, Social Security coverage or employee retirement membership or credit.

12.3 CONFIDENTIALITY

All of the reports, information or data, furnished to or prepared, assembled or used by the Contractor under this Agreement are to be held confidential, and prior to publication, the Contractor agrees that the same shall not be made available to any individual or organization without the prior written approval of the Department. All proprietary tools and technology used by Contractor and/or its subcontractors in the performance of the Work hereunder, and disclosed to the City hereunder, shall be kept in confidence for the benefit of Contractor and/or its

subcontractors, if properly marked with a proprietary and confidential notification.

No reports, information or data, proprietary tools or technology will be considered confidential to the extent the reports, information, data, tools or technology (i) was in the recipient's possession without restriction prior to disclosure by discloser hereunder; or (ii) was generally known in the trade or business practiced by discloser at the time of disclosure; or (iii) becomes generally known through no wrongful act of recipient; (iv) is disclosed to recipient by a third party without recipient's knowledge or reason to know it is proprietary; (v) is independently developed by recipient without reference to discloser's Confidential Information or (vi) disclosure is otherwise required by law.

A. The Contractor shall hold in confidence such confidential information given to it, and shall not disclose it to third parties, and shall disclose it internally only on a "need to know" basis, except for information already known to the Contractor, publicly available, independently developed by the Contractor, or rightfully obtained from third parties.

B. Unless a longer period of time is required by applicable law, the Contractor's obligation in regard to the above shall continue for four (4) years from the date of receipt of such confidential information. Upon expiration of the applicable period of time, the Contractor shall, upon the City's request, promptly either return or destroy all materials containing confidential information of the City. The Contractor shall certify in writing to the City that all copies or partial copies of materials containing confidential information of the City have been returned or destroyed, as applicable.

C. Notwithstanding the foregoing, the Contractor shall not be required to keep confidential or limit the use of any ideas, concepts, know-how or techniques related to information processing disclosed at any time to the Contractor or developed by either party during the course of this Agreement.

The provisions of this Section shall remain in full force and effect following termination of, or cessation of the services required by this Agreement.

12.4 COMPLIANCE WITH LAW

Contractor shall render all services under this Agreement in accordance with the applicable provision of Federal, State and local laws, rules and regulations as are in effect at the time such services are rendered.

12.5 EMPLOYMENT PRACTICES

Contractor and its subcontractors shall comply with the Civil Right Act of 1964 and any amendment thereto, and the rules and regulations thereunder, and Executive Order No. 50, as attached hereto.

12.6 INVESTIGATION CLAUSE

1.1 The parties to this agreement agree to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (State) or City of New York (City) governmental agency or Authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit or inquiry.

1.2 If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or Authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public Authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit, corporation organized under the laws of the State of New York, or;

1.2(a) If any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or Authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then;

1.3(a) The Commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing, upon not less than five (5) days written notice to the parties involved to determine if any penalties should attach for the failure of a person to testify.

1.3(b) If any non-governmental party to the hearing requests an adjournment, the commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to paragraph 1.5 below without the City incurring any penalty or damages for delay or otherwise.

1.4 The penalties which may attach after a final determination by the commissioner or agency head may include but shall not exceed:

(a) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member

at the time the testimony was sought, from submitting Proposals for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and/or

(b) The cancellation or termination of any and all such existing City contracts, leases, permits or licenses that the refusal to testify concerns and that have not been assigned as permitted under this agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; moneys lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.

1.5 The Commissioner or Agency Head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in paragraphs (a) and (b) below. He or she may also consider, if relevant and appropriate, the criteria established in paragraphs (c) and (d) below in addition to any other information which may be relevant and appropriate:

(a) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.

(b) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of Authority and responsibility the person has within the entity.

(c) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.

(d) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under 1.4 above, provided that the party or entity has given actual notice to the commissioner or agency head upon the acquisition of the interest, or at the hearing called for in 1.3(a) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

1.6 The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.

(a) The term "person" as used herein shall be defined as any natural person doing

business alone or associated with another person or entity as a partner, director, officer, principal or employee.

(b) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives moneys, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.

(c) The term "member" as used herein shall be defined as any person associated with another person or entity as a partner, director, officer, principal or employee.

1.7 In addition to and notwithstanding any other provision of this agreement the Commissioner or agency head may in his or her sole discretion terminate this agreement upon not less than three(3) days written notice in the event Contractor fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this agreement by the Contractor, or affecting the performance of this contract.

12.7 ASSIGNMENT

A. The Contractor shall not assign, transfer, convey, sublet or otherwise dispose of this Agreement, or of the Contractor's right title, interest, obligations or duties herein, or the Contractor's power to execute such Agreement, or assign, by power of attorney or otherwise, any of its rights to receive moneys due or to become due under this Agreement, unless the prior written consent of the Department shall be obtained. Any such assignment, transfer, conveyance, sublease or other disposition without such consent should be void.

B. In the event that the Contractor assigns, transfers, conveys, sublets or otherwise disposes of this Agreement as specified in subdivision A, above, without the prior written consent of the Department, the Department shall revoke and annul this Agreement and the Department shall be relieved and discharged from any and all liability and obligations growing out of such Agreement to the Contractor, its assignees, transferees or sublesees and which parties shall forfeit and lose all moneys theretofore earned under this Agreement, except so much thereof as may be required to pay the Contractor's employees. The provisions of this section shall not hinder, prevent or affect an assignment by the Contractor for the benefit of its creditors made pursuant to the laws of the State of New York.

C. This Agreement may be assigned by the City to any corporation, agency or instrumentality having Authority to accept such assignment except that the City will not assign this Agreement to any corporation which is a competitor of Contractor or Contractor's subcontractor's without written consent.

12.8 SUBCONTRACTING

A. The Contractor agrees not to enter into any sub contracts for the performance of the obligations, in whole or in part, under this Agreement without the prior written approval of the Department. The Department hereby consents to Contractor's use of the subcontractors or affiliates identified in the Specifications. Two copies of each such proposed subcontract shall be submitted to the Department with the Contractor's written request for approval except that Contractor is not obligated to disclose the prices agreed to be paid by Contractor for subcontractors' good and services.

B. All such subcontracts shall contain provisions specifying:

1. that the work performed by the subcontractor must be in accordance with the terms of the Agreement between the Department and the Contractor,
2. that nothing contained in such contract shall impair the rights of the Department,
3. that nothing contained therein, or under the Agreement between the Department and the Contractor shall create any contractual relationship between the subcontractor and the Department, and
4. that the subcontractor specifically agrees to be bound by the confidentiality provision set forth in this Agreement between the Department and the Contractor.

C. The Contractor agrees that it is fully responsible to the Department for the acts and omissions of the subcontractors and of persons either directly or indirectly employed by them as it is for the acts and omissions of persons directly employed by it.

D. The aforesaid approval is required in all cases other than individual employer contracts.

E. The Contractor shall not in any way be relieved of any responsibility under this Agreement by any subcontract.

12.9 PUBLICITY

A. The prior written approval of the Department is required before the Contractor or any of its employees, servants, agents, or independent contractors may, at any time, either during or after completion or termination of this Agreement make any statement to the press or issue any material for publication through the media of communication bearing on the Work performed or data collected under this Agreement.

B. If the Contractor publishes a work dealing with any aspect of performance under this Agreement, or of the results and accomplishments attained in such performance, the

Department shall have a royalty free, non exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use the publication. The foregoing does not include the right to create derivative works based on the Contractor's copyrighted work.

12.10 PARTICIPATION IN AN INTERNATIONAL BOYCOTT

A. The Contractor agrees that neither the Contractor nor any substantially owned affiliated company is participating, or shall participate, in an international boycott in violation of the provisions of the Export Administration Act of 1969, as amended, of the regulations of the United States Department of Commerce promulgated thereunder.

B. Upon the final determination by the Commerce Department or any other agency of the United States as to, or conviction of the Contractor or a substantially owned affiliated company thereof, or participation in an international boycott in violation of the provisions of the Export Administration Act of 1969, as amended, or the regulations promulgated thereunder, the Comptroller may, at his option, render forfeit and void this Contract.

C. The Contractor shall comply in all respects, with the provisions of Section 343-10.0 of the Administrative Code of the City of New York and the rules and regulations issued by the Comptroller thereunder.

12.11 INVENTIONS, PATENTS AND COPYRIGHTS

A. Except for Customized Software, all software to be provided hereunder, including any modifications and enhancements made hereunder to such software, shall be considered RESTRICTED COMPUTER SOFTWARE as that term is defined in Article 2 hereof and shall remain the property of the Contractor or other manufacturer supplying such software. The Department shall have the right to use all such software in accordance with the terms of the Agreement. In addition, the Contractor agrees to provide the Department with the source code for software as provided in the Agreement.

B. Unless otherwise provided in the Statement of Work, Contractor transfers to the City, all copyrights in all documents which are newly developed by Contractor under this Agreement and which are unique to the City. Such documents shall be considered "work-for-hire" within the meaning and purview of Section 101 of the United States Copyright Act, 17 U.S.C. Section 101, and the City shall be the copyright owner thereof and of all aspects, elements and components thereof in which copyright protection might subsist. To the extent that any such document does not qualify as "work-made-for-hire", Contractor hereby irrevocably transfers, assigns and conveys exclusive copyright ownership in and to the documents free and clear of any liens, claims or other encumbrances. The foregoing shall not apply to any Contractor or subcontractor previously existing work, or any modifications and enhancements to such previously existing work.

12.12 ANTI TRUST

The Contractor hereby assigns, sells, and transfers to the City all right, title and interest in and to any claims and causes of action arising under the anti trust laws of the State of New York or of the United States relating to the particular goods or services purchased or procured by the City under this Agreement.

12.13 POLITICAL ACTIVITY

A. There shall be no partisan political activity or any activity to further the election or defeat of any candidate for public, political or party office as part of or in connection with this Agreement, nor shall any of the funds provided under this Agreement be used for such purposes.

B. No funds provided under this Agreement shall be used, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress of the United States, except in presentation to the Congress itself.

C. No funds provided under this Agreement shall be used to pay the salary or expenses of any person to engage in any activity designed to influence legislation or appropriations pending before the Congress of the United States.

12.14 CLEAN AIR PROVISIONS

A. If the amount of this Agreement is in excess of \$100,000 the Contractor shall comply with all applicable standards, order or regulations issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857B, et. seq.) and the Federal Water Pollution Act (33 U.S.C. 1251, et. seq.).

B. Should a harmful dust hazard be created in performing the work of this Contract, for the elimination of which appliances or methods have been approved by the Board of Standards and Appeals of the State of New York, such appliances and methods shall be installed, maintained, and effectively operated during the continuance of such harmful dust hazard. Failure to comply with this provision after notice shall make this Contract void:

C. In accordance with the provisions of Section 1403.3.2.25, Noise abatement contract compliance, of Specifications of this Contract of Chapter 57 of the Administrative Code of the City of New York.

1. Devices and activities which will be operated, conducted, constructed or manufactured pursuant to this Contract and which are subject to the provisions of the New York City Noise Control Code shall be operated, conducted, constructed or manufactured without causing a violation of the code.

2. Such devices and activities shall incorporate advances in the art of noise control development for the kind and level of noise omitted or produced by such devices and

activities in accordance with regulations issued by the Administrator of the Environmental Administration. Regulations promulgated pursuant to Section 1403.3.2.25 after the Proposal openings for this Contract shall not alter its terms, conditions and specifications.

ARTICLE 13- TERMINATION

13.1(a) At any time during the period of this Agreement the Department upon thirty (30) days written notice to the Contractor may cancel the Agreement and terminate the service, in whole or in part, for its convenience. In such event the Contractor shall be paid whatever sum has become due to him for services performed prior to the effective date of the cancellation (in accordance with the terms of Section 4.18.E. above) without further liability to the City.

13.1(b) The Contractor shall be entitled to apply to the Department to have this Agreement terminated by said Department by reason of any failure in the performance of this Agreement (including any failure by the Contractor to make progress in the prosecution of Work hereunder which endangers such performance in accordance with the Agreement), if such failure arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, flood, epidemics, quarantine restrictions, strikes, freight embargoes, or any other cause beyond the reasonable control of the Contractor. The determination that such failure arises out of causes beyond the control and without the fault or negligence of the Contractor shall be made by the Department which agrees to exercise reasonable, good faith, judgment therein. If such a determination is made and the Agreement terminated by the Department pursuant to such application by the Contractor, such termination shall be deemed to be without cause in accordance with Section 13.1(a) above.

13.1(c) All payments pursuant to this section 13.1 shall be accepted by the Contractor in full satisfaction of all claims against the City arising out of termination.

13.2 The Contractor may be declared in default by this Agency and the Department may terminate the Agreement in whole or in part by written notice to the Contractor for, but not limited to, the following:

- A. The Contractor becomes insolvent; or
- B. The Contractor makes an assignment for the benefit of creditors pursuant to the Statutes of the State of New York; or
- C. A voluntary or involuntary petition in bankruptcy be filed by or against the Contractor; or
- D. A receiver or receivers are appointed to take charge of the Contractor's property or affairs; or

- E. The Contractor sublets, assigns, transfers, conveys or otherwise disposes of this Agreement other than as specified in Section 12.7(a); except that the City's disapproval of assignment to Contractor shall not be considered an event of default for the purpose of obligating the Contractor to produce source code as provided the Agreement; or
- F. The Contractor fails or refuses to proceed with the Work when and as directed by the Administrator; or
- G. The Contractor is or has been unnecessarily or unreasonably or willfully delaying
- (i) the performance and completion of the Work or
 - (ii) the award of necessary subcontracts, or
 - (iii) the placement of necessary material and equipment order; or
- H. The Contractor, without just cause, reduces his working force to a number which, if maintained, would jeopardize the timely performance of the Contract, and fails or refuses to increase such working force when reasonably and in good faith ordered to do so by the Commissioner; or
- I. The Work cannot be completed or is not completed within the time herein provided therefor or within the time to which such completion may have been extended unless, however, the delay is caused by circumstances outside of the Contractor's control; or
- J. The Contractor abandons the Work; or
- K. The Contractor is or has been willfully or in bad faith violating any of the provisions of this contract

provided that the City has delivered to the Contractor written notice of the condition of default and Contractor has not cured such default condition within thirty (30) days of receipt of such notice.

13.3 In the event the Commissioner terminates this Agreement in whole or in part as provided in section 13.2 above, the City may procure, upon such terms and in such manner deemed appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the City for any excess costs for such similar supplies or services provided that, the Contractor shall continue the performance of this Agreement to the extent not terminated thereby.

13.4 Before the Commissioner shall exercise his right to declare the Contractor in default by reason of the conditions set forth in Section 13.2 A, C F, G, H, I, J and K, he shall give the Contractor an opportunity to be heard, upon two (2) days written notice, at which

hearing the Contractor may have a stenographer present provided, however, that a copy of such stenographic notes, if any, shall be furnished to the Commissioner.

13.5 Notwithstanding any other provisions of this Agreement, except, subject to the terms of Article 7 herein, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of Contractor's default and the City may withhold payments to the Contractor for the purpose of set off until such time as the exact amount of damages due to the City from the Contractor is determined.

13.6 The provisions of the Agreement regarding confidentiality of information shall remain in full force and effect following any termination.

13.7 The rights and remedies of the City provided in this article shall not be exclusive and are in addition to all other rights and remedies provided by law or under this Agreement.

ARTICLE 14 - LEGAL FORUM

14.1 CHOICE OF LAW, CONSENT TO JURISDICTION AND VENUE

This Agreement shall be deemed to be executed in the City of New York, regardless of the domicile of the Contractor, and shall be governed by and construed in accordance with the laws of the State of New York.

The parties agree that any and all claims asserted by or against the City arising under this Agreement or related thereto shall be heard and determined either in the courts of the United States located in New York City ("Federal Courts") or in the courts of the State of New York ("New York State Courts") located in the City and County of New York. To effectuate this agreement and intent, the Contractor agrees:

A. If the City initiates any action against the Contractor in Federal Court or in New York State Court, service of process may be made by the Contractor either in person, whenever such Contractor may be found, or by registered mail addressed to the Contractor at its address as set forth in this Agreement, or to such other address as the Contractor may provide to the City in writing and

B. With respect to any action between the City and the Contractor in New York State Court, the Contractor hereby expressly waives and relinquishes any rights it might otherwise have;

- (a) to move to dismiss on grounds of forum non conveniens,
- (b) to remove to Federal Court and
- (c) to move for a change of venue to a New York State Court outside New York County.

C. With respect to any action between the City and the Contractor in Federal Court located in New York City, the Contractor expressly waives and relinquishes any right in might otherwise have to move to transfer the action to a United States Court outside the

City of New York.

D. If the Contractor commences any action against the City in a Court located other than in the City and State of New York, upon request of the City, the Contractor shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, the Contractor shall consent to dismiss such action without prejudice and may thereafter re-institute the action in a court of competent jurisdiction in New York City.

If any provision(s) of this Article is (are) held unenforceable for any reason, each and all other provision(s) shall nevertheless remain in full force and effect.

14.2 GENERAL RELEASE

The acceptance by the Contractor or its assignees of the final payment under this Agreement, whether by voucher, judgment of any court of competent jurisdiction or any other administrative means, shall constitute and operate as a general release to the City from any and all claims of and liability to the Contractor arising out of the performance of this Agreement (except for claims relating to breaches of software license obligations and obligations regarding the confidentiality of proprietary information) provided such final payment is in an amount agreed to be paid hereunder.

14.3 CLAIMS AND ACTIONS THEREON

No claims against the City arising under this Agreement shall be made or asserted in any action or proceeding at law or in equity, unless the Contractor shall have strictly complied with all requirements relating to the giving of notice and of information with respect to such claims as are herein provided.

Nor, except for claims relating to breaches of software license obligations and obligations regarding the confidentiality of proprietary information, and except for claims which are subject to the dispute resolution process set forth in Article 19 herein, shall any such action or proceeding be instituted or maintained on any such claims unless such action or proceeding be commenced within six (6) months after the date of the filing in the Office of the Comptroller of the final payment voucher; except that an action or proceeding on a claim for moneys deducted, retained or withheld under the provisions of this Contract or of law, must be commenced within six (6) months after the date of final payment hereunder or after such moneys become due and payable hereunder, whichever is later, and further except that an action or proceeding on a claim based upon the Commissioner's exercise of the right to declare the Contractor in default must be commenced within six (6) months after the date the Commissioner declared the Contractor in default.

In the event any claim is made or any action brought in any way relating to the Contract

herein, the Contractor shall diligently render to the Department and/or the City of New York without additional compensation any and all reasonable assistance which the Department and/or the City may require of the Contractor.

14.4. NO CLAIM AGAINST OFFICERS, AGENTS OR EMPLOYEES

No claim whatsoever shall be made by the Contractor against any officer, agent or employee of the City for, or on account of, anything done or omitted to be done in connection with this Contract .

14.5 NO ESTOPPEL

Neither the City nor any department, officer, agent or employee thereof, shall be bound, precluded or estopped by any determination, decision, approval, order, letter, payment or certificate made or given under or in connection with this contract by the City, the Commissioner, the Project Manager, or any other officer, agent or employee of the City, either before or after the final completion and acceptance of the work and payment therefor:

- (1) From showing the true and correct classification, amount, quality or character of the work actually done; or that any such determination, decision, order, letter, payment or certificate was untrue, incorrect or improperly made in any particular or that the work or any part thereof does not in fact conform to the requirements of this contract; and
- (2) From demanding and recovering from the Contractor any overpayments made to him, or such damages as it may sustain by reason of his failure to perform each and every part of this contract in strict accordance with its terms, or both.

14.6 WAIVER

Waiver by either party of a breach of any provision of this Contract shall not be deemed to be a waiver of any other subsequent breach and shall not be construed to be a modification of the terms of the Contract unless and until the same shall be agreed to in writing by the parties.

14.7 NOTICES

The Contractor and the Department hereby designate the business addresses specified herein as the places where all notices, directions or communications from one such party to the other party shall be delivered, or to which they shall be mailed. Actual delivery of any such notice, direction or communication to a party at the aforesaid place, or delivery by certified mail shall be conclusive and deemed to be sufficient service thereof upon such party as of the date such notice, direction or communication is received by the party. Such address may be changed at any time by an instrument in writing executed and acknowledged by the party making such change and delivered to the other party in the manner as specified above. Nothing in this section

shall be deemed to serve as a waiver of any requirements for the service of notice or process in the institution of an action or proceeding as provided by law.

14.8 ALL LEGAL PROVISIONS DEEMED INCLUDED

It is the intent and understanding of the parties to this Agreement that each and every provision of law required to be inserted in this Agreement shall be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is to be deemed to be inserted herein, and if, through mistake or otherwise, any such provision is not inserted, or is not inserted in correct form, then this agreement shall forthwith upon the application of either party be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of either party hereunder.

14.9 SEVERABILITY

If this Agreement contains any unlawful provision not an essential part of the Agreement and which shall not appear to have been a controlling or material inducement to the making thereof, the same shall be deemed of no effect and shall, upon notice by either party, be deemed stricken from the Agreement without affecting the binding force of the remainder.

14.10 MODIFICATIONS

This Agreement may be modified by the parties in writing in a manner not materially affecting the substance hereof. It may not be altered or modified orally.

14.11 PARAGRAPH HEADINGS

Paragraph headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Agreement and in no way affects this Agreement.

14.12 INSPECTION AT SITE

The Department shall have the right to have representatives of the Department or of the City or of the State or Federal governments present at the site of the engagement to observe the Work being performed.

ARTICLE 15 - CONTRACTOR EVALUATION PROVISION

The Contractor's performance shall be evaluated by the City upon the occurrence of the Substantial Completion of this Contract. A copy of the evaluation will be sent to the Contractor not later than fifteen (15) calendar days after the occurrence of these events and the Contractor may respond in writing to the performance report. Such responses shall be submitted to the

Project Manager not later than fifteen (15) calendar days after a copy of the evaluation is sent to the Contractor. The response will be affixed to the evaluation. Failure to respond may result in review of Contractor's performance when a Proposal is evaluated without the benefit of Contractor's response to the report.

ARTICLE 16 - TAX EXEMPTION

Attention is specifically called to the New York State Tax Law, Sections 1115 (a) (15) and 1116 (a) (1), which exempts from New York State Sales Tax and Compensation Use Tax, and Administrative Code of the City of New York Sections 11-2006 and 11-2007 which exempts from the New York City Sales tax, the purchase of materials required by this Contract, except materials consumed by the Contractor in the performance thereof. Therefore, the Contractor, when bidding, should not include amount to cover such New York State or New York City taxes in the sale price.

The City of New York (City) is exempt from payment of Federal, State, local taxes and Sales and Compensating Use Taxes of the State of New York and of cities and counties on all materials and supplies sold to the City pursuant to the provisions of this Contract. These taxes are not to be included in Proposals. However, this exemption does not apply to tools, machinery, equipment of other property leased by or to the Contractor or a subcontractor, or to supply and materials which, even though they are consumed, are not incorporated into the completed Work (consumable supplies), and the Contractor and his subcontractors shall be responsible for and pay any and all applicable taxes, including Sales and Compensating Use Taxes, on such leased tools, machinery, equipment or other property and upon all such unincorporated supplies and materials.

The Contractor agrees to sell and the City agrees to purchase all materials required, other than consumable supplies, necessary or proper for or incidental to the construction of the Work covered by this Contract.

1. The sum agreed to be paid under this Agreement for such materials shall be and is deemed to be in full payment and consideration for the sale of such materials under this Agreement. The Contractor agrees to construct the Work and to perform all Work, labor and services, and the sum so agreed to be paid pursuant to this agreement for such Work, labor and services, shall be and is deemed to be in full consideration for the performance by the Contractor of all his duties and obligations under this Agreement in connection with said Work and labor.

The purchase by the Contractor of the supplies and materials sold hereunder shall be a purchase or procurement for resale and therefore not subject to the New York State or New York City sales or compensating use taxes or any such taxes of cities or counties. The sale of such materials by the Contractor to the City, which is a political subdivision of the State of New York, is exempt from the aforesaid sales or compensating use taxes. With respect to such materials, the Contractor, at the request of the City, shall furnish to the City such bills of sale and other instruments as may be required by it, properly executed, acknowledged and delivered

assuring to the City title to such supplies and materials, free of liens or encumbrances, and the Contractor shall mark or otherwise identify all such materials as the property of the City.

Title to all materials to be sold by the Contractor to the City pursuant to the provisions of the Contract shall immediately vest in and become to sole property of the City upon delivery of such supplies and materials to the site and prior to its becoming a part of the permanent structure. Notwithstanding such transfer of title, the Contractor shall have the full and continuing responsibility to install such materials and supplies, protect them, maintain them in a proper condition and, to the extent such materials and supplies are damaged by Contractor and/or its subcontractors, forthwith repair, replace and make good any damage thereto, and furnish additional materials in place of any that may be damaged or rendered unusable through the negligent acts or willful misconduct of Contractor and/or its subcontractors, without cost to the City, until such time as the Work covered by the Contract is fully accepted by the City. Such transfer of title shall in no way affect any of the Contractor's obligations hereunder. In the event that, after title has passed to the City, any of such supplies and materials are rejected as being defective or otherwise unsatisfactory, title to all such supplies and materials shall be deemed to have been transferred back to the Contractor.

The purchase by subcontractors of materials to be sold hereunder shall also be a purchase or procurement for resale to the Contractor (either directly or through other subcontractors) and therefore not subject to the aforesaid sale, or compensating use taxes, provided that the subcontract agreements provide for the resale of such materials prior to and separate and apart from the incorporation of such supplies and materials into the permanent construction and that such subcontract agreements are in a form similar to this Contract with respect to the separation of the sale of materials from the Work and labor, services, consumable supplies and any other matters to be provided and further that the subcontract agreements provide separate prices for (1) materials and (2) all other services and matters.

2. The subcontract agreements in connection with this Contract shall provide for the resale of such supplies and materials prior to and separate and apart from the incorporation of such supplies and materials into the permanent construction, and shall provide separate prices for (1) materials and (2) all other services and matters.

Such subcontract agreements shall be in a form similar to this Contract with respect to the separation of the sale of materials from the work and labor and other things to be provided. Such separation shall actually be followed in practice, including the separation of payments for supplies and materials from the payments for other work and labor and other things to be provided.

The Contractor and his subcontractors and materialmen shall obtain any and all necessary Contractor Exempt Purchase Certificates or resale certificates from the appropriate governmental agency or agencies, and furnish a Contractor Exempt Purchase Certificate or resale certificate to all persons, firms or corporations from which they purchase supplies and materials for the performance of the Work covered by this Contract.

ARTICLE 17- CONTRACT CHANGES

Changes may be made to this Contract only as duly authorized by the Agency Chief Contracting Officer or his/her designee. Contractors deviating from the requirements of an original Contract without a duly approved Change Agreement or Change Order document, or written Contract modification or amendment, do so at their own risk. All such changes, modifications and amendments will become a part of the original Contract. Any Work so ordered and agreed upon through the Change Agreement/Change Order process set forth in the Agreement must be performed by the Contractor.

Contract changes will be made only for Work necessary to complete the Work included in the original scope of the Contract, and for non-material changes to the scope of the Contract. Changes are not permitted for any material alteration in the scope of Work. Contract changes may include any Contract revision deemed necessary by the Contracting Officer.

The Contractor shall be entitled to a price adjustment for Extra Work performed pursuant to a written Change Order. If any part of the Contract is necessarily delayed by a Change Order, the Contractor will be entitled to an extension of time for performance. Adjustments to price shall be computed in one or more of the following ways: (i) by agreement of a fixed price; (ii) by unit prices specified in the contract; (iii) by time and material record; and/or (iv) in any other manner approved by the City Chief Procurement Officer and agreed upon by the parties hereunder.

Where the cost of the change order has been negotiated in the absence of established cost history, the costs are subject to verification by post audit. If the post audit reveals that the Contractor's costs for the Change Order work were inaccurately stated during negotiations, the agency shall recoup the amount by which the costs were inaccurately stated by proportionately reducing the price of the change order. This remedy is not exclusive and in addition to all other rights and remedies of the City.

Except in the case of requirements contracts, any contract increases amendment which either amends a unit price, cancels required units, or adds a new type of unit item to the contract must be approved in writing by the Agency Chief Contracting Officer.

17.1 PRICING

A. The Contractor shall whenever requested by the Commissioner during the Contract, including but not limited to the time of bidding, submit cost or pricing data and formally certify that, to the best of its knowledge and belief, the cost or pricing data submitted was accurate, complete, and current as of a specified date. The Contractor shall be required to keep its submission of cost and pricing data current until the contract has been completed.

B. The price of any Change Order, or Contract modification subject to the conditions of

paragraph A, shall be adjusted in the manner described in Section 17.2 below.

C. Time for Certification. The Contractor must certify that the pricing data submitted are accurate, complete, and current as of a mutually determined date.

D. Refusal to Submit Data. When any contractor refuses to submit the required data to support a price, the Contracting Officer shall not allow the price.

E. Certification of Current Pricing Data. Form of Certificate. In those cases when pricing data is required, certification shall be made in accordance with 2-06 of the PPB Rules and such certification shall be retained in the agency contract file.

F. If the City finds that a price reduction should be made, the Contractor agrees not to raise the following matters as a defense:

- (a) The Contractor was a sole source supplier or otherwise in a superior bargaining position and thus the price of the contract would not have been modified even if accurate, complete and current pricing data had been submitted;
- (b) The City should have known that the pricing data in issue were defective even though the contractor took no affirmative action to bring the character of the data to the attention of the City;
- (c) The contract was based on an agreement about the total cost of the contract and there was no agreement about the cost of each item procured under the contract.

17.2 METHODS OF PAYMENT FOR EXTRA WORK

During the course of performing the work required under this Agreement, the Contractor may be required to perform additional work within the general scope of the Agreement. At such time when additional work is required, the NYPD will forward to the Contractor a description of the change order work to be accomplished and request that a proposal be offered within a given period. No work will commence by the Contractor without prior written authorization from the NYPD Agency Chief Contracting Officer. All parts and labor costs for additional work will be based upon rates specified in the Contractor's price proposal where such costs exist. Change Orders that increase the value of the Contract are subject to approvals in accordance with §4-02 of the City of New York's Procurement Policy Board Rules. Contract Change Order Costs will be limited to the following:

1. If unit prices exist, as per the Contractor's price proposal, the contract change order work will be billed at the rates set forth in the Contractor's price proposal.
2. If unit prices do not exist for change order work being performed directly by the Contractor, the NYPD will negotiate a fair and reasonable price for the contract change order work. Under this circumstance, the Contractor will be entitled to actual costs plus a **mark-up limit of 10% for overhead and administrative costs plus 10% for profit**. However, the base (actual) cost for such work will be based on industry-accepted rates (for labor—such as

standard prevailing wages) and fair and reasonable costs for parts and supplies. If, in its opinion, the NYPD finds such costs to appear to be unfair, unsubstantiated, or above the market rate for such services or goods, the Contractor shall provide a written statement explaining in detail its pricing. If the NYPD finds such pricing justification to be unfair or unsubstantiated, the NYPD will order the Contractor to proceed at the costs the NYPD deems fair and reasonable. The Contractor must then perform the change order work. The Contractor may dispute such NYPD order in accordance with the Appendix A §19-- Resolution of Disputes.

3. If the unit prices do not exist for change order work being performed by third party vendors or subcontractors, the NYPD will negotiate a fair and reasonable price for the contract change order work. Under this circumstance, the Contractor will provide a detailed price breakdown of the subcontractor's or third party vendor's prices. The Contractor will be entitled to a maximum 5% mark-up over the subcontractor's or third party vendor's prices. However, the subcontractor's or third party's prices will be evaluated by the NYPD to determine its fairness and reasonableness. If, in its opinion, the NYPD finds such prices to appear to be unfair, unsubstantiated, or above the market rate for such services or goods, the Contractor will provide a written statement explaining in detail its pricing. If the NYPD finds such price justification to be unfair or unsubstantiated, the NYPD will order the Contractor, and the Contractor will order its subcontractors, to proceed at the prices the NYPD deems fair and reasonable. The Contractor must then perform the change order work. The Contractor may dispute such NYPD order in accordance with the Appendix A §19-- Resolution of Disputes.
4. The Contractor will apply its guarantee of best costs to all change order work.

17.3 DISPUTED WORK, DETERMINATION OR ORDER

If the Contractor is of the opinion,

1. that any work ordered to be done as Contract Work by the Commissioner, or the Project Manager, is Extra Work and not Contract Work; or
2. that any determination or order of the Commissioner, or Project Manager violates the terms and provisions of this Contract, he must promptly, and before proceeding with such work or complying with such determination or order, or simultaneously therewith notify the Commissioner in writing of the reasons for his opinion with respect thereto, and request a final determination thereon. Such determination shall be rendered within a reasonable time.

If the Commissioner determines that the work in question is Contract Work and not Extra Work, or that the determination or order complained of is proper, he will so notify the Contractor to proceed, and the Contractor must promptly comply. . Contractor may thereafter deliver Notice of Dispute according to Article 19(D) below.

However, in order to reserve his right to claim compensation for such work or damages

resulting from such compliance, the Contractor must, within five (5) days after receiving notice of the Commissioner's determination and direction, notify the Commissioner in writing that the work is being performed or that the determination and direction is being complied with under protest.

If the Contractor fails to so appeal to the Commissioner for a determination or, having so appealed, should the Contractor thus fail to notify the Commissioner in writing of his protest, the Contractor shall be deemed to have waived any claim for extra compensation or damage therefor. Oral appeals or oral protests, no matter to whom made, shall not be deemed even substantial compliance with the provisions of this Article.

If the Contractor shall also claim to be sustaining damages by reason of any act or omission of the City or its agents, he shall within thirty (30) days after the sustaining of such damage, notify the Commissioner in writing and within thirty (30) days thereafter, or within such additional time in excess of thirty (30) days as may be granted by the Commissioner upon written request therefor, submit to the Commissioner verified detailed statements of the damages sustained ("Statement") together with documentary evidence of such damages. On failure of the Contractor to fully comply with the foregoing provisions, such claims shall be deemed waived and no right to recover on such claims shall exist.

In addition to the Statements required under this Article, the Contractor and his subcontractor shall, upon notice from the Commissioner or the Comptroller, or either of them, produce for examination at the Contractor's or subcontractor's office, by the representatives of the Commissioner, all his books of account, bills, invoices, payrolls, subcontracts, time books, daily reports, bank deposit books, bank statements, check books, canceled checks, showing all of his acts and transactions in connection with or relating to or arising by reason of this contract, and submit himself and persons in his employment, for examination under oath by any person designated by the Commissioner to investigate claims made against the City under this Contract. At such examination a duly authorized representative of the Contractor may be present.

Unless such statements shall be made and filed within the time aforesaid and such records submitted for examination and the Contractor and his employees submit themselves for examinations as aforesaid, the City shall be released from all claims arising under, relating to or by reason of this contract, except for the sum certified by the Commissioner to be due under the provisions of this contract. It is further stipulated and agreed that no person has power to waive any of the foregoing provisions, and that in any action against the City to recover any sum in excess of the sums certified by the Commissioner to be due under or by reason of this contract, the Contractor must allege in his complaint and prove, at the trial, compliance with the provisions of this section.

In addition to the foregoing, after the commencement of any legal action by the Contractor arising under or by reason of this Contract, the City shall also have the right by its attorney, upon written notice from said attorney, to require the Contractor to produce for examination under oath by said attorney the above evidence of the Contractor and to submit

himself and persons in his employ for examination under oath by said attorney.

Unless the Contractor submits said records, himself and his employees for examination by the said attorney as aforesaid, the action of the Contractor shall be dismissed.

In connection with the examination provided for herein, the Commissioner, upon demand, therefor will also produce for inspection by the Contractor such records as the Department may have with respect to such disputed work or work performed under protest pursuant to order of the Commissioner, except those records and reports which may have been prepared for the purpose of determining the accuracy and validity of the Contractor's claim.

17.4 PERFORMANCE OF EXTRA OR DISPUTED WORK

While the Contractor or his subcontractor is performing Extra Work ordered by the Commissioner under Article 17 hereof (unless payment therefore is to be made by a lump sum or at unit prices previously agreed upon) or is performing disputed work or complying with a determination or order under protest in accordance with Article 17.2 hereof, in each such case the Contractor shall furnish the Project Manager daily with three (3) copies of written statements signed by the Contractor's representatives at the site showing:

- (1) The name and number of each workman employed on such work or engaged in complying with such determination or order, the number of hours employed thereon, and the character of the work each is doing, and
- (2) The nature and quantity of any materials, plant and equipment furnished or used in connection with the performance of such work or compliance with such determination or order, and from whom purchased or rented.

A copy of such statement will be countersigned by the Project Manager, noting thereon any items not agreed to or questioned, and be returned to the Contractor within two (2) days after submission.

The Contractor, and his subcontractors, when required by the Commissioner, or the Comptroller, or either of them, must also produce for inspection, at the office of the Contractor or subcontractor, any and all of his books, vouchers, records, daily job diaries and reports, and canceled checks, showing the nature and quantity of the labor, materials, plant and equipment actually used in the performance of such work or in complying with such determination or order, and the amounts expended therefore and must permit the Commissioner and the Comptroller to make such extracts there from or copies thereof as they or either of them may desire.

In connection with such examination provided for herein, the Commissioner, upon demand, therefore, will also produce for inspection by the Contractor such records as the Department may have with respect to such extra or disputed work or work performed under

protest pursuant to order of the Commissioner except those records and reports which may have been prepared for the purpose of determining the accuracy and validity of the Contractor's claim.

ARTICLE 18 - APPROVALS

This Contract shall not become effective or binding unless:

- A. the Comptroller shall have endorsed his certificate that there remains unexpended and unapplied a balance of appropriation of funds applicable hereto sufficient to pay the estimated expense of executing this Contract; and
- B. approved by the Mayor pursuant to the provisions of Executive Order No.42, dated October 9, 1975 in the event the Executive Order requires such approval; and
- C. certified by the Mayor (Mayor's Fiscal Committee created pursuant to Executive Order No.43, dated October 14, 1975) that performance thereof will be in accordance with the City's financial plans; and
- D. the requirement of this Article shall be in addition to, and not in lieu of, any approval or authorization otherwise required for this Contract to be effective and for the expenditure of City funds.

ARTICLE 19. RESOLUTION OF DISPUTES

1. Except as provided in 1(a) and 1(b) below, all disputes between the City and the vendor that arise under, or by virtue of, this contract shall be finally resolved in accordance with the provisions of this section and Section 4-09 of the Rules of the Procurement Policy Board ("PPB Rules"). This procedure shall be the exclusive means of resolving any such disputes.
 - (a) This section shall not apply to disputes concerning matters dealt with in other sections of the PPB Rules or to disputes involving patents, copyrights, trademarks, or trade secrets (as interpreted by the courts of New York State) relating to proprietary rights in computer software.
 - (b) For construction and construction-related services this section shall apply only to disputes about the scope of work delineated by the contract, the interpretation of contract documents, the amount to be paid for extra work or disputed work performed in connection with the contract, the conformity of the vendor's work to the contract, and the acceptability and quality of the vendor's work; such disputes arise when the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner makes a determination with which the vendor disagrees.
2. All determinations required by this section shall be clearly stated, with a reasoned explanation for the determination based on the information and evidence presented to the party making the determination. Failure to make such determination within the time required by this section shall be deemed a non-determination without prejudice that will allow application to the next level.

3. During such time as any dispute is being presented, heard, and considered pursuant to this section, the contract terms shall remain in full force and effect and the vendor shall continue to perform work in accordance with the contract and as directed by the Agency Chief Contracting Officer ("ACCO") or Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner. Failure of the vendor to continue the work as directed shall constitute a waiver by the vendor of any and all claims being presented pursuant to this section and a material breach of contract.

4. Presentation of Dispute to Agency Head.

- (a) Notice of Dispute and Agency Response. The vendor shall present its dispute in writing ("Notice of Dispute") to the Agency Head within the time specified herein, or, if no time is specified, within thirty (30) days of receiving written notice of the determination or action that is the subject of the dispute. This notice requirement shall not be read to replace any other notice requirements contained in the contract. The Notice of Dispute shall include all the facts, evidence, documents, or other basis upon which the vendor relies in support of its position, as well as a detailed computation demonstrating how any amount of money claimed by the vendor in the dispute was arrived at. Within thirty (30) days after receipt of the complete Notice of Dispute, the ACCO or, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner, shall submit to the Agency Head all materials he or she deems pertinent to the dispute. Following initial submissions to the Agency Head, either party may demand of the other the production of any document or other material the demanding party believes may be relevant to the dispute. The requested party shall produce all relevant materials that are not otherwise protected by a legal privilege recognized by the courts of New York State. Any question of relevancy shall be determined by the Agency Head whose decision shall be final. Willful failure of the vendor to produce any requested material whose relevancy the vendor has not disputed, or whose relevancy has been affirmatively determined, shall constitute a waiver by the vendor of its claim.
- (b) Agency Head Inquiry. The Agency Head shall examine the material and may, in his or her discretion, convene an informal conference with the vendor and the ACCO and, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner, to resolve the issue by mutual consent prior to reaching a determination. The Agency Head may seek such technical or other expertise as he or she shall deem appropriate,

including the use of neutral mediators, and require any such additional material from either or both parties as he or she deems fit. The Agency Head's ability to render, and the effect of, a decision hereunder shall not be impaired by any negotiations in connection with the dispute presented, whether or not the Agency Head participated therein. The Agency Head may or, at the request of any party to the dispute, shall compel the participation of any other vendor with a contract related to the work of this contract and that vendor shall be bound by the decision of the Agency Head. Any vendor thus brought into the dispute resolution proceeding shall have the same rights and obligations under this section as the vendor initiating the dispute.

- (c) Agency Head Determination. Within thirty (30) days after the receipt of all materials and information, or such longer time as may be agreed to by the parties, the Agency Head shall make his or her determination and shall deliver or send a copy of such determination to the vendor and ACCO and, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner, together with a statement concerning how the decision may be appealed.
- (d) Finality of Agency Head Decision. The Agency Head's decision shall be final and binding on all parties, unless presented to the Contract Dispute Resolution Board ("CDRB") pursuant to this section. The City may not take a petition to the CDRB. However, should the vendor take such a petition, the City may seek, and the CDRB may render, a determination less favorable to the vendor and more favorable to the City than the decision of the Agency Head.

5. Presentation of Dispute to the Comptroller. Before any dispute may be brought by the vendor to the CDRB, the vendor must first present its claim to the Comptroller for his or her review, investigation, and possible adjustment.

- (a) Time, Form, and Content of Notice. Within thirty (30) days of receipt of a decision by the Agency Head, the vendor shall submit to the Comptroller and to the Agency Head a Notice of Claim regarding its dispute with the agency. The Notice of Claim shall consist of (i) a brief statement of the substance of the dispute, the amount of money, if any, claimed and the reason(s) the vendor contends the dispute was wrongly decided by the Agency Head; (ii) a copy of the decision of the Agency Head, and (iii) a copy of all materials submitted by the vendor to the agency, including the

Notice of Dispute. The vendor may not present to the Comptroller any material not presented to the Agency Head, except at the request of the Comptroller.

- (b) Agency Response. Within thirty (30) days of receipt of the Notice of Claim, the agency shall make available to the Comptroller a copy of all material submitted by the agency to the Agency Head in connection with the dispute. The agency may not present to the Comptroller any material not presented to the Agency Head, except at the request of the Comptroller.
- (c) Comptroller Investigation. The Comptroller may investigate the claim in dispute and, in the course of such investigation, may exercise all powers provided in sections 7-201 and 7-203 of the New York City Administrative Code. In addition, the Comptroller may demand of either party, and such party shall provide, whatever additional material the Comptroller deems pertinent to the claim, including original business records of the vendor. Willful failure of the vendor to produce within fifteen (15) days any material requested by the Comptroller shall constitute a waiver by the vendor of its claim. The Comptroller may also schedule an informal conference to be attended by the supplier, agency representatives, and any other personnel desired by the Comptroller.
- (d) Opportunity of Comptroller to Compromise or Adjust Claim. The Comptroller shall have forty-five (45) days from his or her receipt of all materials referred to in 5(c) to investigate the disputed claim. The period for investigation and compromise may be further extended by agreement between the vendor and the Comptroller, to a maximum of ninety (90) days from the Comptroller's receipt of all the materials. The vendor may not present its petition to the CDRB until the period for investigation and compromise delineated in this paragraph has expired. In compromising or adjusting any claim hereunder, the Comptroller may not revise or disregard the terms of the contract between the parties.

6. Contract Dispute Resolution Board. There shall be a Contract Dispute Resolution Board composed of:

- (a) the chief administrative law judge of the Office of Administrative Trials and Hearings ("OATH") or his/her designated OATH administrative law judge, who shall act as chairperson, and may adopt operational procedures

and issue such orders consistent with this section as may be necessary in the execution of the CDRB's functions, including, but not limited to, granting extensions of time to present or respond to submissions;

- (b) the City Chief Procurement Officer ("CCPO") or his/her designee, or in the case of disputes involving construction, the Director of the Office of Construction or his/her designee; any designee shall have the requisite background to consider and resolve the merits of the dispute and shall not have participated personally and substantially in the particular matter that is the subject of the dispute or report to anyone who so participated, and
- (c) a person with appropriate expertise who is not an employee of the City. This person shall be selected by the presiding administrative law judge from a prequalified panel of individuals, established and administered by OATH, with appropriate background to act as decision-makers in a dispute. Such individuals may not have a contract or dispute with the City or be an officer or employee of any company or organization that does, or regularly represent persons, companies, or organizations having disputes with the City.

7. Petition to CDRB. In the event the claim has not been settled or adjusted by the Comptroller within the period provided in this section, the vendor, within thirty (30) days thereafter, may petition the CDRB to review the Agency Head determination.

- (a) Form and Content of Petition by Vendor. The vendor shall present its dispute to the CDRB in the form of a Petition, which shall include (i) a brief statement of the substance of the dispute, the amount of money, if any, claimed, and the reason(s) the vendor contends that the dispute was wrongly decided by the Agency Head; (ii) a copy of the decision of the Agency Head; (iii) copies of all materials submitted by the vendor to the agency; (iv) a copy of the decision of the Comptroller, if any, and (v) copies of all correspondence with, and material submitted by the vendor to, the Comptroller's Office. The vendor shall concurrently submit four complete sets of the Petition: one to the Corporation Counsel (Attn: Commercial and Real Estate Litigation Division), and three to the CDRB at OATH's offices, with proof of service on the Corporation Counsel. In addition, the vendor shall submit a copy of the statement of the substance of the dispute, cited in (i) above, to both the Agency Head and the Comptroller.

- (b) Agency Response. Within thirty (30) days of receipt of the Petition by the Corporation Counsel, the agency shall respond to the statement of the vendor and make available to the CDRB all material it submitted to the Agency Head and Comptroller. Three complete copies of the agency response shall be submitted to the CDRB at OATH's offices and one to the vendor. Extensions of time for submittal of the agency response shall be given as necessary upon a showing of good cause or, upon the consent of the parties, for an initial period of up to thirty (30) days.
- (c) Further Proceedings. The Board shall permit the vendor to present its case by submission of memoranda, briefs, and oral argument. The Board shall also permit the agency to present its case in response to the vendor by submission of memoranda, briefs, and oral argument. If requested by the Corporation Counsel, the Comptroller shall provide reasonable assistance in the preparation of the agency's case. Neither the vendor nor the agency may support its case with any documentation or other material that was not considered by the Comptroller, unless requested by the CDRB. The CDRB, in its discretion, may seek such technical or other expert advice as it shall deem appropriate and may seek, on its own or upon application of a party, any such additional material from any party as it deems fit. The CDRB, in its discretion, may combine more than one dispute between the parties for concurrent resolution.
- (d) CDRB Determination. Within forty-five (45) days of the conclusion of all submissions and oral arguments, the CDRB shall render a decision resolving the dispute. In an unusually complex case, the CDRB may render its decision in a longer period of time, not to exceed ninety (90) days, and shall so advise the parties at the commencement of this period. The CDRB's decision must be consistent with the terms of the contract. Decisions of the CDRB shall only resolve matters before the CDRB and shall not have precedential effect with respect to matters not before the CDRB.
- (e) Notification of CDRB Decision. The CDRB shall send a copy of its decision to the vendor, the ACCO, the Corporation Counsel, the Comptroller, the CCPO, the Office of Construction, the PPB, and, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner. A decision in favor of the vendor shall be subject to the prompt payment provisions of the PPB Rules. The Required Payment Date

shall be thirty (30) days after the date the parties are formally notified of the CDRB's decision.

- (f) Finality of CDRB Decision. The CDRB's decision shall be final and binding on all parties. Any party may seek review of the CDRB's decision solely in the form of a challenge, filed within four months of the date of the CDRB's decision, in a court of competent jurisdiction of the State of New York, County of New York pursuant to Article 78 of the Civil Practice Law and Rules. Such review by the court shall be limited to the question of whether or not the CDRB's decision was made in violation of lawful procedure, was affected by an error of law, or was arbitrary and capricious or an abuse of discretion. No evidence or information shall be introduced or relied upon in such proceeding that was not presented to the CDRB in accordance with Section 4-09 of the PPB Rules.

8. Any termination, cancellation, or alleged breach of the contract prior to or during the pendency of any proceedings pursuant to this section shall not affect or impair the ability of the Agency Head or CDRB to make a binding and final decision pursuant to this section.

ARTICLE 20 - OMITTED WORK

If any Contract Work in a lump sum contract, or if any part of a lump sum item in a unit price Contract is omitted by the Commissioner, the Contract price subject to audit by the Comptroller, shall be reduced by an amount equal to the price of such omitted work, If any Contract Work in a unit price Contract, whether the whole of a lump sum item or units of any other item, is so omitted by the Commissioner, no payment will be made therefor.

ARTICLE 21—WARRANTY

A. The System furnished under this Contract shall be warranted against failures or defects in material and workmanship for a period of one (1) year after Substantial Completion.

B. Notwithstanding inspection and acceptance by the NYPD of software and hardware furnished under the Contract or any condition of this Contract concerning the conclusiveness thereof, the Contractor warrants, during the warranty period described in Section (A) above, that all software and hardware:

- (i) Are fit for the ordinary purposes for which the software and hardware were developed and used;
- (ii) Are, within the variations permitted by the Contract, if any, of an even kind, quality, and quantity within each unit and among all units;
- (iii) Are adequately contained, packaged, and marked as the Contract may require; and
- (iv) Conform to the promises or affirmations of fact made on the container.

C. The Contractor assumes responsibility for all defects in the System. . The Contractor must ensure the System is free from defects and must remedy all such defects at no cost to the NYPD during the warranty period.

D. In the event the system covered by the warranty provisions fails during the warranty period, the Contractor shall perform all necessary corrective work and return the system to full operation in accordance with the terms of the Specification, without any cost or expense to the NYPD.

E. In cases where the Contractor is notified of the need to repair and or replace the Work, the existing warranty will not apply to the extent that such failure is caused by user or NYPD misuse . Several examples of user misuse are noted below:

1. Work damaged by external fire;
2. Work damaged by water; or
3. Work damaged in collision.

F. In case the Contractor shall fail to repair or replace any part or do any Work in accordance with the terms of the warranty, or if immediate replacement or repair is necessary to maintain operation of the Work, the Project Manager shall have the right to cause such replacement or repair to be made at the expense of the Contractor.

G. Each and every piece of equipment, component or part thereof that is replaced, repaired, adjusted or serviced in any manner under the terms of the warranty by the Contractor during the warranty period shall be reported to the Project Manager on forms supplied by the NYPD . Each report shall indicate in detail all replacement, repairs, adjustments and servicing to each and every component, unit or parts thereof.

H. Any warranty work shall be accomplished with minimum disruption to the NYPD's operating facilities. The Project Manager at his sole discretion shall determine the availability of facilities for warranty work.

I. The Warranties under this Contract shall not in any way or manner decrease, modify, affect, relieve or excuse the Contractor, Subcontractor or Suppliers from their responsibility or liability under applicable law for breach of which they would be responsible and liable in damages to the NYPD or any other person and persons.

J. The Contractor shall obtain all Manufacturers' warranties and guarantees of the Work in the name of the NYPD and shall deliver copies to the Project Manager.

K. Irrespective of the Manufacturer's or Supplier's warranties, guarantees, terms and conditions, the Contractor's guarantees and warranties for the Work shall be under the terms and for the period as stated in the Contract.

L. The Project Manager shall have the right to inspect all Work done under this warranty subject to the same terms applicable to the Work under the Contract.

M. The Contractor along with an NYPD representative shall inspect any failure or defect in the

Work during the warranty period to determine that the failure or defect is covered by the warranty provisions.

- N. During the warranty period, a field service representative shall be available to perform warranty work at the NYPD's Work location in accordance with the terms of the Specification.
- O. Contractor's warranty obligations hereunder shall not apply in the event the System or any components of the System are modified or maintained by parties other than Contractor or its subcontractors, without Contractor's consent.

Article 22. [RESERVED]

ARTICLE 23 COMERCIAL COMPUTER SOFTWARE RESTRICTED RIGHTS

Restricted Computer Software, as defined in Article 2 above, shall be licensed to the City in accordance with the manufacturer's software license terms and conditions. Software shall be delivered in source code format as provided in the Agreement. Such source code shall be for internal use only and shall not be transferred or sold to any party without written permission and license from CONTRACTOR or its subcontractor; source code shall be protected and treated by City as confidential and proprietary trade secrets. No party shall be given access to such source code without first agreeing to maintain such source code as confidential, proprietary trade secrets maintained for the benefit of CONTRACTOR or its subcontractor. Any modifications or enhancements made to the source code by personnel other than Contractor may void the warranty and maintenance obligations assumed hereunder.

Article 24: MAINTENANCE CONTRACT

- (A) The term of the maintenance/support contract shall be for a period of four (4) years, commencing upon the expiration of the one year warranty period.
- (B) The cost to the NYPD of said maintenance contract shall be as agreed by the parties in the Agreement.
- (C) The maintenance contract shall be administered in accordance with the description in the Specifications.
- (D) Invoices for maintenance work performed and accepted the preceding month, at the applicable monthly rate (derived from the annual rate set forth in the Price Schedule) shall be submitted on the fifteenth day of each month subject to the Contractor's compliance with the submission requirements contained hereunder and all other provisions of the Contract documents.

ARTICLE 25: THE MACBRIDE PROVISIONS

MACBRIDE PRINCIPLES PROVISIONS FOR NEW YORK CITY CONTRACTORS

ARTICLE I. MACBRIDE PRINCIPLES NOTICE TO ALL PROSPECTIVE CONTRACTORS

a. Local Law No. 34 of 1991 became effective on September 10, 1991 and added section 6-115.1 to the Administrative Code of the City of New York. The local law provides for certain restrictions on City contracts to express the opposition of the people of the City of New York to employment discrimination practices in Northern Ireland and to encourage companies doing business in Northern Ireland to promote freedom of work place opportunity.

b. Pursuant to Section 6-115.1, prospective contractors for contracts to provide goods or services involving an expenditure of an amount greater than ten thousand dollars, or for construction involving an amount greater than fifteen thousand dollars, are asked to sign a rider in which they covenant and represent, as a material condition of their contract, that any business in Northern Ireland operations conducted by the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor will be conducted in accordance with the MacBride Principles of nondiscrimination in employment.

c. Prospective contractors are not required to agree to these conditions. However, in the case of contracts let by competitive sealed bidding, whenever the lowest responsible bidder has not agreed to stipulate to such conditions set forth in this notice and another bidder who has agreed to stipulate to such conditions has submitted a bid within five percent of the lowest responsible bid for a contract to supply goods, services or construction of comparable quality, the contracting entity shall refer such bids to the Mayor, the Speaker or other officials, as appropriate, who may determine, in accordance with applicable law and rules, that it is in the best interest of the city that the contract be awarded to other than the lowest responsible bidder pursuant to Section 313(b)(2) for the City Charter.

d. In the case of contracts let by other than competitive sealed bidding, if a prospective contractor does not agree to these conditions, no agency, elected official or the Council shall award the contract to that bidder unless the entity seeking to use the goods, services or construction certifies in writing that the contract is necessary for the entity to perform its function and there is no other responsible contractor who will supply goods, services or construction of comparable quality at a comparable price.

PART A

e. In accordance with section 6-115.1 of the Administrative Code of the City of New York, the contractor and any individual or legal entity in which the contractor holds ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor either (a) have no business operations in Northern Ireland, or

(b) shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Principles, and shall permit independent monitoring of their compliance with such principles.

PART B

f. For purposes of this section, the following terms shall have the following meanings:

1. "MacBride Principles" shall mean those principles relating to nondiscrimination in employment and freedom of work place opportunity which required employers doing business in Northern Ireland to:

(1) increase the representation of individuals from under represented religious groups in the work force, including managerial, supervisory, administrative, clerical and technical jobs;

(2) take steps to promote adequate security for the protection of employees from under represented religious groups both at the work place and while traveling to and from work;

(3) ban provocative religious or political emblems from the work place;

(4) publicly advertise all job openings and make special recruitment efforts to attract applicants from under represented religious groups,

(5) establish layoff, recall and termination procedures which do not in practice favor a particular religious group;

(6) abolish all job reservations, apprenticeship restrictions and different employment criteria which discriminate on the basis of religion;

(7) develop training programs that will prepare substantial numbers of current employees from under represented religious groups for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade and improve the skills of workers from under represented religious groups;

(8) establish procedures to assess, identify and actively recruit employees from under represented religious groups with potential for further advancement; and

(9) appoint a senior management staff member to oversee affirmative action efforts and develop a timetable to ensure their full implementation.

ARTICLE II. ENFORCEMENT OF ARTICLE I.

a. The contractor agrees that the covenants and representation in Article I above are material conditions to this contract. In the event the contracting entity receives information that the contractor who made the stipulation required by this section is in violation thereof, the

contracting entity shall review such information and give the contractor an opportunity to respond. If the contracting entity finds that a violation has occurred, the entity shall have the right to declare the contractor in default and/or terminate this contract for cause and procure the supplies, services or work from another source in any manner the entity deems proper. In the event of such terminations, the contractor shall pay to the entity, or the entity in its sole discretion may withhold from any amounts otherwise payable to the contractor, the difference between the contract price for the uncompleted portion of this contract and the cost to the contracting entity of completing performance of this contract either itself or by engaging another contractor or contractors. In the case of a requirements contract, the contractor shall be liable for such difference in price for the entire amount of supplies required by the contracting entity for the uncompleted term of its contract. In the case of a construction contract, the contracting entity shall also have the right to hold the contractor in partial or total default in accordance with the default provisions of this contract, and/or may seek debarment or suspension of the contractor. The rights and remedies of the entity hereunder shall be in addition to, and not in lieu of, any rights and remedies the entity has pursuant to this contract or by operation of law.

ARTICLE 26—YEAR 2000 COMPLIANT

- (A) In accordance with the terms of Article 21, Warranty, Contractor warrants that all technology provided by the Contractor containing or calling on a calendar function including, without limitation, any function indexed to the system clock, and any function providing specific dates or days, or calculating spans of dates or days, shall record, store, process, provide, and where appropriate insert, true, and accurate dates and calculations for dates and spans including and following January 1, 2000. As part of its maintenance obligations, the Contractor shall consult with the NYPD to ensure that the technology will
- (i) have no lesser functionality with respect to records containing dates both, or either, before or after January 1, 2000 that heretofore with respect to dates prior to January 1, 2000
- Year 2000 compliant means technology that accurately processes date/time data (including but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations. Furthermore, Year 2000 compliant technology, when used in combination with other technology, shall accurately process date/time data if the other technology properly exchanges date/time data with it.

There is no further text on this page.

ARTICLE 26 AFFIRMATION

The undersigned Contractor affirms and declares that said Contractor is not in arrears to the City of New York upon debt, contract or taxes and is not a defaulter, as surety or otherwise, upon obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York, nor is there any proceeding pending relating to the responsibility or qualification of the Contractor to receive public contracts. Full name of Contractor: _____

Address _____

City _____ State _____ Zip Code _____

CHECK ONE BOX AND INCLUDE APPROPRIATE NUMBER:

☐ A - Individual or Sole Proprietorship *
SOCIAL SECURITY NUMBER

☐ B - Partnership, Joint Venture or other unincorporated organization
EMPLOYER IDENTIFICATION NUMBER

☐ C - Corporation
EMPLOYER IDENTIFICATION NUMBER

By _____
Signature

Title

If a corporation place seal here:

Must be signed by an officer or duly authorized representative.

* Under the Federal Privacy Act the furnishing of Social Security Numbers by bidders on City contracts is voluntary. Failure to provide a Social Security Number will not result in a bidder's disqualification. Social Security Numbers will be used to identify bidders,

proposers or vendors to ensure their compliance with laws, to assist the City in enforcement of laws as well as to provide the City a means of identifying of businesses which seek City contracts.

[Not applicable]

SCHEDULE A and **GENERAL CONTRACT CONDITIONS**

PIN: 056090000684		General Conditions Section 1. Schedule A	Contract Description: forensic imaging
Reference	Item	Requirements	
Appendix A- Article 6.4 and Section 1.3 of the General Conditions	Performance and Completion/Labor and Material Bonds and Retained Percentage and Workmanship Guarantee	See Section 1.3 on Page GC-4 of the General Conditions (below) for retainage and optional bonds.	
Appendix A – Article 4	Time of Completion	Anticipated: 6 Months excluding warranty and support	
Appendix A – Article 6.2	Liquidated Damages	NA	
Appendix A – Article 12.8	Subcontracting	To be Determined	
Insurance certificates, policies, and endorsements must be sent to NYPD CAU, 51 Chambers Street, 3 rd Fl. NY, NY. 10007	Insurance indicated by (X) will be required under this contract.	See Specific Insurance Requirements Below for further details concerning insurance requirements for this contract.	
Appendix A – Article 6.1 and General Conditions Sec. 1.1 Below	Insurance	Insurance Subject to Approval by NYPD	
See General Conditions (GC) Sec. 1.2 (1) Below	(X) Workers' Compensation & Disability Benefits Coverage	Statutory – Pursuant to § 57 of the NYS Workers' Compensation Law	
See GC Sec. 1.2 (2) Below	(X) Employer's Liability	\$1,000,000 per accident	
See GC Sec. 1.2 (3) Below	(X) Commercial General Liability (CG 00 01(ed 11/88)) or equivalent. Combined Single Limit - Bodily Injury and Property Damage (X) City of New York and the Police Department added as an additional insured to CGL policy, but only to the extent of the contractual liabilities assumed in the indemnity provision of this agreement	\$3,000,000 per occurrence \$3,000,000 products/completed operations \$6,000,000 general aggregate \$25,000/claim maximum deductible.	
See GC Sec. 1.2 (4) Below	(X) Automobile Liability (CA 00 01(ed. 01/80))	\$1,000,000 Bodily Injury and Property Damage each occurrence.	
Appendix A-- Article 5	Partial Payment	(X) Will be Allowed—Based on Milestone Schedule in the Agreement—Section II.U. () Will not be allowed	
See Sec. 1.3 (2) Below	Payment Submissions and VENDEX for Subcontractors	See Section 1.3 (2) of the General Conditions for details on submitting payments and VENDEX for subs	
SEE SECTION 3 General Conditions	MWBE SUBCONTRACTING REQUIREMENTS	There are no MWBE Utilization goals for this contract	
MWBE UTILIZATION TARGET		MWBE UTILIZATION GOAL	
Black Owned Subcontractors		NA	
Hispanic Owned Subcontractors		NA	
Caucasian Female Subcontractors		NA	
Total MWBE Subcontracting Goal:		NA	

Deductibles and Self-Insured Retention's Any deductibles or self-insured retention's must be declared to the Agency Chief Contracting Officer (ACCO). Vendor may, at its option, meet the above insurance requirements via commercial insurance, self-insurance, alternative risk financing solutions or a combination of these options.

There is no further text on this page.

NYPD Schedule A and General Conditions for IT Projects

GENERAL CONDITIONS
SECTION 1.1 AGREEMENT TO INSURE

The Contractor shall procure and maintain, for the duration of the contract, a program of self-insurance or insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the Contractor's bid.

- (i) The Contractor shall obtain and maintain insurance outlined in Schedule A.
- (ii) The Insurance required for this contract must be on forms acceptable to the Department and offered by Insurers acceptable to the Department.
- (iii) The Department may, at its discretion, and if approved by the New York City Law Department and the Comptroller's Office, accept letters of credit or custodial accounts in place of insurance requirements.
- (iv) All insurance contributing to satisfaction of Schedule A insurance requirements shall provide that the policy shall not be canceled, terminated or modified by the Company unless twenty (20) days prior written notice is given to The City of New York, Police Department, Contract Administration Unit, 3rd Floor, 51 Chambers Street, New York, NY, 10007.
- (v) The Contractor shall be solely responsible for payment of all premiums for insurance contributing to satisfaction of Schedule A requirements and shall be solely responsible for the payment of all deductibles to which such policies are subject, whether or not the City of New York is named as additional insured.
- (vi) Claims made insurance policies will be accepted only for professional liability and such other risks as are authorized by the New York State Insurance Department. All such policies, contributing to satisfaction of Schedule A requirements, shall have an extended reporting period option or automatic coverage of not less than two years.
- (vii) The Contractor shall notify the Department's Legal Division of any accidents arising in the course of operations under this contract causing bodily injury or property damage.
- (viii) The Contractor or his engineer may apply to Police Department Legal Division for approval of higher deductibles based on financial capacity and quality of the carrier affording coverage.
- (ix) *The Contractor shall obtain insurance coverage from insurance companies that have a Best's rating of no less than A:X.*

SECTION 1.2 SPECIFIC INSURANCE REQUIREMENTS

(1) Workers' Compensation Insurance:

Pursuant to Section 57 of the New York State Workers' Compensation Law, the bidder must submit proof of workers' compensation and disability benefits coverage to the Police Department prior to the execution of any contract resulting from this solicitation. Two certificates of such insurance or authority for self-insurance shall be furnished to the Commissioner.

Pursuant to Section 57 of the New York State Workers' Compensation Law, the Contractor shall maintain coverage of workers' compensation and disability coverage throughout the term of this contract, plus any time extensions thereto, and shall submit proof of coverage to the Police Department.

(2) Employer's Liability Insurance:

Before performing any work on the Contract, the Contractor shall procure Employer's Liability Insurance affording compensation for all employees proving labor or services for whom Worker's Compensation coverage is not a statutory requirement. Two certificates of such insurance shall be furnished to the Commissioner.

NYPD Schedule A and General Conditions for IT Projects

Certificates confirming renewals of insurance shall be presented not less than 30 days after renewal of such coverage until all operations under this contract are deemed completed.

(3) Commercial General Liability:

The Contractor shall procure a Commercial General Liability Insurance (CGL) policy in the Contractor's name and adding the City of New York and the Police Department as additional insured (CG 20 10). The CGL shall be endorsed to cover liability assumed by the Contractor under the indemnity provisions of this agreement to the extent such liability would have been present in the absence of the contract. The parties agree that wherever this phrase is used in Schedule A it only limits the applicability of the provided insurance policies in accordance with New York law as the source of payment for damages resulting from the Contractor's liability. The phrase does not limit in any way the indemnification responsibility that the Contractor has agreed to in the Agreement and Appendix A. The Contractor acknowledges that it has the resources to pay for contract claims that may not be covered by the insurance policies. The CGL shall be in effect before the commencement of work and must be maintained during the life of the contract. The CGL shall protect the City, the Contractor, and his/her subcontractors performing work at the site, from claims for property damage and/or bodily injury that may arise from operations under this contract; whether such operations are performed by him/herself or anyone directly or indirectly employed by him/herself. Two (2) certificates of insurance shall be furnished in a manner acceptable to the Police Department, together with copies of all endorsements as pertain to the requirements of this contract.

The City, its officers, officials and employees are to be covered as additional insureds for liability to the extent arising out of activities performed by or on behalf of the Contractor; and products and completed operations of the Contractor.

The Contractor's insurance coverage shall be the primary insurance for the City, its officers, officials, and employees with respect to this contract. L-1's coverage shall be primary and non contributory only with respect to liability arising out this contract and only to the extent of L-1's negligence and tortious misconduct.

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Police Department, its officers, officials, and employees.

The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

The Commercial General Liability Policy shall be on a form and issued by an insurance company acceptable to the City. Limits above are as provided in CG 00 01 (ed. 11/85).

(4) Automobile Insurance

Before commencing work at the site, the Contractor shall procure an Automobile Liability insurance policy in the Contractor's name. This insurance policy must be maintained during the life of the contract and shall include comprehensive form coverage for all owned, hired and non-owned vehicles used in connection with the requirements of this contract. Two (2) certificates of insurance shall be furnished in a manner acceptable to the Police Department,

The Automobile Liability Policy shall be on a form and issued by an insurance company acceptable to the City. Limits above are as provided in CA 00 01 (ed. 01/80).

The Contractor's insurance coverage shall be primary insurance for the City, its officers, officials, and employees with respect to this Contract. L-1's coverage shall be primary and non contributory only with respect to liability arising out this contract, only to the extent of L-1's negligence and tortious misconduct and only for liabilities that would have been present in the absence of the contract.

NYPD Schedule A and General Conditions for IT Projects

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Police Department, its officers, officials, and employees.

The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

SECTION 1.3 - PAYMENT AND PERFORMANCE GUARANTEES and REQUIREMENTS

(1) Retainage and Workmanship Guarantee

a. Retainage: To further assure the faithful and acceptable completion of this contract, the Police Department will withhold as retainage the percentage 5% of each invoice payment request. In lieu of such retainage, the Contractor may submit a performance completion bond, in the form included in Appendix A, equal to 100% of the retainage projected to be held by the City. Retainage shall be held until by the Police Department until one year after the system has been accepted. Within 30 days thereafter, the NYPD shall make a determination that the Contractor has completed the work required and has restored the work areas included in this contract to the satisfaction of the Department. The NYPD shall make a final acceptance determination, in writing to the Contractor. The total retained amount, or a portion thereof depending on performance, shall be paid to the Contractor after the NYPD makes its final acceptance determination.

(2) Payments Made and Due to Subcontractors

The Contractor shall include on each payment requisition a separate breakout of all subcontract work including for each subcontract the following:

Date; Subcontractor Name; Value of Subcontract; Total Amount Previously Paid to Subcontractor for work previously requisitioned; and the amount, including retainage, to be paid to the subcontractor for work included in the registration.

In addition, the Contractor shall have subcontractors submit to the Police Department - Contract Administration Unit- a complete VENDEX Business and Principal Questionnaires for each subcontract of \$100,000 or more.

3) City's Set-Off Rights

Nothing in this Contract shall limit the City's common law, equitable, and statutory rights of set-off. Such rights shall include, but not limited to, the City's option to withhold, up to any amounts due and owing under this contract, any funds owed to the City in accordance with City and/or State law. The City shall exercise its set-off rights in accordance with normal City practices, and, in cases of set-off pursuant to an audit, the finalization of such audit by the City, its representatives, or the State Comptroller.

4) Changed Conditions and Contract Modification

a. GOVERNMENT RULES AND REGULATIONS- Any contract or order resulting from this agreement affected by rules and regulations of the Government of the United States may be either modified to conform thereto or may be terminated without penalty to the Contractor, as shall be determined by the Commissioner in writing. Such modified contract or order shall be subject to audit by the Comptroller of the City of New York.

b. The Contractor is hereby advised that any contract modification, change order, amendment, or extra work done in advance of the required City approvals for such work, including but not limited to the registration of the change order with the Office of the Comptroller, is done solely at the risk of the Contractor.

5) Prevailing Wage Rates

The Contractor's attention is drawn to the fact that the New York State Prevailing Wage Laws, Section 220 and/or 230, as applies herein, shall be strictly enforced. There are five requirements for full contractor compliance with the NYS Prevailing Wage Laws for its workers and its subcontractor's workers:

I. Proper Payment involves paying a worker the prevailing wages, benefits and supplemental wages, required for the type of work performed. The Contractor shall be required, with each payment request, to submit this information in the format approved by the City of New York.

II. Posting of the prevailing wages is required at the work site.

A Sign-in Sheet must include the signature of every worker at the site for each day of work. The workers shall sign that they understand that project is a public works projects covered under NYS Law. The Contractor shall submit the daily sign-in sheet, on a daily basis, to the NYPD Project Manager, in the City approved format.

NYPD Schedule A and General Conditions for IT Projects

Each of the Contractor's workers shall be given an information card about the prevailing wage requirements. At the time of distribution, the contractor shall have each worker sign a statement certifying that the worker has been advised of the prevailing wage requirements.

Identification Badges shall be worn on-site and shall indicate the worker's name, trade, and employer's name. The Contractor shall be responsible for the workers' and subcontractor's compliance with this requirement.

SECTION 2—GENERAL TERMS AND CONDITIONS FOR INFORMATION TECHNOLOGY (IT) PROJECTS

A. LEGAL APPROVAL

Any contract resulting from this Solicitation Document shall be submitted to the City of New York's Corporation Counsel for Approval as to Form and Certification as to Legal Authority. The successful proposal shall become an integral part of the contract. It shall not, however, be considered the total binding obligation for the contract. Any and all proposal conditions may be included, at the discretion of the City's procurement officer, as a part of a final negotiated and approved contract.

B. NO ADVANCE PAYMENTS

The NYPD will pay only for services rendered, reviewed, and accepted by the project manager. No advance payment will be authorized.

C. LIQUIDATED DAMAGES—NOT APPLICABLE

D. SUBJECT TO APPROPRIATIONS

The NYPD reserves the right to cancel a contract negotiated as a result of this RFP at any time due to lack of appropriated funds. In addition, the NYPD may terminate the contract at any time when it is in the NYPD's best interest as specified in Appendix A of the NYPD standard agreement form.

E. [INTENTIONALLY DELETED]

F. PROJECT COORDINATION

The NYPD project manager will be the primary contact point between the Contractor and NYPD. All reports, billings, and problems will be routed through NYPD project manager. The daily supervision of project personnel will be the responsibility of the contractor's project manager and not the responsibility of the NYPD's project manager.

G. PAYMENT OF TAXES

Contractors in arrears on any State or local taxes shall have the payment provisions of the contract approved by the City of New York Department of Finance, prior to contract award, or during the course of the Agreement.

H. STANDARDS

Unless otherwise agreed to in writing by the NYPD, all work performed will conform to NYPD operational and functional standards, requirements, and criteria as identified in Appendix B, or as amended thereafter.

I. REIMBURSEMENT TO CITY FOR UNACCEPTABLE DELIVERABLES

The Contractor is responsible for the quality, accuracy and completion of all work identified in the contract. All work will be subject to evaluation and inspection by the NYPD at all times to:

1. Ensure satisfactory progress;
2. Determine quantities of work performed for progress payment purposes;
3. Be certain that work is being performed in accordance with contract specifications, terms and conditions; and
4. Determine if corrections and modifications are necessary.

Should such inspections or the NYPD audit indicate substantial failure on the part of the Contractor, the NYPD may terminate the contract for default. Furthermore, the NYPD may require the Contractor to reimburse any monies paid (pro rata based on the identified proportion of unacceptable product received) and subject to the Limitation of Liability provision of the Agreement any associated damage such as, but not limited to, NYPD facilities and other resource used, and direct expense incurred.

NYPD Schedule A and General Conditions for IT Projects

J. TERMINATION FOR DEFAULT

If the Contractor refuses or fails to perform the work, or any separable part thereof, with such diligence as will ensure its completion within the written contracted time frame, the NYPD may terminate the right to proceed with the work or such part of the work as to which there has been delay. This clause does not restrict NYPD termination rights under the general contract provision of Appendix A, Article 13 Termination.

K.

L. WITHHOLDING OF CONTRACT PAYMENTS

Notwithstanding any other payment provisions of this contract, failure of the contractor to submit required reports of deliverables when due, or failure to perform according to the work schedule or deliver required work, supplies, or services will result in the withholding of future payments under this contract. This will not apply if such failure arises out of causes beyond the control of, and without the fault or negligence of, the Contractor. The project manager will promptly notify the contractor of any intention to withhold any payments.

M. GUARANTEE OF ACCESS TO SOFTWARE

To the extent provided in the Agreement, the NYPD will have full and complete access to all:

1. source code;
2. documentation;
3. Service Deliverables;
4. all other items, data, information and materials described in the Statement of Work.

**APPENDIX B—SCOPE OF WORK
ASSUMPTIONS AND REQUIREMENTS
PIN 056100000684: Forensic Imaging System**

I. OVERVIEW OF THE REQUIREMENTS

A. Introduction

The New York City Urban Area has a population of 11 million people. In order to protect New York City, it is important to use technology that will provide Law Enforcement with the best tools available. The Forensic Imaging System (FIS) is one of those tools. NYPD FIS would match unknown images of perpetrators gathered by NYPD investigators against images of persons in the NYPD databases of known entities. This includes the NYPD Detective files, Narcotics database, and the Intelligence Data Gathering System. The ability to collect, search and analyze unknown images against images of known criminals will give investigators critical identification information for their cases. In addition, this procurement and contract is strictly confidential and should not be discussed with anyone who has not signed a Non-Disclosure Agreement.

B. Scope of Project

1. The specifications set forth herein are the technical requirements for Forensic Imaging Services and a Forensic Imaging System. The successful vendor will provide the elements necessary to implement the system.
2. The Vendor should assign a project manager who will oversee all deliverables and resources. NYPD will also assign a project manager. The vendor's project manager will provide ongoing progress reports to NYPD's project manager throughout the life of the project.
3. The selected vendor should provide a comprehensive warranty, **after system acceptance**, during the 1st year and provide the same level of service and maintenance during subsequent performance periods of up to 4 years after system acceptance by the NYPD (for a total of 5 years).
4. It is anticipated that the location in which the Forensic Imaging Services will be performed will be One Police Plaza or another OIT/MISD approved location.

C. Project Plan

1. The vendor will maintain the primary responsibility for the successful completion of the work. This responsibility includes the coordination of all subcontractors and personnel involved with the project. The vendor will retain all responsibility for the successful completion of the work in conjunction with the cooperation of NYPD.

2. The Vendor's role of providing this direction is as outlined below.

- **Leadership:** Vendors will provide the leadership required to complete the project. This will include directing the activities of all personnel as appropriate. The nature of this leadership will be such that potential conflicts are avoided and the most efficient use of all project resources is realized.
- **Coordination:** The Vendor's PM will be responsible for coordinating the activities to minimize disruptions to service. This coordination will include equipment deliveries to NYPD facilities, access for project personnel and other non-legal authorizations as may be required to complete the work. Contract Modifications will be approved by the NYPD-Agency Chief Contracting Officer.
- **Reporting:** The Vendor's PM will report directly to the designated NYPD manager on a regular basis through a process to be mutually agreed upon by both parties. These reports will address progress, planned and completed activities as well as identify any issues that require resolution. Should a conflict arise that the PM is unable to resolve, the matter will be referred to the NYPD manager in a timely manner.
- **Implementation:** The Vendor's PM will be the primary point of contact between the Vendor's personnel, all subcontractors and the NYPD PM for the coordination of the implementation phase of the project. This will include notification of affected personnel, coordination of access, determination of operational impacts and identification of risks associated with the work.
- **Project Manager:** For each project, the Vendor will carefully select the Project Manager who possesses the skills and experience necessary to provide the customer with a timely and successful completion that meets, or exceeds customer expectations.
- **Support and Maintenance:** The Vendor will maintain an experienced support team that can provide ongoing support, upgrades, maintenance and monitoring of the proffered system.

Additional Project Management Responsibilities:

- Manage project resources.
- Coordinate with NYPD management and project resources on joint efforts.
- Hold weekly status meetings on the accomplishments of the reporting week against plan, issues, risks, previous week's activities, next week's planned activities.
- Prepare weekly Status Reports on the accomplishments of the reporting week against plan issues, risks, previous week's activities, next week's planned activities discussed during the weekly status meeting.
- Conduct Monthly Project Reviews to summarize accomplishments for the period including but not limited to software customization, system and hardware integration, and Forensic Imaging Services.

II. SPECIFICATION ASSUMPTIONS

General Requirements and Scope of Deliverables:

1. The vendor will provide a Forensic Imaging System that:
 - a). "Enrolls" images from the NYPD mug shot system, historically and ongoing, into an FIS database of known entities. These images are to be "quality assured" by the FIS system to ensure all stored images are of acceptable quality for forensic matching.
 - b). Accepts images of unidentified perps from existing NYPD case management systems and matches submitted images against NYPD "enrolled" mug shot images and other stored images of unidentified perps. These images will arrive in many forms including: printed, digital or video format either online, via mass media transfer (removable hard drives) flash memory drives, video tapes, or printed media.
 - c). Facilitates image enhancement to improve the quality of images having marginal quality. Only copies of the original image may be modified. In NO case should the original image be modified.
 - d). Performs facial recognition matching and returns results to a Facial Recognition Analyst for review, and subsequently returns results to the NYPD case management system from which the request was originally made.
 - e). Provides an audit trail, comprehensive reporting and exchange of information needed between the FIS and existing NYPD systems.
2. The vendor should provide image capture hardware that is capable of capturing mug shot quality face images, fingerprints and irises.
3. The vendor should provide training, training materials and end-user documentation for NYPD personnel utilizing the vendor's hardware and software. Such training will take place at NYPD approved facilities.

Other Requirements:

1. General
 - a. The Vendor should provide references to at least one deployed face recognition system with operational capacity of over 20 MLN face records
 - b. The Vendor should provide references to at least two deployed US State and Local face forensic investigative law enforcement applications. The systems should have database capacity of over 1 MLN face records and investigative client applications that allow police examiners to perform face recognition searches. The Vendor should specifically note the number of investigative cases solved using face recognition technology.
 - c. The vendor should provide references to at least one deployed multi-biometric (face, fingerprint and iris recognition) system.
 - d. The Vendor should demonstrate Tier-1 performance in open competition government-certified vendor evaluations of face, fingerprint and iris recognition technologies. Examples of tests are those conducted by NIST such as NIST Face Recognition Vendor Test (FRVT) 2006, NIST Iris Challenge Evaluation (ICE) 2006 and the ongoing NIST Proprietary Fingerprint SDK Test.
 - e. The Vendor should possess all source code to the core technology and should be actively developing the technologies of interest: face, fingerprint and iris recognition.
2. Kiosks:
 - a. The Vendor should provide multi-biometric booking workstations with mug shot, fingerprint and iris acquisition integrated into a single booking application.
 - b. Mug shot capture module should evaluate face image quality parameters for compliance with *ISO/IEC JTC 1/SC 37 Standard Biometric Data Interchange Formats -- Part 5: Face Image Data*.
3. Search Engine:
 - a. The Vendor should provide an integrated multi-biometric search engine that combines face, fingerprint and iris recognition in a single platform.
 - b. The system should be designed to accommodate 16 MLN face record capacity.
 - c. The Vendor should provide an unlimited capacity license for the number of face and iris recognition records.
 - d. The software should be tested to operate in a VM environment.
 - e. The system should operate on COTS hardware.
4. Client applications:
 - a. The Vendor should provide the face forensic investigative workstation as a universal software application tool. The forensic examiner application should perform at least the following functions:
 - i. Support of multiple job queues
 - ii. Quality review of mug shots prior to their enrollment into the mug shot database
 - iii. Forensic image enhancement functions: lighting compensation, multiple

- image resolution enhancement, pose correction, single frame resolution enhancement, de-interlacing and other functions if objectively proven to improve face recognition performance.
- iv. Customized and automated search result reporting
- v. Tools for facilitating image comparison operations
- vi. Integration with the system workflow server

5. Forensic Lab:

- a. The Vendor should provide two trained forensic on-site examiners for conducting investigative searches. These resources should have expertise in the vendor's technology such that they may a). staff NYPD's Forensic Imaging Unit for up to three (3) years and b). provide training and transition to NYPD Facial Recognition Analysts over that time period. The vendor's resources will provide such services at NYPD or NYPD-approved facilities.
- b. The Vendor should provide an office facility in the vicinity of 1 Police Plaza for temporary hosting of forensic operations. The vendor's facility will be required to host approximately 10 persons/workstations, a data wall and peripherals. The lease agreement for this space may be required for 1.5 years, with an option to withdraw at any time, such that the NYPD a). may receive a pro-rated refund and b). extend the lease on a monthly basis indefinitely. NYPD-approved personnel will need 24x7 access to this facility and the facility should comply with NYPD security requirements. It should be equipped with a secure network connection to NYPD location.

6. Contract:

- a. The Vendor should provide all technology maintenance and upgrades and the services required to perform upgrades for the duration of 5 years.
- b. The vendor should provide 24x7 end-user support for hardware and software. Such support may entail on-site visits to NYPD facilities for remediation.

Hardware/ System and Application Software

Equipment/Hardware/System and Development Software needed to establish the NYPD Forensic Imaging System Project:

Software/Hardware	Quantity	Notes
Multi-biometric booking workstations with mug shot, fingerprint and iris acquisition	10	Should be one integrated unit
Enterprise edition biometric software for face, iris, fingerprint and palm print	1	Should include image enhancement capabilities

Workstation licenses for forensic examination software	10	8 for normal operations; 2 for disaster recovery
License for underlying biometric algorithms	4	2 for primary servers; 2 for disaster recover servers
Unlimited face capacity license	1	
Unlimited iris capacity license	1	

B. Completion Criteria:

1. DESIGN ACCEPTANCE

Before the contractor programs any custom software, the Department will approve the software's design to assure its compliance with requirements. This includes Department approval of the contractor's design of software modules for use under the Agreement. Before acceptance, the Department will consider, at a minimum, the following:

- a. Do the system requirements allocated to software provide a clearly stated, verifiable, and a testable foundation for software engineering and software management?
- b. Does the requirement management process monitor the completeness of the requirements?
- c. Does the software development plan appropriately address requirement implementation?
- d. Has the software planning process resulted in a software development plan that is within budget, within the proposed schedule, and is consistent with other project requirements?
- e. Are the actual results and performance of the software project tracked against the software development plan?
- f. Is there a mechanism for the review of the cost, schedule, resource, and technical risk status of the software development phase?
- g. How is the development of software by subcontractor's tracked as they apply to the above concerns?
- h. Is there a mechanism for identifying software baseline(s)?
- i. Does the configuration management process track the number of changes to the software baseline(s)?
- j. Has a software engineering process group been established?
- k. Is the standard software process stable?
- l. Does programming staff have the appropriate skill mix for the development?
- m. Will independent audits be conducted for each step of the software development

- process?
- n. Are standards and procedures applied on the software development project?

2. ACCEPTANCE TESTING

The Department intends to include in the contract a provision for an acceptance test of the hardware and software provided by the contractor. It will not accept the software and authorize final payment to the vendor unless the acceptance test has been successfully completed. Before acceptance is granted, the Department will consider, at a minimum, the following:

- a. Has the contractor continually worked to improve its standard software development process?
- b. Has the contractor met the Department's improvement goals?
- c. Does the quality of the product indicate that the product is ready for full release to the Department?
- d. Will undetected or unresolved problems in the product lead to more problems in the live-cycle stage?
- e. Does the number of trouble reports indicate that the product should be reworked before proceeding to the live-cycle stage?
- f. Do the types of defects suggest risk to mission critical concerns?
- g. Is the testing activity complete?

See Section V.B. of the Information and Requirements for Application of Negotiation for further information on the Design and System Acceptance.

C. Warranty/ Extended Warranty and Maintenance and Future

Considerations

- a. Upon acceptance of the total system, the Contractor will provide complete warranty for **1 year** and extended support/maintenance services (**hereinafter referred to as System Warranty**) for an additional 4 years from the Completion of the Warranty period.
- b. During the **System Warranty** period the Contractor will provide the NYPD with:
 - All codes, plans, and documentation necessary for future systems maintenance vendors, or NYPD personnel, to maintain the system upon completion of this agreement. The Contractor agrees not to include any imbedded code or other proprietary schemes that will limit the ability of the NYPD to select a qualified vendor or its own personnel to maintain the system upon completion of the term of the Agreement.

- A guarantee that the products, services, and/or systems are free from defects and faulty workmanship and that the System will perform and conform to the NYPD specifications in Appendix B as is or amended thereof during the entire **System Warranty** period. Any repairs or maintenance performed during the **Warranty** period should be performed at no additional cost to the NYPD.
- Notification of any defect or malfunctions in the hardware, equipment, computerized systems or documentation, including any that the Contractor discovers from any source. The Contractor will be responsible for correcting any defects or malfunctions in the products, services, and/or systems including computerized systems or documentation discovered at any time by either the Contractor or the NYPD. The Contractor will also provide the NYPD with corrected copies of the corresponding documentation.
- All subsequent enhancements to the products, services, and/or systems and documentation. Enhancements include all updated versions and modifications to the products, services, and/or systems and previously customized computerized systems.
- Nonstop (24 hour by 7 days a week) maintenance and technical support.
- The Contractor should provide detailed information concerning their technical support, including but not limited to responding to the requirements herein.

NYPD Forensic Imaging System (FIS)



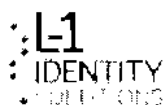
**NYPD Forensic Imaging System
(FIS)**

**Customer Requirements Document
and
Statement of Work**

NYPD Forensic Imaging System (FIS)

TABLE OF CONTENTS

1	<u>FIS SYSTEM ARCHITECTURE</u>	1
1.1	GENERAL PROJECT SCOPE	1
1.1.1	PROJECT ASSUMPTIONS	2
1.1.2	L-1 SOFTWARE DELIVERABLES	3
1.1.3	SOLUTION SOURCE CODE	3
1.1.4	SOLUTION DOCUMENTATION	3
1.1.5	PROGRAM MANAGEMENT	4
1.2	FORENSIC IMAGING SYSTEM (FIS) ARCHITECTURE	5
1.2.1	ABIS FACE AND IRIS RECOGNITION SERVER	6
1.2.2	FACE EXAMINER WORKSTATION (FEW)	8
1.3	SYSTEM WORKFLOW	10
1.3.1	INITIAL MUGSHOT ENROLLMENT WORKFLOW	10
1.3.2	ONGOING MUGSHOT ENROLLMENT PROCESS	13
1.3.3	OCA SEAL AND DELETE WORKFLOW	15
1.3.4	FORENSIC SEARCH WORKFLOW, NOT AUTOMATED	17
1.3.5	ECMS FORENSIC SEARCH WORKFLOW	19
1.3.6	FORENSIC SEARCH WORKFLOW INTEGRATED WITH OTHER CASE MANAGEMENT SYSTEMS	23
2	<u>STATEMENT OF WORK</u>	24
2.1	FIS SYSTEM DEPLOYMENT	24
2.2	BOOKING KIOSK DEPLOYMENT	24
2.3	INITIAL MUGSHOT DATABASE ENROLLMENT	24
2.4	ONGOING MUGSHOT DATABASE ENROLLMENT	25
2.5	FORENSIC SEARCH PROCESS	25
2.5.1	FIS IS INTEGRATED WITH ECMS CASE MANAGEMENT SYSTEM	25
2.5.2	FIS IS INTEGRATED WITH TBD CASE MANAGEMENT SYSTEM (CM2)	26
2.5.3	FIS IS INTEGRATED WITH TBD CASE MANAGEMENT SYSTEM CM3	27
2.5.4	NOT AUTOMATED FORENSIC SEARCH WORKFLOW	27
2.6	OCA SEAL AND DELETE PROCESS	27
2.7	STAFFING OF FACE RECOGNITION GROUP	27
2.8	TECHNOLOGY UPGRADES	28
3	<u>APPENDIXES</u>	29
3.1	APPENDIX 1. AUDIT LOG OF FIS	29
3.2	APPENDIX 2. JOB QUALIFICATIONS OF NYPD FACE EXAMINERS	30
3.2.1	APPENDIX 3. TRAINING PLAN	32
3.3	APPENDIX 4. TEMPORAL FIS OFFICE SPACE	33



NYPD Forensic Imaging System (FIS)

1 FIS System Architecture

1.1 General Project Scope

L-1 is proud to offer NYPD multi-modal biometric system that will enhance the current investigative processes by adding face, iris and fingerprint enrollment, biometric search and identity verification capabilities.

This Forensic Imaging System (FIS) will allow NYPD to enroll new face images from the existing mugshot system via a real-time interface. At the time of deployment L-1 will import the existing mugshot database for search in ABIS face recognition server.

L-1 will set up and maintain face databases as per NYPD requirements:

- i) Mugshot database with already existing and also incoming arrest images.
- ii) Unsolved Face database with face images of persons of interests.

The databases will contain faces from arrest records and from crime images, and also images of known subjects who are of interest to the NYPD. This may include images coming from external sources, for example, FBI or Interpol Wanted lists.

The Unsolved Face database is not going to be populated at the beginning of the project but will grow with system use.

This document outlines how L-1 envisions implementing such an integrated system. The following business process enhancements are envisioned within the scope of the current project:

- Initial and continuous enrollment of the mugshots of offenders into face recognition system.
- Staffing of the NYPD facial recognition group
- Software to search the image databases using photo and video imagery submitted by detectives and investigators.
- Integration with NYPD case management systems, ECMS and Nitro, to automate the search requests making it easy for detectives to request an investigation of a crime scene photo.
- Continuous search of every new mugshot enrollment images in the Unsolved Face database.
- Booking kiosks equipped with iris capture camera and the iris search database.

NYPD FIS consists of the following main components:

1. Multi-biometric, face and iris recognition server running L-1 ABIS software

NYPD Forensic Imaging System (FIS)

2. Face Examiner workstations installed at NYPD face recognition unit that allow expert users to enhance and process otherwise crime scene photographs
3. ABIS Workflow Server that receives updates
4. L-1 face, iris, fingerprint and palm print booking workstations

The following table lists general system performance specifications.

Initial number of face recognition records in the database	6 MLN photographs split between Mugshot and Unsolved Face galleries
Number of iris recognition records	Up to 300K subjects by the end of year 1, growing at the rate of up to 200K subjects/ year
Face search throughput per Assembly, at least	500 searches/ hr
Search duration (excludes network latency time)	about 5 sec
Enrollment throughput per Assembly, at least	5 records/ sec
Number of Expert Face Examiner Workstations	8
Number of face, iris, finger and palm enrollment kiosks	9

1.1.1 Project Assumptions

The following are the overall assumptions which are considerations to be noted.

- The hardware is to be provided by L-1 per specification given by L-1.
- Microsoft SQL database licenses and other licenses for Microsoft software are provided by NYPD.
- The central node of the FIS system is deployed at One Police Plaza data center.
- NYPD provides, as needed, NYPD IT personnel required for installing and configuring the hardware including unpacking the hardware, booting it up, installing the operating system, configuring IP addresses, installing antivirus software servers, user administration (LDAP or Active Directory), and network administration.
- Scheduled backup and routine maintenance of ABIS servers such as installation of OS and antivirus patches, are to be provided by NYPD IT.

NYPD Forensic Imaging System (FIS)

- L-1 provides project progress reports to the designated NYPD Project Manager monthly.

1.1.2 L-1 Software Deliverables

The FIS system software will be delivered as:

- ABIS Enterprise Edition for Microsoft SQL database, version 6.3 or later
- L-1 Face Examiner Workstation, customized for NYPD FIS project
- ABIS Workflow Server, with workunits customized for NYPD FIS project

1.1.3 Solution Source Code

Software provided as the overall solution to NYPD falls under 3 categories: L-1 COTS software and IP, third-party software, and applications developed specifically for this project. As such, source code for these software elements is typically handled in the following manner:

- L-1 COTS software and IP
 - Source code for L-1 COTS software will not be provided.
- Third-party software
 - L-1 has no control over source or release cycles of third-party software.
 - Coincident with this consideration, L-1 ensures that current versions of our COTS software is supported on third-party software that is under currently supported status for all required software elements.
 - In the event that the customer, either initially or subsequently during the life-cycle of this project decides to halt further updates to the solution, it becomes the customer responsibility to maintain availability of the specific versions of third-party software required and accept risks incurred by using potentially unsupported third-party applications
- Solution specific software
 - For all software elements developed by L-1 specific to the deliverables of this project, L-1 will provide source code to the customer along with any documentation pertinent to it. This includes:
 - Customization scripts and utilities for ABIS server components
 - Workflow Server customization scripts and utilities

1.1.4 Solution Documentation

The following list of product documents will be provided:

NYPD Forensic Imaging System (FIS)

- Standard ABIS and ABIS Workflow Server product documentation, including:
 - System Overview
 - Installation Guide
 - Developer's Guide
 - Administration Guide
 - Troubleshooting Guide
- Face Examiner Workstation documentation

The following set of documents specific to this deployment will be provided:

- ABIS System configuration document
- Application and interface design document

All documentation is in English.

1.1.5 Program Management

L-1 will assign a Program Manager to this project to oversee our overall efforts, provide the critical customer POC, and provide regular status reports on all facets of the program.

As part of this project, the Program Manager will develop and maintain a project plan.

Program Manager will assign L-1 engineering and other resources as required for the project.

NYPD Forensic Imaging System (FIS)

1.2 Forensic Imaging System (FIS) Architecture

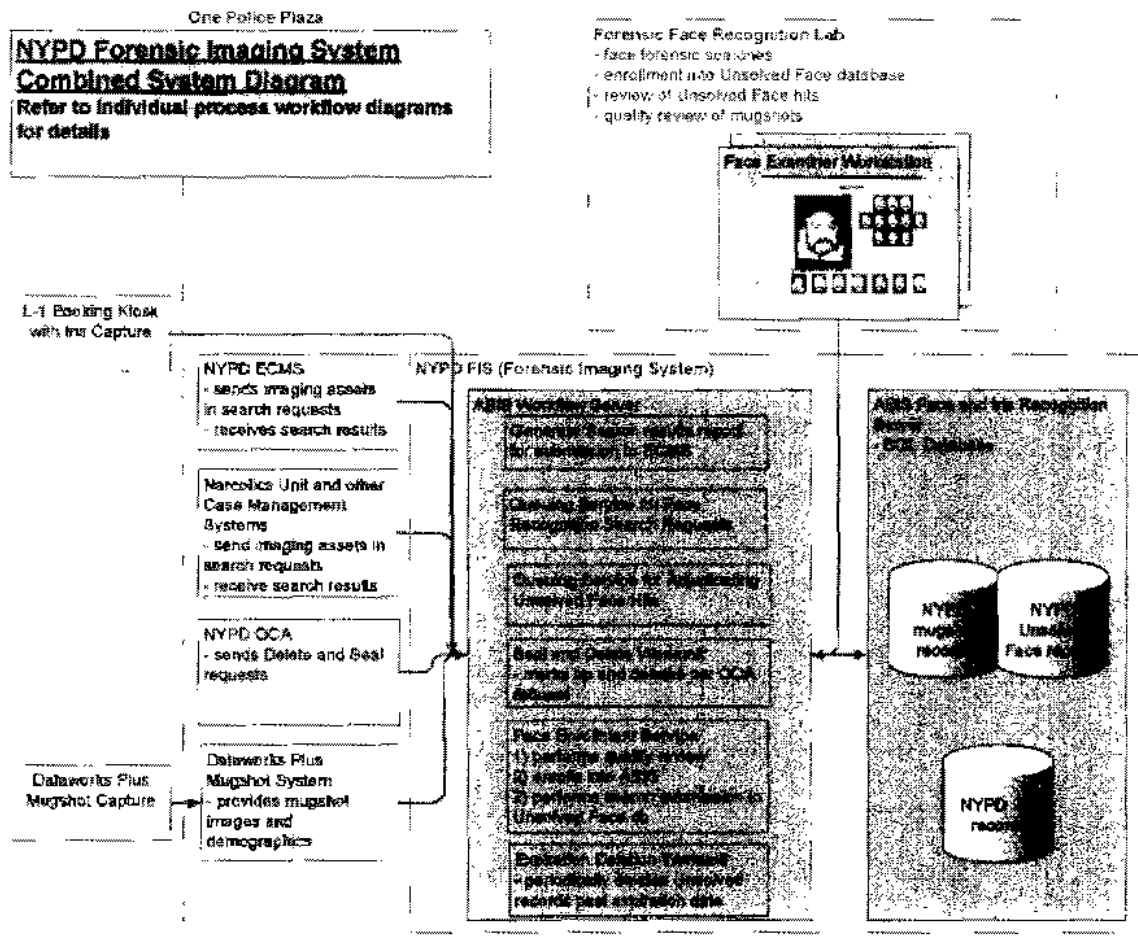


Figure 1 NYPD FIS architecture. The workflow of individual processes is explained in this document below.

Briefly stated and illustrated in Figure 1 is the architecture of the solution. The detailed description of individual components of the solution is provided later in this document.

The back-end server component of the solution is ABIS face and iris recognition server. ABIS server includes its own database for storing images, demographic data and templates. ABIS runs on Microsoft SQL database.

ABIS Workflow Server:

- Communicates with external services such as Dataworks Plus Mugshot sever
- Queues work requests for Face Examiners

NYPD Forensic Imaging System (FIS)

- Performs data maintenance operations such as processing Seal and Delete requests
- Implements quality review process
- Executes Unsolved Face database search workflow

Face Examiner Workstation software is provided for use by NYPD face imaging experts. It performs these functions:

- Performs forensic searches in ABIS
- Performs quality reviews of Mugshot images that failed to enroll
- Adjudicates Unsolved Face searches (as per thresholds)
- Enrolls into Unsolved Face database

FIS interfaces with the following external systems:

- [REDACTED] that provides the initial mugshot database and then updates FIS with new booking records as they are acquired
- [REDACTED] that provides Seal and Delete data feed
- [REDACTED] that provides face search requests and receives search reports
- Two further NYPD case management systems with comparable interface: Narcotics Unit, Intelligence Unit, which provide face recognition search requests and receive search reports.

The server and face recognition investigation lab are installed at NYPD office at One Police Plaza.

1.2.1 ABIS Face and Iris Recognition Server

ABIS Face and Iris Recognition Server is the core component of the system. ABIS server layout is shown in Figure 2. ABIS uses SQL database for storing images and templates.

NYPD Forensic Imaging System (FIS)

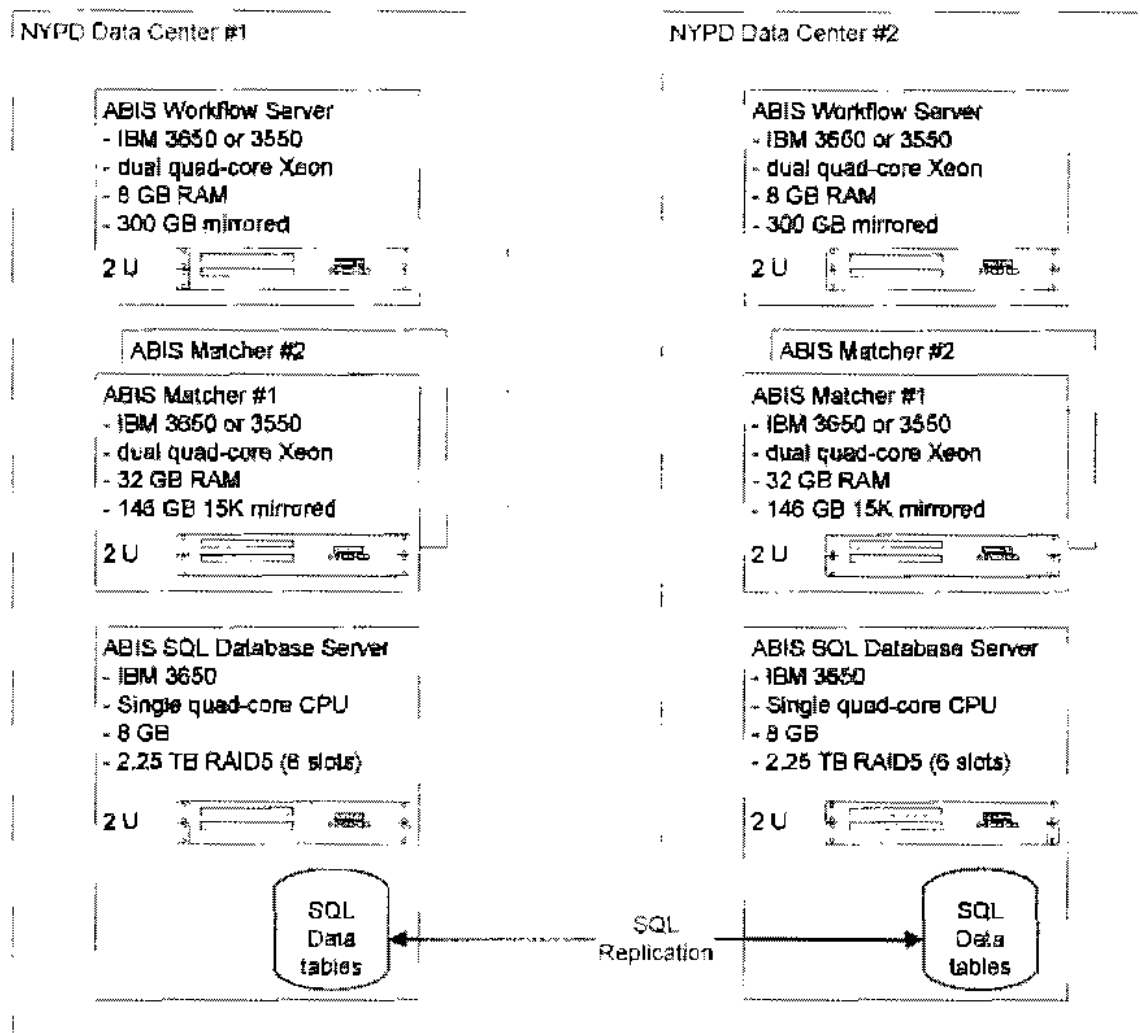


Figure 2. ABIS Server physical architecture.

Physically, ABIS Server will consist of the following hardware components, replicated in Active-Active configuration at 2 nodes:

- ABIS Database Server that contains SQL database and database tables.
- 2 ABIS Matchers that perform face and iris recognition searches.
- ABIS Workflow Server which executes FIS workflows and communicates with external systems via customized interfaces.

All hardware is rack-mounted COTS. The identified hardware vendor is IBM.

The database server will have 2.25 TB SAS capacity configured for RAID 5 redundancy. With assumption that the average size of the JPEG mugshot images remains at 30 KB as

NYPD Forensic Imaging System (FIS)

in the current NYPD mugshot database, the database storage capacity is going to be sufficient for about 20 MLN records.

The Unsolved Face database is planned to share the same Database Server with Mugshot database. The current assumptions on the Unsolved Face database growth are in the range of 10-50K additional images per year. In the worst case scenario, the size of the Unsolved Face database should not exceed 350K images accumulated over 7-year period. The FIS hardware will safely be able to accommodate this database growth.

The planned iris database of up to 300K records is also going to be stored in the ABIS Database Server, with estimated growth of 200K a year.

Each ABIS Matcher can contain at least 8 MLN templates to the total theoretical system capacity of 16 MLN records.

The data replication between the 2 system nodes will be at the database level. L-1 will provide SQL database replication scripts and will deploy them.

ABIS Server will keep audit log of all face search requests from client applications. Each search audit log entry will contain a copy of the original probe image, demographic fields and the list of IDs for hit candidates.

All enrollments into Unsolved Face database will also be audited. The audit log will contain information about who and how enrolled, modified or deleted Unsolved records.

L-1 will provide NYPD with ABIS audit log database scripts for generating periodic reports with enrollment and search statistics such as hourly and daily system throughput for these processes.

The detailed information on FIS audit logs is provided in *Appendix 1. Audit Log of FIS*.

1.2.2 Face Examiner Workstation (FEW)

FIS will have 8 concurrent seats of Face Examiner Workstation (FEW) application for use by NYPD experts at the biometric face recognition lab. FEW is designed to be the main FIS client software application. In particular, it is used in the following circumstances:

- To open still image and video assets
- To submit an image for searching in Mugshot or Unsolved Face databases
- To enroll images into Unsolved Face database
- To enhance low quality images:
 - o To de-interlace images
 - o To generate 2D-3D projections
 - o To increase the resolution of images

NYPD Forensic Imaging System (FIS)

- To capture a snapshot from a video file
 - To balance the lighting on an image
 - Other tools will be developed per requests of face examiners within the level of effort as per Statement of Work
- To perform quality review of mugshots that failed to enrolled due to a quality issue
- To generate search report. The search report generated by FEW contains a copy of the searched image, all post-processing image enhancement steps applied to it, search parameters such as filters and algorithm passes, and the candidate image.

NYPD Forensic Imaging System (FIS)

1.3 System Workflow

1.3.1 Initial Mugshot Enrollment Workflow

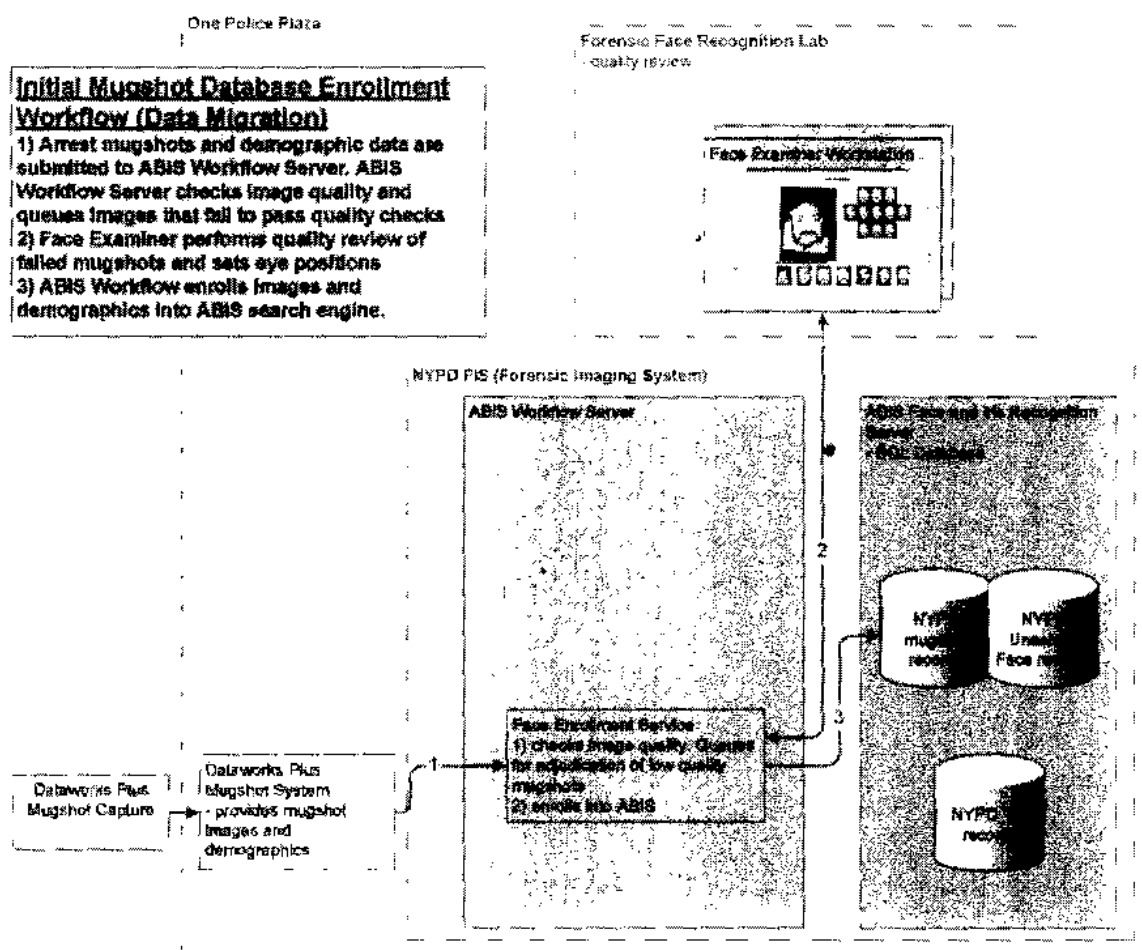


Figure 3. Initial Mugshot Enrollment Workflow.

During the initial data migration, the images are sent to FIS from Dataworks Plus Mugshot System via custom developed SOAP interface.

The enrolled data includes a JPEG mugshot image and this demographic information:

1. Arrest Number #, NYSID and other case identification information
2. Flag if the record is an update to an existing record
3. Flag if the record is sealed (some records in the Dataworks Plus database are already sealed)
4. Gender



NYPD Forensic Imaging System (FIS)

5. **Race**
6. **Complexion**
7. **Eye characteristics**
8. **Eye color**
9. **Facial color**
10. **Hair color**
11. **Hair length**
12. **Hair style**
13. **Skin tone**
14. **Teeth**
15. **Facial jewelry**
16. **Height**
17. **Weight**
18. **Place of birth**
19. **Amputations -1**
20. **Amputations -2**
21. **Amputations -3**
22. **Scars/ marks/ tattoos -1**
23. **Scars/ marks/ tattoos -2**
24. **Scars/ marks/ tattoos -3**
25. **Date of birth**
26. **Hispanic**
27. **Location ID**
28. **Charge -1**
29. **Charge -2**
30. **Charge -3**
31. **Arrest date**
32. **Megan's Law**

NYPD Forensic Imaging System (FIS)

FIS will contain all mugshot images from Dataworks Plus Mugshot Server. All images from sequential arrests are going to be enrolled.

The workflow of the process is illustrated by Figure 3 and Figure 4.

- ABIS Workflow Server is configured to perform quality check of the incoming mugshots. If a mugshot fails the quality check it will be diverted to a review queue. The face examiner operator will review the image to confirm that it is of suitable quality, including the option of manually register the face (eye locations), and subsequently enroll it.

If the image is of unsuitable quality it will still be enrolled in the database for data consistency with Dataworks Plus system, but it will not be activated for face recognition searches.

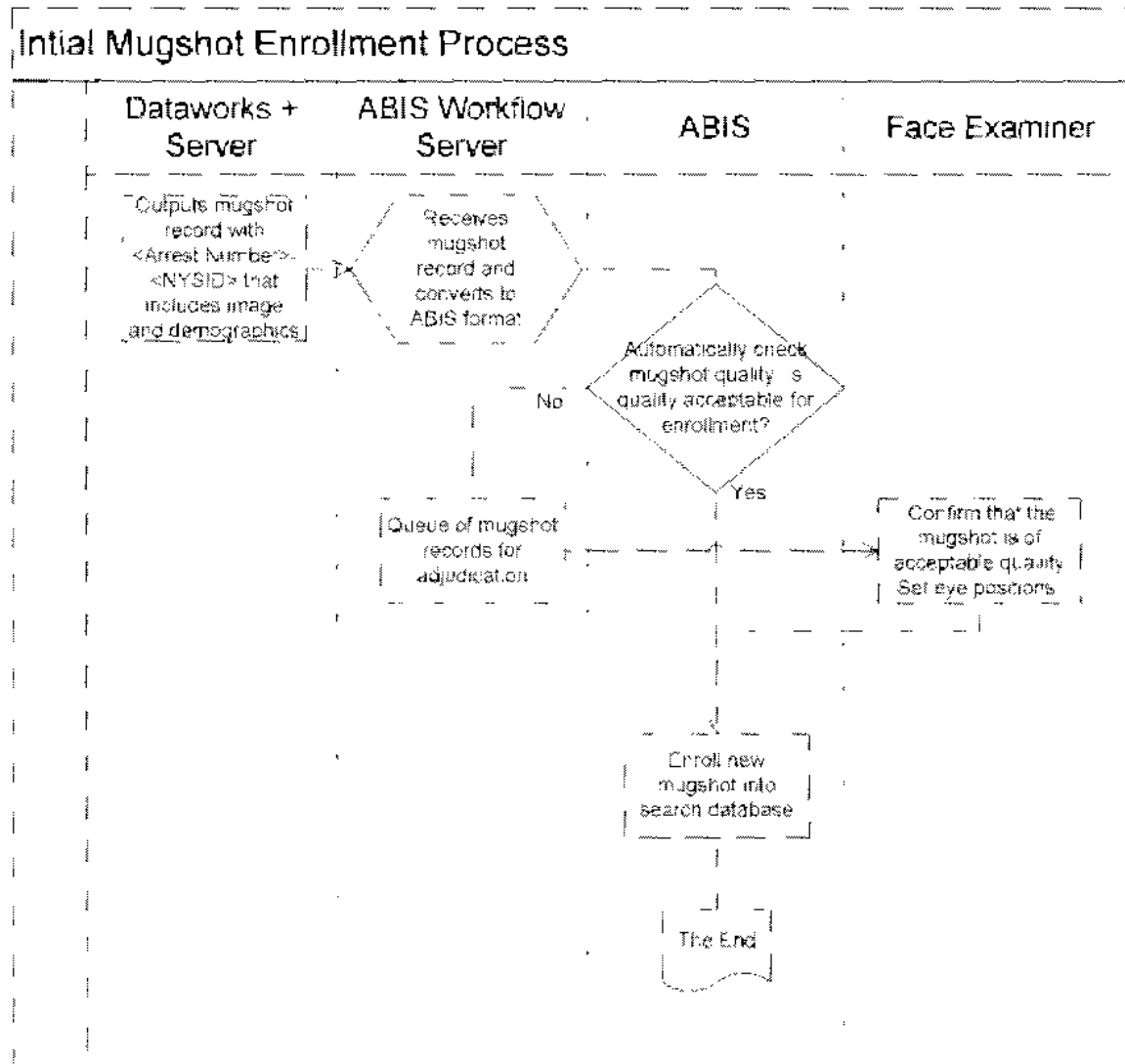


Figure 4. Initial mugshot enrollment process workflow diagram.

NYPD Forensic Imaging System (FIS)

1.3.2 Ongoing Mugshot Enrollment Process

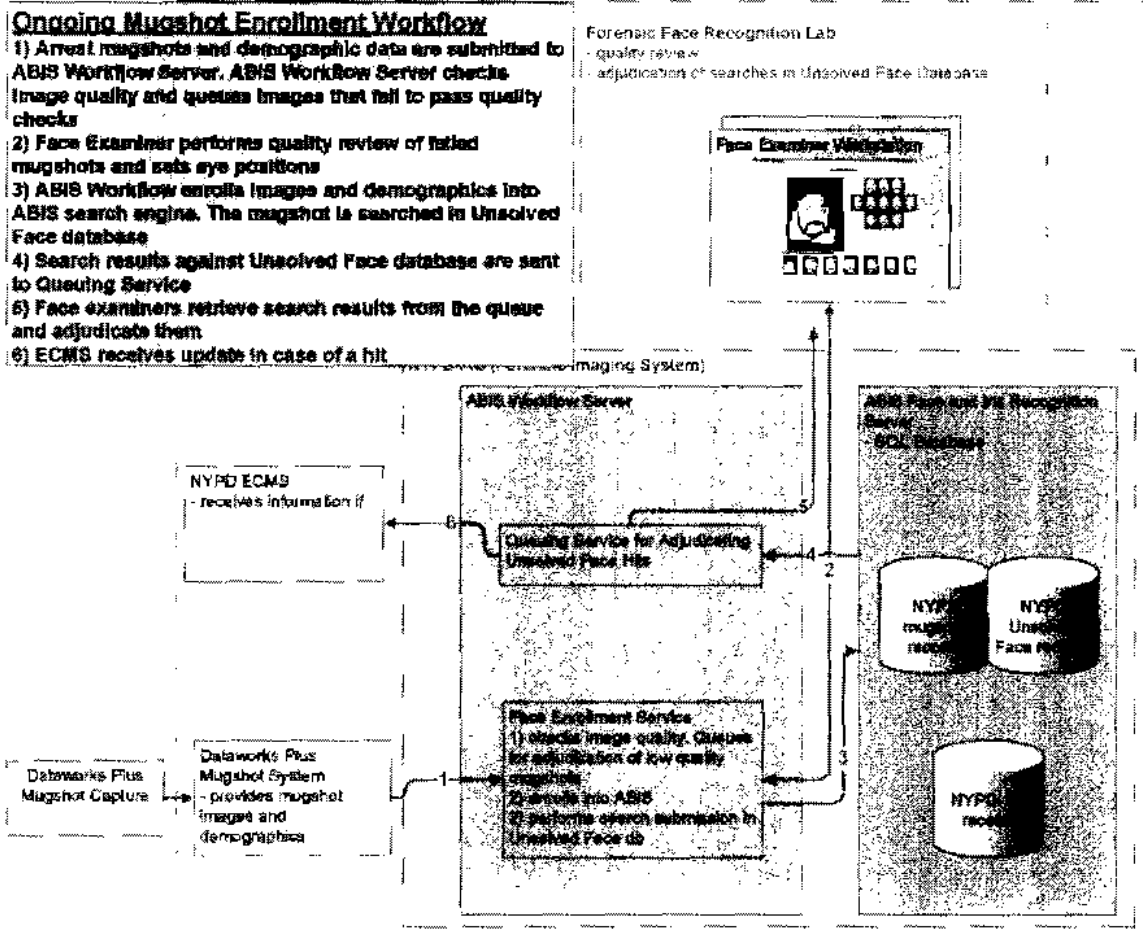


Figure 5. Ongoing mugshot enrollment process

NYPD Forensic Imaging System (FIS)

Ongoing Mugshot Enrollment Process

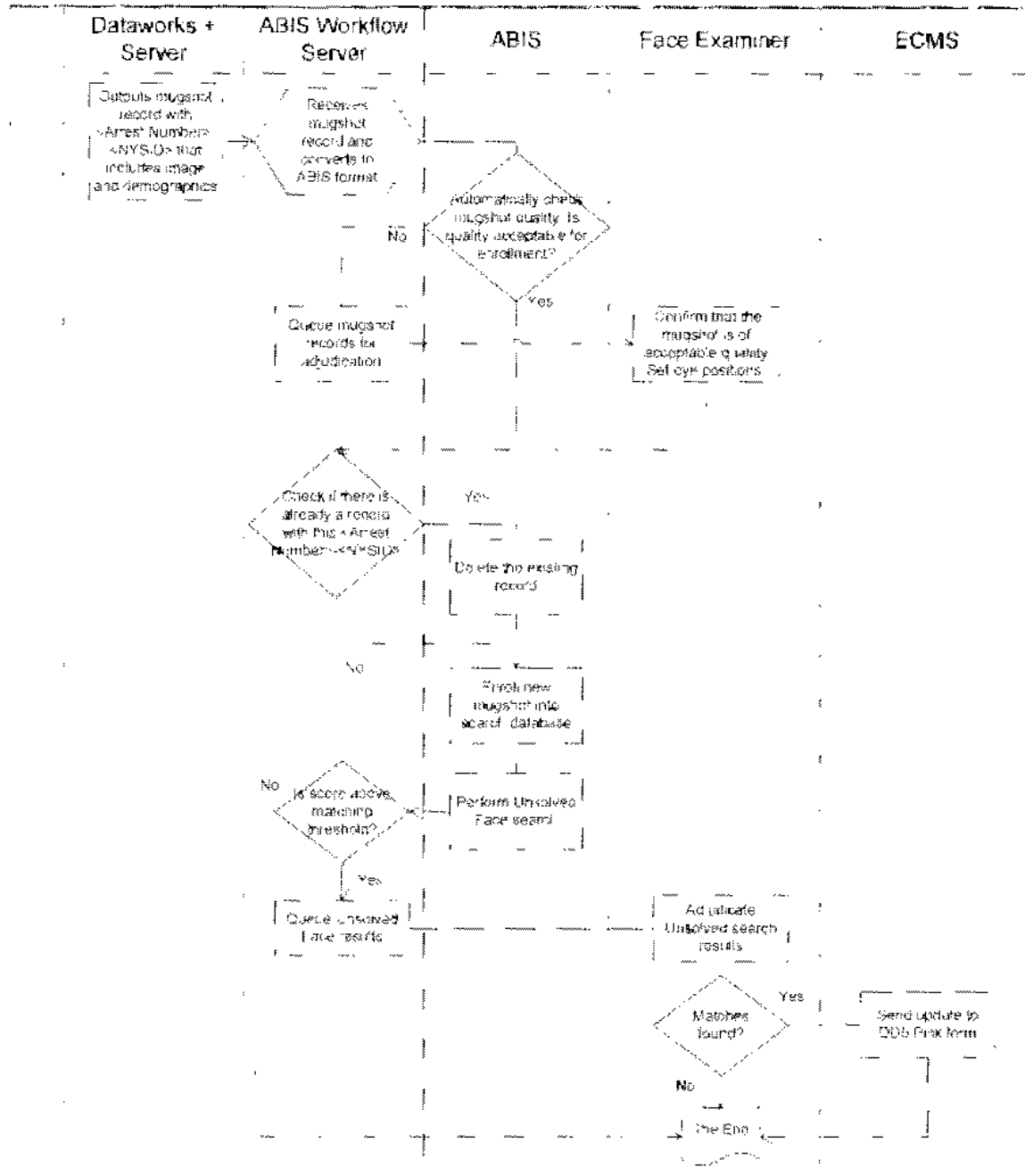


Figure 6. Ongoing mugshot enrollment workflow diagram.

The ongoing mugshot enrollment workflow is similar to the initial mugshot enrollment process with one essential difference: all ongoing enrollment mugshots are searched in the Unsolved Face database. If search candidates are found then they are queue up in ABIS Workflow Server and subsequently adjudicated by face examiner operators.

NYPD Forensic Imaging System (FIS)

All mugshots from subsequent arrests are enrolled into ABIS database. Having multiple photographs per subject increases the chances of getting a hit.

1.3.3 OCA Seal and Delete Workflow

One Police Plaza

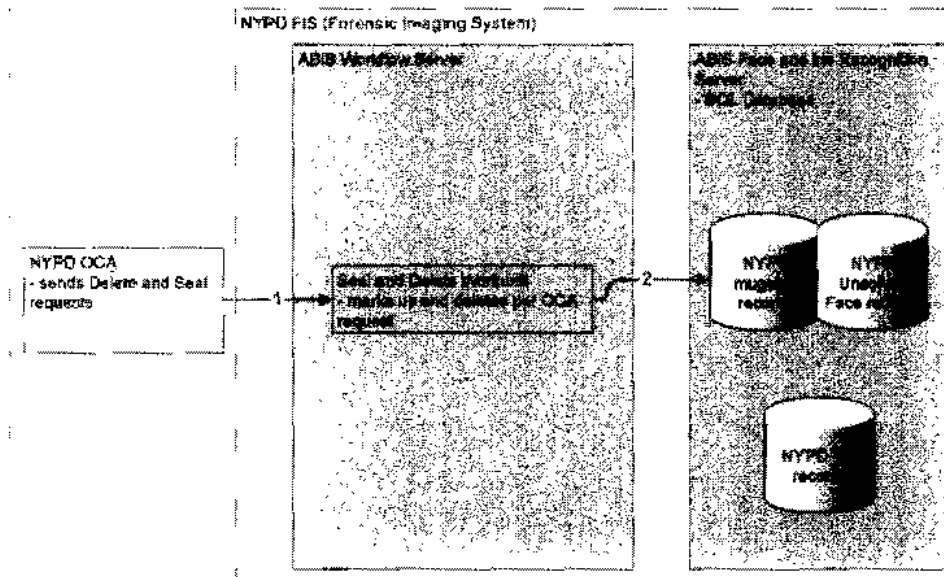
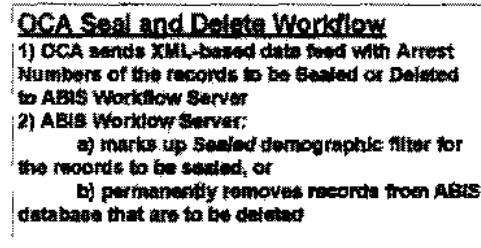


Figure 7. OCA Seal and Delete process

NYPD Forensic Imaging System (FIS)

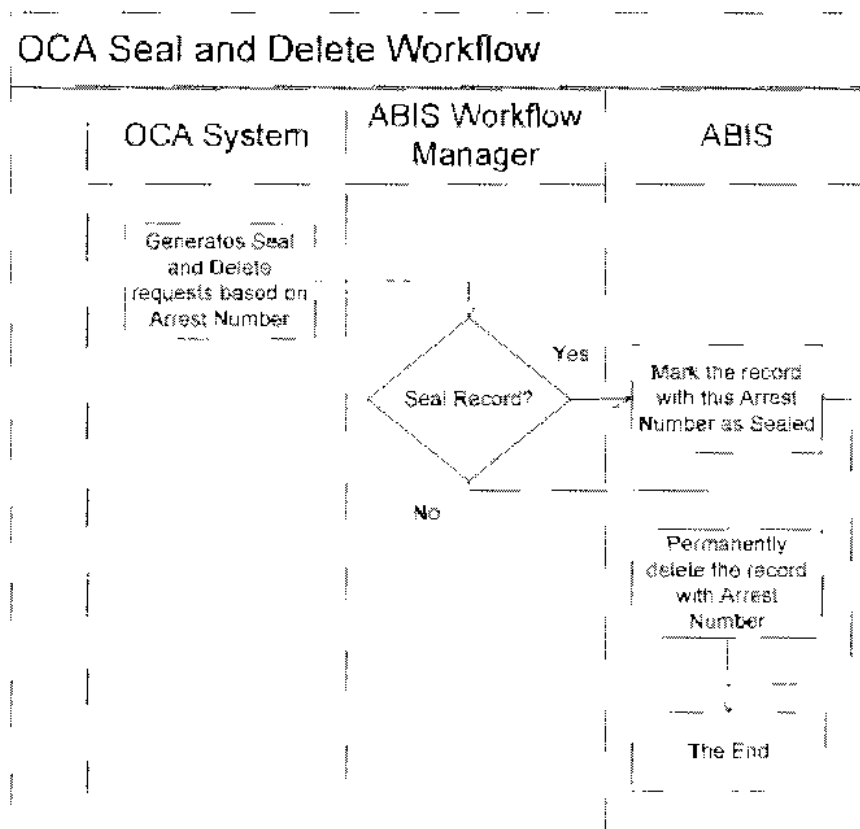


Figure 8. OCA Seal and Delete workflow diagram

The records stored in ABIS database can be labeled as sealed or completely deleted via OCA data feed. ABIS Workflow Server will receive OCA feed and perform the required action.

Initially, the seal and delete data feed will be routed via Dataworks Plus Mugshot System. However, ABIS Workflow Server will be capable to start receiving the data feed directly from OCA.

Face Examiner Workstation software will be modified to be aware if a record is sealed. The search reports will graphically indicate if the record is sealed.

Deletion process will completely remove the templates from the search core and from ABIS database.

NYPD Forensic Imaging System (FIS)

1.3.4 Forensic Search Workflow, Not Automated

Forensic Search Workflow

- 1) Forensic examiner receives search request as an email or a hard copy
- 2) Face examiner analyzes and enhances assets, then performs search in Mugshot and Unsolved Face databases
- 3) If no search result was produced AND if the assets are of acceptable quality, then face examiner manually enrolls face images and demographics into Unsolved Face database
- 6) Face examiner creates a search report

Forensic Face Recognition Lab

- face forensic searches
- enrollment into Unsolved Face database
- review of Unsolved Face hits

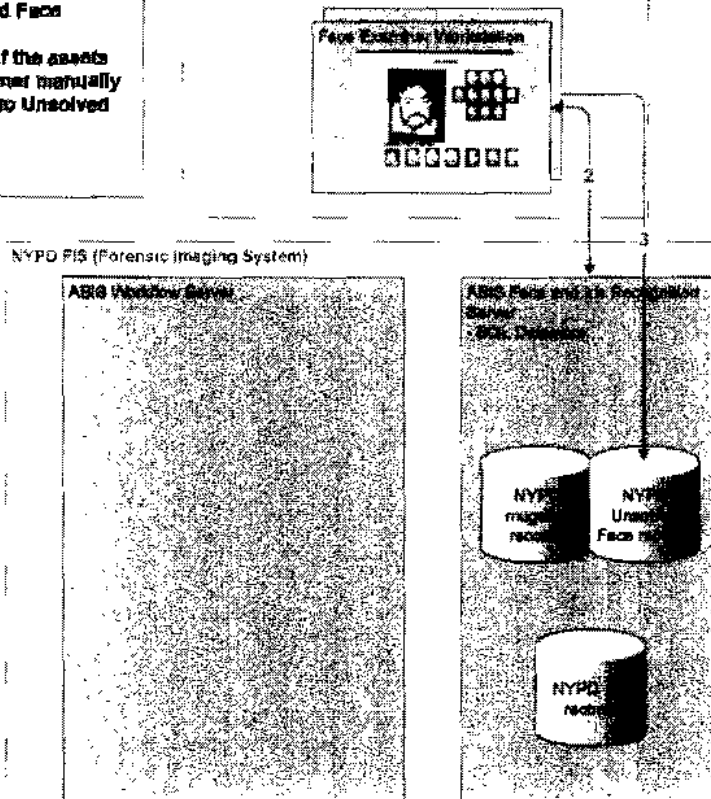


Figure 9. Forensic search process, not automated.

NYPD Forensic Imaging System (FIS)

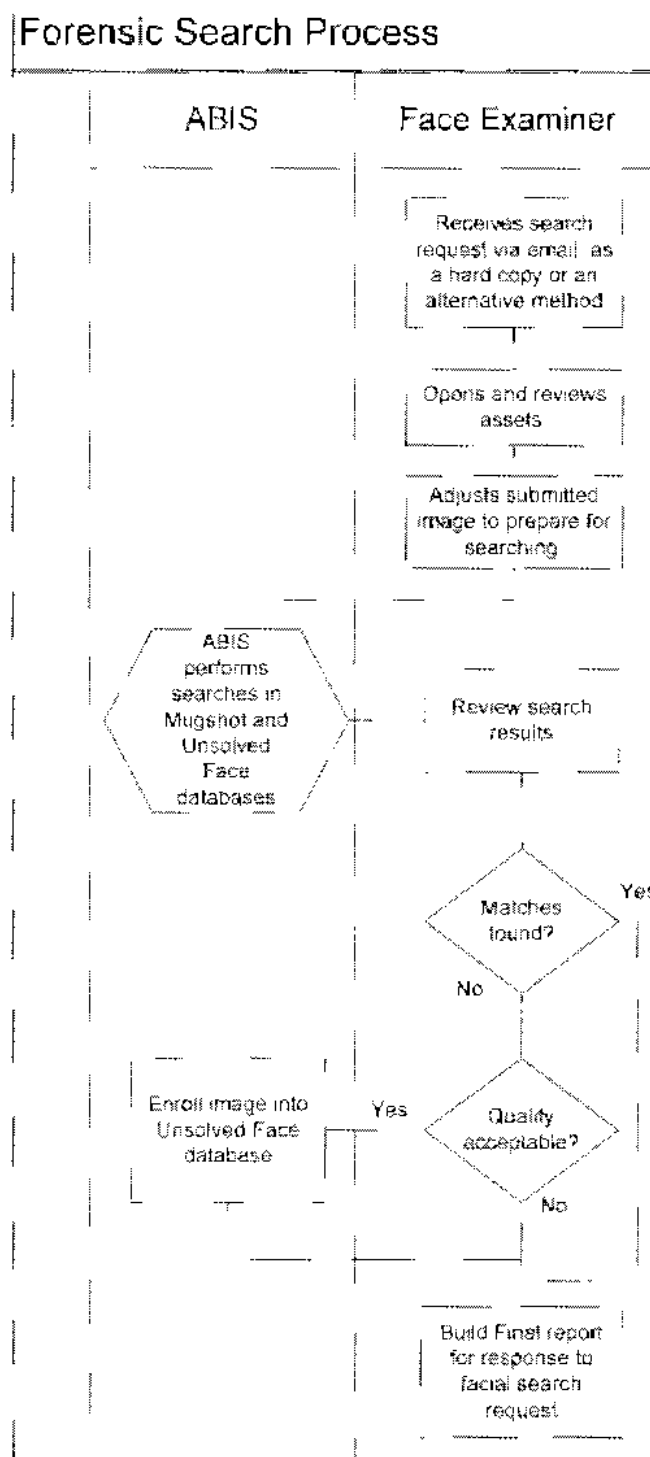


Figure 10. Forensic search process, not automated, workflow diagram

In the basic not automated forensic search process the operator of Face Examiner Workstation receives imaging assets via email, digital media or as a hardcopy. The

NYPD Forensic Imaging System (FIS)

images are opened in Face Examiner Workstation, faces are extracted and the search in Mugshot and Unsolved Face databases is performed. If the probe image quality is insufficient to produce a hit, face examiner enhances the images using image enhancement tools available. If the candidate is found, then face examiner reports the findings in an examiner report. If no hit, then the examiner enrolls the image with its available physical characteristics into Unsolved Face database.

The Unsolved Face database contains face images from crime scene photographs and also images of known persons of interests which may include: photographs of missing people, NYPD active arrest warrant list, FBI and Interpol Wanted lists. The Unsolved Face database starts off empty. It is created by face examiners who manually enroll images into it using Face Examiner Workstation software.

1.3.5 ECMS Forensic Search Workflow

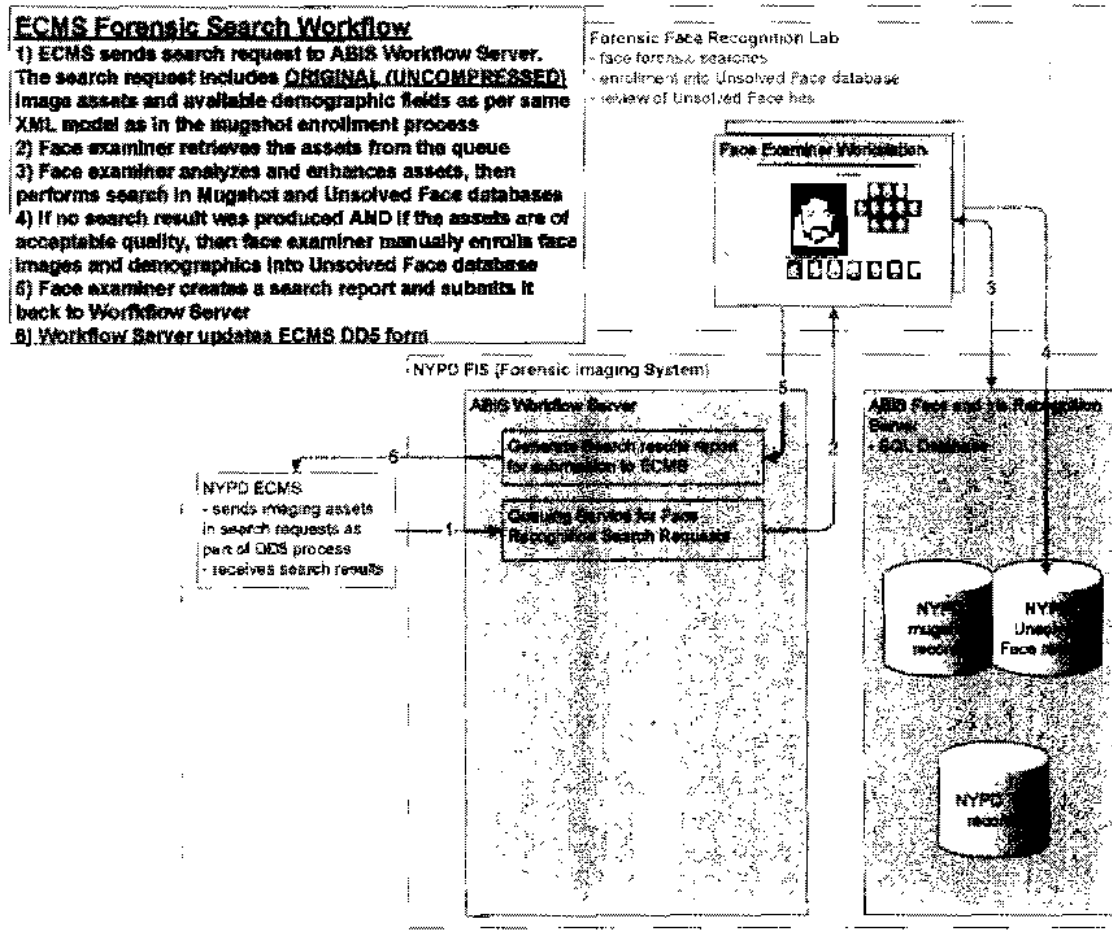


Figure 11. ECMS forensic search process.

NYPD Forensic Imaging System (FIS)

ECMS Forensic Search Process

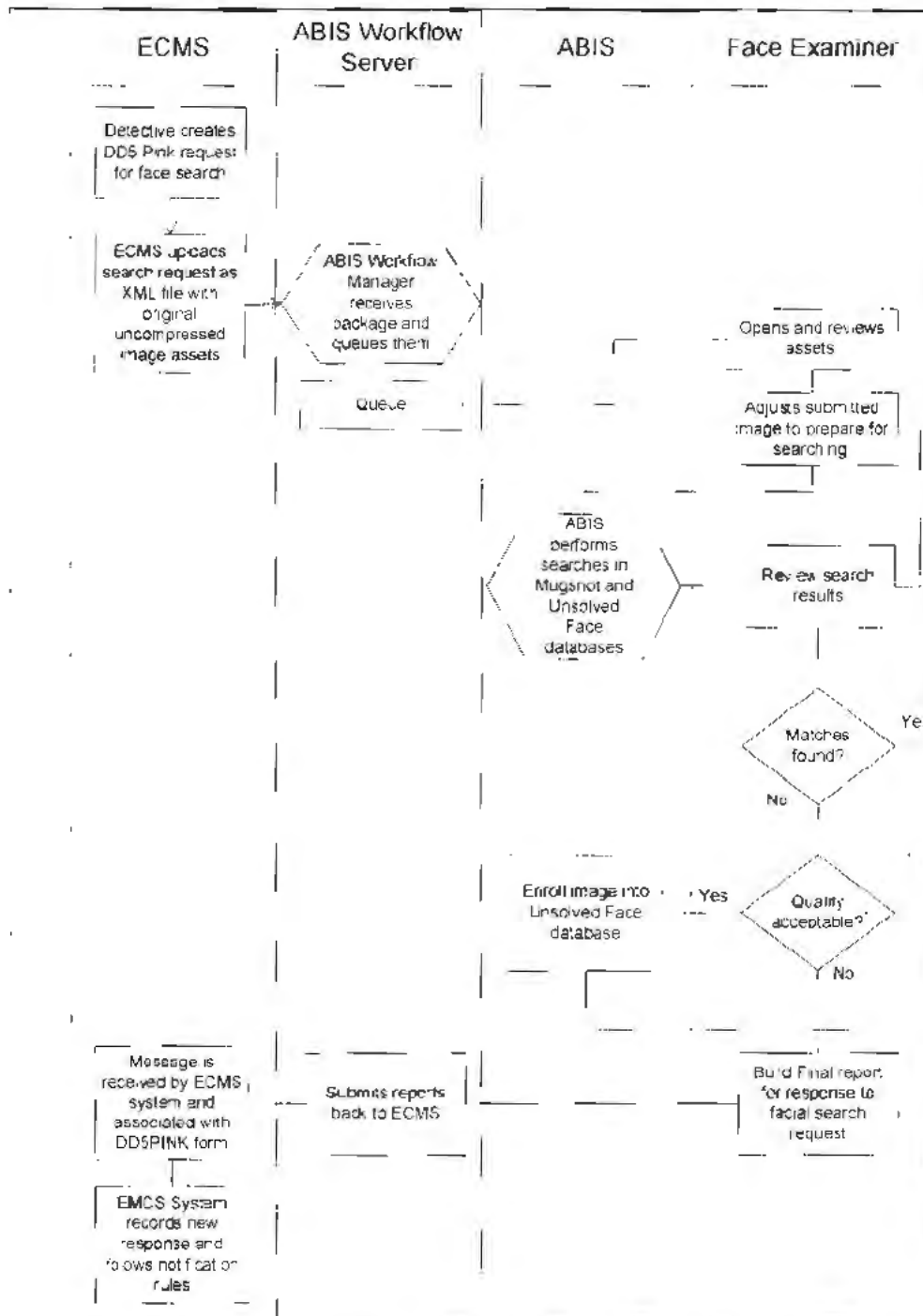


Figure 12. ECMS forensic search workflow diagram.

This process is integrated with [REDACTED]. The detective fills out an appropriate ECMS online form, attaches imaging assets and submits

NYPD Forensic Imaging System (FIS)

it to face recognition group for searching. The search requests are provided to FIS via SOAP-based interface [REDACTED]. The package includes images or video files in common file formats (several images may be attached to a single submission) and demographic information that may be collected at the crime scene. This demographic information will be used for filtering in the Mugshot and Unsolved Face databases. To be effective, the demographic filters match the demographic fields provided by Dataworks Plus system. It is understood that most demographic filters cannot be used with high degree with accuracy. For example, an individual with grey eyes may actually be enrolled as the one with blue eyes. In a different example, a robbery investigation may concentrate on the suspects who have been previously convicted of a similar crime (**Charge** demographic field). Face examiners will use their experience in setting the demographic filters. Multiple demographic filters can be selected (for example, eyes Blue and Grey).

- **Complain # and other case identification information**
- **Detective coordinates and other information that would help us trace back whoever placed the search request**
- **Image source information, scan, video, mobile phone etc** If scan of a document, then the type of document and if the document is genuine or fake.
- **Comments - information that the detective wants the face recognition examiner to be aware about when performing searches (for example, *search the third subject on the left on this photo*).**
- **HTTP links to the actual imaging assets that may be in many different file formats and their thumbnails. Multiple images can be included in a single request**
- **Perceived image quality: high, medium or low**
- **Approximate date on when the photograph was taken**
- **Gender**
- **Race**
- **Complexion**
- **Eye characteristics**
- **Eye color**
- **Facial color**
- **Hair color**
- **Hair length**
- **Hair style**

NYPD Forensic Imaging System (FIS)

- **Skin tone**
- **Teeth**
- **Facial jewelry**
- **Height (range)**
- **Weight (range)**
- **Place of birth**
- **Amputations -1**
- **Amputations -2**
- **Amputations -3**
- **Scars/ marks/ tattoos -1**
- **Scars/ marks/ tattoos -2**
- **Scars/ marks/ tattoos -3**
- **Date of birth (or age; range)**
- **Hispanic**
- **Location ID**
- **Charge -1**
- **Charge -2**
- **Charge -3**
- **Arrest date**
- **Megan's Law**

Once the assets are loaded into FEW, the search process is the same as the forensic search process without automation described above. Generation of the search report concludes the process. The report is submitted back to the ECMS via the same complain number that it came from. ECMS notifies the detective that the report is available. The detective takes an appropriate action.

NYPD Forensic Imaging System (FIS)

ECMS Unsolved Face Deletion Process

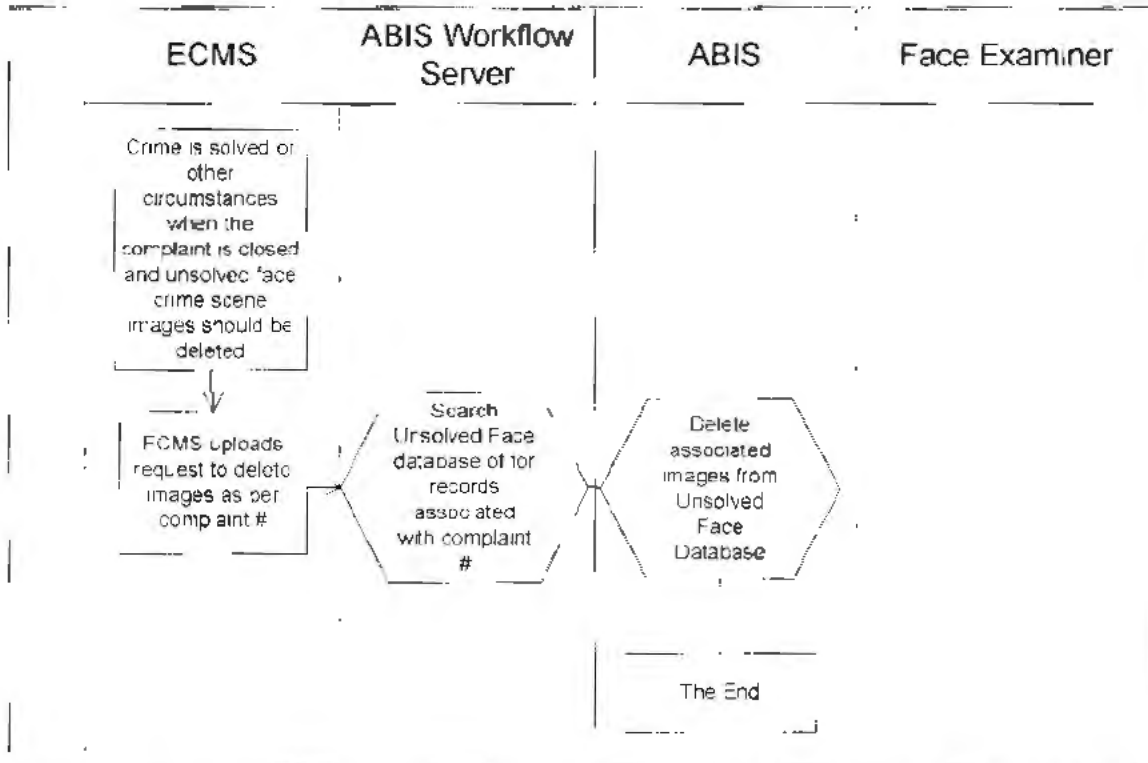


Figure 13. Process of deletion of Unsolved Face database images when the case is closed in ECMS.

The complementary ECMS-driven process is that of deletion of records from Unsolved Face database. A complaint in ECMS can be closed because of statute of limitation, because the crime was solved or for other reasons. If the crime is solved then the face images that have been previously enrolled into Unsolved Face database should be removed from that database since the identity of the individual is now known. The process of deletion is shown on Figure 7. It starts with the ECMS submitting the deletion request to ABIS Workflow Server when the complaint is closed and the Unsolved Face images have to be deleted. The transaction occurs as an XML message containing the complaint number. ABIS Workflow Server receives and audits the transactions, and subsequently removes the images with a given complaint number from ABIS database.

1.3.6 Forensic Search Workflow Integrated with Other Case Management Systems

NYPD may wish during the project's duration to integrate FIS with Narcotics Unit and Intelligence Unit case management systems which are different from [REDACTED]. The workflow of FIS when integrated with other case management systems is the same as the workflow of FIS integrated with [REDACTED]. L-1 will perform integration services within the scope of work which will be similar to the [REDACTED] integration scope.

2 STATEMENT OF WORK

2.1 FIS System Deployment

Date of Completion: TBD

1. All hardware is configured as per NYPD IT requirements.
2. ABIS software is installed and configured.
3. ABIS Workflow Server is installed and configured.
4. SQL Database Server is installed and configured.
5. Database backup procedure is deployed.
6. Database replication service between 2 system nodes is developed and deployed.
7. Face Examiner Workstations are installed and configured.
8. System deployment is documented.
9. Training is provided to end users. See *Appendix 3. Training plan* for what's covered in the training.
10. System is tested.
11. Provide Engineering Lead and Program Manager.

The servers will be installed at

The FIS office will eventually be moved to NYPD 1 Police Plaza location.

2.2 Booking Kiosk Deployment

Date of Completion: TBD

All booking kiosks are deployed at precincts and configured for capturing iris images.

2.3 Initial Mugshot Database Enrollment

Date of Completion: TBD

1. API for communicating with Dataworks Plus is specified and interface to initial full database dump from Dataworks Plus is developed.

NYPD Forensic Imaging System (FIS)

2. ABIS Workflow Server is customized to receive data from Dataworks Plus, perform quality review and conditionally send image records to the Failure-to-Enroll (FTE) queue. Reviewed records are queued back from the workstations, possibly corrected. Depending on examiner review the images will be enrolled with or without search activation flag.
3. FEW is customized to process records from the FTE queue; see 2.4 item 3.
4. Quality Review process is developed and deployed.
5. All records from Dataworks Plus server are migrated to ABIS.

2.4 Ongoing Mugshot Database Enrollment

Date of Completion: TBD

1. API for communicating with Dataworks Plus system on an ongoing basis is specified (XML, SOAP web services) and Connector module is developed; this includes OCA Seal and Delete requests.
2. ABIS Workflow Server is customized to receive enrollment requests, perform Unsolved Face searches and conditionally re-route transaction to the adjudication queues: Failure-to-Enroll (FTE) and Unsolved Face Hits (UFH) queues.
3. FEW is customized to process records from the FTE queue. Enrollment quality review adjudication will support Accept, Accept with Modifications (eye locations), and Reject (for search activation)
4. FEW is customized to process data from the UFH queue; and to produce search reports according to NYPD specifications; see also: 2.5.1, item 5
5. ABIS Workflow is customized to return Unsolved Face Hit reports via attachments to the originating case; attachments to all integrated case management systems will be supported:
 - a. [REDACTED] (see 2.5.1)
 - b. CM2 (see 2.5.2)
 - c. CM3 (see 2.5.3)

2.5 Forensic Search Process

2.5.1 FIS is integrated with [REDACTED]

Date of Completion: TBD

NYPD Forensic Imaging System (FIS)

1. API for communicating with ECMS is specified and implemented in a Connector module; this includes:
 - a. Incoming search requests with one or more images, optionally as thumbnails with back links to the original asset data; may also contain one or more video clips via links back to the original asset data;
 - b. Back links to original assets stored in the ECMS (SOAP web service);
 - c. Attachments of search result reports to the originating case;
 - d. Web service calls of b and c must support means of data access authentication.
2. ABIS Workflow Server is customized as follows:
 - a. Receive search requests from ECMS, route them to the FEW Workstations' Incoming Forensic Search Requests queue;
 - b. Collect search report responses from the FEW Workstations, and attach them to the requesting ECMS case.
3. FEW is customized to process ECMS data from the Incoming Forensic Search Requests queue
 - a. Raw images, either pre-loaded in transaction payload or via back links
 - b. Video files via back links
 - c. Cropped face images extracted from incoming PDF data (ECMS attachments)
4. FEW is customized to open and import original asset data via back links to ECM:
 - a. Raw images and video files (assumed maximum file size: 5Mb)
 - b. PDF files (ECMS attachments) with streamlined face capture (cropping) capability; must support multi-page PDF documents
5. FEW is customized to produce search reports according to NYPD specifications; the document format will be HTML (text and images in *.zip filed)

2.5.2 FIS is integrated with TBD Case Management System (CM2)

Date of Completion: TBD, but after 2.5.1

1. API for communicating with CM2 is specified and implemented in a Connector module (assume similar complexity as in 2.5.2).
2. ABIS Workflow Server is customized as follows to receive search requests and return result reports (assume similar complexity as in 2.5.2).

NYPD Forensic Imaging System (FIS)

3. FEW is customized to open and import original asset data via back link access API to CM2; data import from both image and video data will be supported.

2.5.3 FIS is integrated with TBD Case Management System CM3

Date of Completion: TBD, but after 2.5.1

1. API for communicating with CM3 is specified and implemented in a Connector module (assume similar complexity as in 2.5.1).
2. ABIS Workflow Server is customized as follows to receive search requests and return result reports (assume similar complexity as in 2.5.1).
3. FEW is customized to open and import original asset data via back link access API to CM3; data import from both image and video data will be supported.

2.5.4 Not Automated Forensic Search Workflow

Date of Completion: TBD

1. Define procedure for Incoming search request, including email format or hardcopy; define procedure for outgoing reports
2. FEW is customized for streamlined import of image data from electronic format, email attachments
3. FEW is customized for streamlined processing of image data input via scanner for search requests via hardcopy

2.6 OCA Seal and Delete Process

Date of Completion: TBD

ABIS Workflow Server is customized to receive Seal and Delete requests from OCA.

2.7 Staffing of Face Recognition Group

Date of Completion: TBD

L-1 will provide 2 full-time qualified face recognition examiners. One of the examiners will be provided for the duration of 2 years, and the other examiner will be provided for the duration of 3 years.



NYPD Forensic Imaging System (FIS)

NYPD will provide its own staff to operate FIS. The recommended personnel qualifications are listed in *Appendix 2. Job Qualifications of NYPD Face Examiners*.

2.8 Technology Upgrades

Date of Completion: 5 years, 3 upgrades

1. L-1 will provide NYPD with services required to install face recognition technology upgrades when they become available. Software upgrades usually occur once every 18 months, and we plan to have 3 upgrades over the course of next 5 years. During the technology upgrade L-1 will:
 - a. Prepare a detailed plan for the upgrade to analyze all system dependencies
 - b. Provide cross-compatible versions of ABIS, ABIS Workflow Server and Face Examiner Workstations
 - c. Provide updated customized modules such as ECMS communication workunits
 - d. Reinstall ABIS, ABIS Workflow Server and Face Examiner Workstations
 - e. Sequentially update 2 nodes of FIS. Re-template the database. The upgrades will be performed one node at a time. The first node will first be stopped, updated and then brought back up followed by the similar upgrade of the second node.
2. New FEW image enhancement tools are developed to improve the search system accuracy according to feedback and experience in the FIS investigator lab
3. System accuracy performance is analyzed in ongoing basis.

Note: Not included are the changes to the system required if the NYPD business processes change such as a change in the case management system API.

NYPD Forensic Imaging System (FIS)

3 Appendixes

3.1 Appendix 1. Audit Log of FIS

FIS provides comprehensive audit logging capabilities.

The auditing is performed by these systems:

- 1) ABIS search engine
- 2) ABIS Workflow Server

ABIS search engine logs all search requests submitted to the system via all client applications or via direct search submission to ABIS. Each search log entry includes:

- 1) Transaction Control Number (TCN)
- 2) Time of the search transactions
- 3) Identification information of the face examiner performing the search
- 4) Probe (searched) image
- 5) Demographic filters used to narrow the search
- 6) Search algorithm parameters
- 7) Error messages
- 8) List of 3 ID's of the highest rank candidates

ABIS Workflow Server logs Enroll/ Deletes and Update transactions of the records contained in the search system. The logs are temporal and to be removed/ backed up on a periodic schedule due to their large file size.

What is logged:

- 1) Transaction Control Number (TCN)
- 2) Start/ End Time of the transaction
- 3) Full content of the Enroll/ Delete/ Update transaction as a NIST EFTS file
- 4) Description of the workflow processing of the transaction
- 5) Error messages

NYPD Forensic Imaging System (FIS)

3.2 Appendix 2. Job Qualifications of NYPD Face Examiners

During the initial years of the FIS operation it will be staffed with 2 L-1 employees and a number of NYPD employees. It is expected that NYPD personnel will fit the profile of the following job description.

Title: Forensic Examiner – Face Recognition

General Statement of Duties:

Forensic Examiner performs forensic searches and operates NYPD face recognition system.

Why Apply For This Position:

The position offers a unique opportunity to make a notable impact on how the cutting edge innovative face recognition technology is adopted by the law enforcement community. The technology should help solve more crimes and reduce processing time.

Duties:

The Forensic Examiner will play a leading role in establishing NYPD face forensic unit. He or she will:

- Perform all work related forensic searches in the newly deployed face recognition system. During a typical search the examiner:
 1. Retrieves the job request from the system queue
 2. Opens and reviews complaint text and image assets.
 3. Loads image assets into Face Examiner Workstation (FEW) software application
 4. Performs biometric searches using FEW
 5. Visually adjudicates results of searches
 6. Enhances the images using specialized FEW tools and Photoshop
 7. Creates search reports
 8. Enrolls unsolved crime face photographs into the database of unsolved photographs

All these tasks are performed using face examiner computer workstation.
- Perform additional tasks required for system operations.
 1. Quality review of NYPD booking mugshots that failed during automated quality check
 2. Adjudication of potential hits of mugshots against the database of unsolved crimes
 3. Search submission to external to NYPD face recognition systems
 4. Data backup and workstation maintenance
- Document system performance; provide constructive feedback to NYPD on ways of improving system performance

NYPD Forensic Imaging System (FIS)

- Advocate system use within the police organization, present at police meetings, train detectives and help develop best practices for the crime scene image collection
- Testify in court as an expert witness and prepare court exhibits, although this may not be required on early phases of the project.

The position may require supervisory duties over other members of the face recognition forensic team.

The position is located in Lower Manhattan and Jersey City.

Knowledge, Skills and Abilities Required:

- Job experience at the level of a forensic expert performing analyses in a forensic laboratory. Alternative background may include job experience with a law enforcement technology vendor in the capacity of an engineer.
- A bachelor's degree in a natural science, criminalistics, or a closely related field
- Professional certification from International Association for Identification in fingerprint forensics or another evidence processing discipline is highly desired
- Working knowledge of modern law enforcement business processes: case management, booking, AFIS
- Understanding of digital imaging principles such as image resolution, compression, field of view, depth of focus, etc
- Excellent Adobe Photoshop, Microsoft Office and Windows OS skills
- Outstanding written and verbal communication skills
- Demonstrated initiative and leadership skills.
- Working irregular hours, shifts, weekends, holidays, and evenings may be required.
- The position may eventually meet the polygraph and background standards that are appropriate to non-sworn positions.

NYPD Forensic Imaging System (FIS)

3.2.1 Appendix 3. Training plan

As part of the FIS delivery L-1 will provide comprehensive training to the NYPD face examiners and other NYPD personnel engaged.

What is covered:

- 1) Forensic search workflow
- 2) Basics of face recognition technology
- 3) Operation of Face Examiner Workstation
- 4) Generation of face search reports
- 5) Use of demographic filtering and image enhancements
- 6) Understanding ABIS operations
- 7) System maintenance operations

Documentation for use of Face Examiner Workstation and ABIS server will be provided. All training documentation will be made available as PowerPoint presentations or text documents.

All training will be provided at 1 Police Plaza or at L-1 Identity Solutions office in Jersey City.

The training will be provided as needed when NYPD

What is not covered:

- 1) General Photoshop, Microsoft Office and third party application software training.
- 2) NYPD IT procedures and security rules
- 3) Training to detectives
- 4) NYPD legal practices

NYPD Forensic Imaging System (FIS)

3.3 Appendix 4. Temporal FIS Office Space

L-1 will temporality, for the period of 18 months, host Face Examiner Unit operations room at its office at Exchange Place in Jersey City, NJ.

L-1 will charge NYPD one-time rental fee for the duration of 18 months. Should NYPD decide to relocate face examiner office to its own premises before this time is up, L-1 will use monthly prorated method to refund NYPD for the unused time.

The servers and other back-end equipment will reside within NYPD premises at all times. L-1 will not be in possession of NYPD database and other personal confidential information.

L-1 will provide:

- 1) Adequate office space for 8 seats of Face Examiner Workstations
- 2) Office security and 24/7 access to the facility
- 3) Compliance of the provided network setup with NYPD security protocols
- 4) Secure network connectivity to NYPD servers
- 5) Access to phone, fax, copier and other office equipment
- 6) Access to a conference room
- 7) Receptionist services.

Appendix P

L1 Identity Solutions - Biometric Division NYS OGS Contract Pricing PT63109, Group 77201, Award 20191

FIS - Facial Imaging System

Client: NYPD		Quote Number: [REDACTED]	
Contact:	Deputy Commissioner Frank Bello	Date	12-Jan-2009
Address:	51 Chambers Street, Room 310 NY, NY 10038	Revision Date:	23-Nov-2009
		Phone #:	(646) 610-5723
		Fax #:	(646) 610-5129
		Mobile #:	
		Email:	frank.bello@nypd.org
Components		Price	24x7 Technical Support Hardware and Software including Live scan Kiosks
Hardware		\$253,820.00	20,352.00
Software		\$1,776,001.00	195,360.00
Services		\$1,816,604.00	N/A
Total System with 1 year Warranty		\$3,846,425.00	
NYPD will procure or supply the required pc and server hardware along with the required SQL Server license. 24x7 Support Annual Support and Maintenance includes software upgrades approximately every 18months for 5 years provided NYPD continues the annual support fees and coverage for the 5year term.		Annual Support and Maintenance 24x7	\$215,712.00
		5 Year Support and Maintenance 24x7	\$862,848.00
		System with 5 years Support and Maintenance 24x7	\$4,709,274.40
		System with 5 years Support and Maintenance 24x7 NO HOSTING	\$4,637,274.40
		NYS Contract PT63109, Group 77201, Award 20191	

L1 Contact Information: Don Sutton, Account Manager State and Local, 905.829.9988 x258 [REDACTED]@l1id.com

AS-CAP-FI6	ABIS Single Server Edition Version 6, Face Capacity License. This part number purchases ABIS SSE software license for quantities of FaceIt face recognition uni-modal person records. Price includes maximum one (1) assembly for single server operation and warranty consisting of 12 months help desk maintenance.	\$ 1,000	15%	\$ 850	\$128
AS-CAP-IB6	ABIS Single Server Edition Version 6, Iris and Fingerprint Capacity License. This part number purchases ABIS SSE software license for quantities of Iris and fingerprint matching bi-modal person records. Price includes maximum one (1) assembly for single server operation and warranty consisting of 12 months help desk maintenance.	\$ 3,801	15%	\$ 3,231	\$485
AS-CAP-IBF6	ABIS Single Server Edition Version 6, Iris, Fingerprint and Face Capacity License. This part number purchases ABIS SSE software license for quantities of Iris, fingerprint and face matching tri-modal person records. Price includes maximum one (1) assembly for single server operation and warranty consisting of 12 months help desk maintenance.	\$ 4,301	15%	\$ 3,656	\$548
AS-CAP-IF6	ABIS Single Server Edition Version 6, Iris and Face Capacity License. This part number purchases ABIS SSE software license for quantities of Iris and face matching bi-modal person records. Price includes maximum one (1) assembly for single server operation and warranty consisting of 12 months help desk maintenance.	\$ 3,801	15%	\$ 3,231	\$485
AS-CAP-IR6	ABIS Single Server Edition Version 6, Iris Capacity License. This part number purchases ABIS SSE software license for quantities of Iris matching uni-modal person records. Price includes maximum one (1) assembly for single server operation and warranty consisting of 12 months help desk maintenance.	\$ 1,610	15%	\$ 1,369	\$205

ABIS-MHD - ABIS System, Annual Help Desk Maintenance for ABIS System as a whole after warranty (first year). Quantity one item is required per ABIS System under maintenance. Provides help desk support plan and availability of upgrade licenses. The cost of maintenance is 15% of the NYS Net price for licenses enrolled in maintenance.

IBIS Mobile ID Products

Item Number	Description	MSRP	Discount off MSRP 15%	NYS NET Price
-------------	-------------	------	-----------------------	---------------

IBIS-EXTREME	IBIS Handheld, Rugged. Meets IP-65 and MIL-STD-810F requirements. Unit does NOT include magnetic stripe or 2-D barcode reader. Provides a Bluetooth connection to a customerprovided platform. Includes power supply and four AAA Ni-MH rechargeable batteries. Order application software (IBIS, WISQ, and VPN), and software installation separately. Includes one year warranty, 24/7 help desk with spare in the air. Add RDT4-R-MHD for extended coverage, HW only. Add RDT4-R-SW-MHD for extended coverage if quote includes Software.	\$1,876	15%	\$ 1,595
DFR-2100-USB2	Single Finger Reader. Support includes Slap and Roll finger support. Interface speed increase.	\$629	15%	\$ 535
DFR-2100P	DFR2100 Field Replaceable Platen.	\$118	15%	\$ 100
RDT4-IAT-SW	Installation charge for loading and configuring RDT software at Identix location. Cost is per RDT unit. Installation on site at customer location requires addition of IBIS-IAT-CUSTOM to address travel costs and travel time. Travel costs will be estimated using 30 minutes per install, maximum of 16 units per standard day per installer. User training requires addition of IDN-UNV-IBIS-OFFSITE. Number of training days to be estimated based on number of individuals to be trained. Up to four training sessions for users can be conducted per standard day with up to eight individuals in each training session.	\$141	15%	\$ 120
IBIS-BT-PCMCIA	Bluetooth adapter/PC card. Provides Bluetooth connection from a laptop PC with PCMCIA card slots to the IBIS Handheld.	\$109	15%	\$ 93
IBIS-DESKTOP	IBIS DESKTOP PC WITH SFR. Desktop workstation provides IBIS search capabilities at agencies with Ethernet access to IBIS central site servers. Provides 1:n or 1:1 search capability. Includes desktop PC (see BoM for current PC), IBIS software, and DFR-2100. One year 24/7 Help Desk warranty included. Use IBIS-DESKTOP-MHD to extend warranty up to three years.	\$3,412	15%	\$ 2,900
IBIS-DSKTOP-MHD	ANNUAL HELP DESK MAINTENANCE 24/7 FOR THE IBIS DESKTOP. COVERAGE INCLUDES SPARE IN THE AIR FOR THE DFR-2100-USB2 SOLD WITH THE DESKTOP SYSTEM AND 24/7 SUPPORT FOR SOFTWARE. DELL PC IS INCLUDED WITH THREE YEAR WARRANTY PRE-PAID. NO COVERAGE ON THE DELL PC AFTER THE THREE YEAR WARRANTY PERIOD.	\$754	15%	\$ 641

IBIS-DESKTOP-CFPC	IBIS DESKTOP SW WITH SFR CUSTOMER FURNISHED PD Desktop workstation provides IBIS search capabilities at agencies with Ethernet access to IBIS central site servers. Provides 1:n or 1:1 search capability. Includes IBIS desktop software and DFR-2100 One year 24/7 Help Desk warranty included. Use IBIS-DESKTOP-CFPC-MID to extend warranty	\$2,294	15%	\$ 1,950
IBIS-IAT-CUSTOM	Installation and Training: Custom Services Installation and training services offered on a time and material expense basis. Quoted for customers who's field upgrade/installation and training requirements necessitate custom quotation, including travel to site for standard installations Attach basis for estimate with quotation Number of days used for travel expense estimates are based on number of units to be installed or training courses conducted (reference RDT4-IAT-SW and IDN-LNV-IBIS-OFFSITE)	\$1,200	15%	\$ 1,020
IBIS-VPN1-EDGE-X16	IBIS HARDWARE VPN, CHECKPOINT Product includes two Checkpoint VPN1-EDGE-X16 units to establish a hardware VPN between the IBIS Central Server, located in [REDACTED] and the agency network Price includes configuration of the Checkpoint devices	\$4,647	15%	\$ 3,950
PDA-SD-MICRO	Memory Micro SD Flash Card (512M Bytes) Required for software installation. Requires purchase of RDT4-SW-01. Specify per PDA selected	\$0	15%	\$0
PDA-SD-MINI	Memory Mini SD Flash Card (512 M Bytes) Required for software installation. Requires purchase of RDT4-SW-01. Specify per PDA selected	\$0	15%	\$0
PDA-SD-STD	Memory Standard SD (128M Bytes) Flash Card Required for software installation. Requires purchase of RDT4-SW-01. Specify per PDA selected.	\$0	15%	\$0
PDA-TREO-700WX-MOD	MODULE RDT4 SIDECAR FOR TREO 700WX PDA	\$288	15%	\$ 245
RDT3-CHRG-BATT	Spare Battery Charging Device (" battery)	\$89	15%	\$ 76
RDT4-BT-MS	IBIS Handheld with Magnetic Stripe Reader. Provides a Bluetooth connection to a customer provided platform. Includes power supply and four Ni-MH rechargeable batteries. Order application software (IBIS WSQ and VPN) and software installation separately. Includes one year warranty; 24/7 help desk with spare in the air. Add RDT4-BT-MS-MHD for extended coverage. HW only Add RDT4-SW-MHD for extended coverage if quote includes Identix Software	\$1,759	15%	\$ 1,495
RDT4-HOLSTER-D	Holster for RDT4-BT-MS IBIS Handheld with locking "D" clip that mates with standard belt loops for law enforcement radios	\$93	15%	\$ 79
RDT4-HOLSTER-L	Holster for RDT4-BT-MS IBIS Handheld with nylon belt loop	\$93	15%	\$ 79

RDT4-SW-01	IBIS CLIENT SOFTWARE RDT4 IBIS Application Software for Windows Mobile 05 PDAs Configurable to agency requirements Specify agency configuration required on sales order	\$211	15%	\$ 179
RDT4-SW-VPN	IBIS CLIENT SOFTWARE RDT4 CERTICOM VPN Optional software purchase with RDT4-SW-01 Provides software licensed by Certicom to provide Virtual Private Network to agency VPN concentrator or PIX firewall	\$211	15%	\$ 179
RDT4-SW-WSQ	IBIS CLIENT SOFTWARE RDT4 WSQ/NIST Required software purchase with RDT4-SW-01 Provides software licensed by Aware	\$234	15%	\$ 199
IBIS/ABIS Services				
Item Number	Description	MSRP	Discount off MSRP 15%	NYS NET Price
AE- FEW- FI5- MHD	ABIS Enterprise Edition, Version 5 x Annual Help Desk Maintenance for ABIS EE Face Examiner license, AE-FEW-BE5 Use for customer support and maintenance renewal after warranty (first year) Quantity one item is required per searchable person record Provides subscription to support plan and availability of upgrade licenses	\$ 4,200	15%	\$ 3,276
AE- FEW- LS7- MHD	ANNUAL HELP DESK MAINTENANCE	\$ 4,500	15%	\$ 3,510
AE- FEW- WFM- MHD	Face Examiner License for DOD ABIS Annual Help Desk Maintenance	\$ 4,200	15%	\$ 3,276
IBIS-EXTREME-HW-MHD	HELP DESK MAINTENANCE IBIS EXTREME	\$276	15%	\$ 235
IBIS-EXTREME-HW-SW-MHD	Continuation of Help Desk coverage after one year hardware warranty expires on the IBIS Extreme This part number applies to both hardware and software when provided by Identix	\$324	15%	\$ 275
DFR- 2100- MHD	ANNUAL HELP DESK MAINTENANCE	\$105	15%	\$ 89
RDT4- BI- MS- MHD	MAINTENANCE HELP DESK IBIS W/MAGSTRIPE CARD READER	\$274	15%	\$ 233
RDT4- SW- MS- MHD	MAINTENANCE HELP DESK IBIS W/MAGSTRIPE READER W/IBIS APPLICATION	\$335	15%	\$ 285
CSPR-1000	CUSTOM SOLUTIONS PRODUCT, \$1,000	\$1,175	15%	\$ 1,000
CSPR-2000	CUSTOM SOLUTIONS PRODUCT, \$2,000	\$2,353	15%	\$ 2,000
CSPR-3000	CUSTOM SOLUTIONS PRODUCT, \$3,000	\$3,529	15%	\$ 3,000
CSPR-4000	CUSTOM SOLUTIONS PRODUCT, \$4,000	\$4,706	15%	\$ 4,000
CSPR-5000	CUSTOM SOLUTIONS PRODUCT, \$5,000	\$5,882	15%	\$ 5,000
CSPR-6000	CUSTOM SOLUTIONS PRODUCT, \$6,000	\$7,059	15%	\$ 6,000
CSPR-7000	CUSTOM SOLUTIONS PRODUCT, \$7,000	\$8,235	15%	\$ 7,000
CSPR-8000	CUSTOM SOLUTIONS PRODUCT, \$8,000	\$9,412	15%	\$ 8,000
CSPR-9000	CUSTOM SOLUTIONS PRODUCT, \$9,000	\$10,588	15%	\$ 9,000
CSPR-10000	CUSTOM SOLUTIONS PRODUCT, \$10,000	\$11,765	15%	\$ 10,000
IDN-UNV-IBIS-OFFSITE	TRAINING IBIS OFFSITE	\$3,059	15%	\$ 2,600

IDN-UNV-IBIS-ONSITE	TRAINING-IBIS-ONSITE	\$2,353	15%	\$	2,000	
WORKSTATION SOFTWARE (IntelliBook / IntelliScreen / IntelliLink)						
ASW-01	Arrest Processing - Single User License	\$ 5,882	15%	\$ 5,000	\$700	\$ 900
VSW-01	Arrest Processing - Single User Viewing License - No Hardware	\$ 5,294	15%	\$ 4,500	\$630	\$ 810
ASW-02	Civil Applicant Processing - Single User License	\$ 4,706	15%	\$ 4,000	\$560	\$ 720
ASW-03	Criminal Intelligence Software - application software license	\$ 5,882	15%	\$ 5,000	\$700	\$ 900
Offender-ID Workstation Software	Workstation SW License	\$ 11,500	15%	\$ 9,775	\$1,369	\$ 1,750
WEBISW-01	Web Based Administration/Investigator Single User License	\$ 1,766	15%	\$ 1,500	\$210	\$ 270
Lite-01	Lite - Software for Criminal or Civil Applications with fingerprints - software only - no server software required - standalone client for small agencies with no need for permanent storage - requires fingerprint capture device and workstation to be purchased separately	\$ 2,941	15%	\$ 2,500	\$350	\$ 450
CIDSW-01	Operation Safe Child - Two Finger Live Scan System - Capable of producing a child identification card with two index fingerprint images - a photo and demographic information. The card can be provided to the	\$ 4,118	15%	\$ 3,500	\$490	\$ 630
Offender-ID Server Software						
Offender-ID Server Package - A	Offender-ID SIRIS Platform (Up to 25,000 Subjects)	\$ 22,500	15%	\$ 19,125	\$2,678	\$ 3,443
Offender-ID Server Package - B	Offender-ID SIRIS Platform (Up to 50,000 Subjects)	\$ 37,500	15%	\$ 31,875	\$4,463	\$ 5,738
Offender-ID Server Package - C	Offender-ID SIRIS Platform (Up to 75,000 Subjects)	\$ 47,500	15%	\$ 40,375	\$5,653	\$ 7,258
Offender-ID Server Package - D	Offender-ID SIRIS Platform (Up to 100,000 Subjects)	\$ 55,000	15%	\$ 46,750	\$6,546	\$ 8,415
Offender-ID Server Package - E	Offender-ID SIRIS Platform (Up to 150,000 Subjects)	\$ 75,000	15%	\$ 63,750	\$8,925	\$ 11,475
Offender-ID Server Package - F	Offender-ID SIRIS Platform (Up to 200,000 Subjects)	\$ 87,500	15%	\$ 74,375	\$10,413	\$ 13,388

APPLICATION SOFTWARE ADD ONS						
ASW-04	Parole / Probation - CARSUP	\$ 2,353	15%	\$ 2,000	\$280	\$ 360
ASW-05	Sex Offender Registry - CARSOR	\$ 2,353	15%	\$ 2,000	\$280	\$ 360
ADM-02	Admissions - CARADM	\$ 2,353	15%	\$ 2,000	\$280	\$ 360
PPSW-02	Pistol Permit Application Civil Processing add on per CPU	\$ 2,353	15%	\$ 2,000	\$280	\$ 360
FRSW-02	Facial Recognition Software - Subsequent Facial Recognition Licenses	\$ 5,882	15%	\$ 5,000	\$700	\$ 900
PIDSW-01	One to One Fingerprint Matching License - Single User License add on	\$ 2,353	15%	\$ 2,000	\$280	\$ 360
FPSEQ-01	Card Scan Sequencing	\$ 1,059	15%	\$ 900	\$125	\$ 152
FPV-01	Fingerprint Viewing License - one per workstation	\$ 609	15%	\$ 518	\$73	\$ 93

SERVICES - All Services include Per Diem and Travel						
Item Number	Description	MSRP	Discount off MSRP 15%	NYS NET Price	Level 1 Support 8 5 14% of NET	Level 2 Support 24hours 18% of Net
NYS Spectrum Justice System / State JMS - Data interface						
INSJS-01	NY State Booking/NY State JMS/Spectrum Justice System - per CPU	\$ 3,529	15%	\$ 3,000	\$420	\$ 540
Optional Data and or Image Interface - Non SJS						
INRMS-01	One way Delivery of data to an external system according to the ComnetIX white paper. Fee is for a single interface, per server, irrespective of the number of agencies that use it. NOTE: ComnetIX cannot be responsible for the successful implementation of the RMS vendor's component of the interface. Invoices relation to the ComnetIX component of the interface are due and payable upon delivery of the said component.	\$ 6,175	15%	\$ 5,250	\$735	\$ 945
INRMS-02	Exchange data in both directions with an external system according to the ComnetIX white paper. Fee is for a single interface, per server, irrespective of the number of agencies that use it. NOTE: ComnetIX cannot be responsible for the successful implementation of the RMS vendor's component of the interface. Invoices relation to the ComnetIX component of the interface are due and payable upon delivery of the said component.	\$ 9,706	15%	\$ 8,250	\$1,155	\$ 1,485
Offender ID INRMS-03	Offender ID 3rd Party Integration	\$ 5,000	15%	\$ 4,250	\$595	\$ 785
Multi Agency Applicant Fingerprint Solution						
FPS-00	Multi Agency Fingerprint Solution - Vendor Managed - \$26US per applicant, Volume 0-35,000 applicants per annum - Mobile or Stationary Acquisition Site	\$ 31	15%	\$ 26	N/A	N/A
FPS-00-1	Multi Agency Fingerprint Solution - Vendor Managed - \$20US per applicant, Volume 35001-100,000 applicants per annum - Mobile or Stationary Acquisition Site	\$ 24	15%	\$ 20	N/A	N/A
FPS-00-2	Multi Agency Fingerprint Solution - Vendor Managed - \$18US per applicant, Volume 100,001-250,000 applicants per annum - Mobile or Stationary Acquisition Site	\$ 21	15%	\$ 18	N/A	N/A
FPS-00-3	Multi Agency Fingerprint Solution - Vendor Managed - \$16US per applicant, Volume Over 250,000 applicants per annum - Mobile or Stationary Acquisition Site	\$ 19	15%	\$ 16	N/A	N/A

Training						
TR-01	On Site Training - Recommended maximum 2 students per workstation per day. Includes training and reference material and set up of the equipment. Training is provided on separate training days. A	\$ 1,412	15%	\$ 1,200	N/A	N/A
Services						
INST-01	Installation of Hardware and Software on Site Client / On Site ConnectX Per Day	\$ 1,882	15%	\$ 1,600	N/A	N/A
TM-01	Time and Materials - Technical Support per hour - Non Emergency	\$ 235	15%	\$ 200	N/A	N/A
TM-02	Time and Materials - Technical Support per hour - Emergency Service	\$ 265	15%	\$ 225	N/A	N/A
TM-03	Time and Materials - Technical Support per hour - Priority Emergency Service	\$ 294	15%	\$ 250	N/A	N/A
PREMAIN-01	Preventative Maintenance per hour- Optional Preventative Maintenance - Non Emergency Service	\$ 235	15%	\$ 200	N/A	N/A
MAN-01	Additional ConnectX Application / Systems / Training Manuals	\$ 88	15%	\$ 75	N/A	N/A
SER-01	Technical services - Senior Software Engineer on Site Client Per Day. All technical services are subject to review, discussion and prior agreement with the client.	\$ 2,353	15%	\$ 2,000	N/A	N/A
SER-02	Technical services - Senior Software Engineer on Site ConnectX Per Day. All technical services are subject to review, discussion and prior agreement with the client.	\$ 1,765	15%	\$ 1,500	N/A	N/A
Project Management						
PM-01	Project management includes all expenses such as long distance telephone calls, scheduled meetings, liaison with the client and other related vendors and coordination for delivery, installation, training, certification and go live services. Per Day (Minimum One Day Charged)	\$ 1,982	15%	\$ 1,600	N/A	N/A
Job Titles and Rates						
TM-03	Support Technician - \$200 Per Hour	\$ 265	15%	\$ 200	N/A	N/A
TM-04	Software Engineer - \$200 Per Hour "Factory"	\$ 294	15%	\$ 200	N/A	N/A
TM-05	Software Engineer - \$250 Per Hour "Client Site"	\$ 294	15%	\$ 250	N/A	N/A
APPL ENG	Application Engineer, Hourly rate.	\$213	15%	\$ 181	N/A	N/A
BIOMETRIC ENG	Biometric Engineer, Hourly rate.	\$213	15%	\$ 181	N/A	N/A
CUST REQ SPEC	Customer Requirements Specialist, Hourly rate.	\$147	15%	\$ 125	N/A	N/A
HW ENG	Hardware Engineer, Hourly rate.	\$199	15%	\$ 169	N/A	N/A

LEAD SW ARCHITECT	ABIS related product support ONLY.	\$332	15%	\$ 282	N/A	N/A
LS SW ENG	LiveScan Software Engineer. Hourly rate.	\$213	15%	\$ 181	N/A	N/A
OPS TECH	Operations Technician. Hourly rate.	\$258	15%	\$ 219	N/A	N/A
PRIN APPL ENG	Principal Application Engineer. Hourly rate.	\$325	15%	\$ 276	N/A	N/A
PRIN DEV ENG	Principal Development Engineer. Hourly rate.	\$325	15%	\$ 276	N/A	N/A
PRIN LS SW ENG	Principal LiveScan Software Engineer. Hourly rate.	\$332	15%	\$ 282	N/A	N/A
PRIN TEST ENG	Principal Test Engineer. Hourly rate.	\$325	15%	\$ 276	N/A	N/A
SR APPL ENG	Sr. Application Engineer. Hourly rate.	\$318	15%	\$ 270	N/A	N/A
SR BIOMETRIC ENG	Senior Biometric Engineer. Hourly rate.	\$324	15%	\$ 275	N/A	N/A
SR HW ENG	Sr. Hardware Engineer. Hourly rate.	\$219	15%	\$ 186	N/A	N/A
SR LS SW ENG	Sr. LiveScan Software Engineer. Hourly rate.	\$318	15%	\$ 270	N/A	N/A
SR PROG MGR	Sr. Program Manager. Hourly rate.	\$332	15%	\$ 282	N/A	N/A
SR PROJ MGR	Sr. Project Manager. Hourly rate.	\$324	15%	\$ 275	N/A	N/A
SR TECH ENG	Sr. Technical Trainer. Hourly rate.	\$170	15%	\$ 150	N/A	N/A
SR TEST ENG	Sr. Test Engineer. Hourly rate.	\$318	15%	\$ 270	N/A	N/A



L-1 Identity Solutions Response to:

**New York Police Department Application for Negotiation
Forensic Imaging System**

Technical Proposal for PIN 056100000684

Submission Deadline: October 26, 2009, 2:00 PM EDT

Submitted to:

Assistant Commissioner
NYPD-Contract Administration Unit
51 Chambers Street
3rd Floor
New York, NY 10007
Telephone: 646.610.4927

Submitted by:

Mr. Donald Sutton
Regional Sales Manager
L-1 Identity Solutions, Biometrics Division
5705 W. Old Shakopee Road, Ste. 100
Bloomington, MN 55437
Telephone: 518.253.7790

Table of Contents

1	<i>Section 1: Experience and Organizational Capacity</i>	5
1.1	<i>L-1 Clients</i>	5
1.2	<i>L-1 Technical Staff assigned to support NYPD</i>	8
1.3	<i>Key L-1 Team Resumes</i>	10
1.4	<i>L-1 Financial Status</i>	22
1.5	<i>Other L-1 Projects</i>	22
2	<i>Section 2: Products and Services Offered and Methodology and Approach</i>	23
2.1	<i>FIS System Components</i>	23
2.2	<i>FIS System Architecture</i>	32
2.3	<i>NYPD-FIS Standard and Extended Services Offering</i>	50
2.4	<i>Project Management Methodology</i>	54
2.5	<i>Appendix B - Statement of Work</i>	56
3	<i>Section 3: Ability to Quickly Perform</i>	88
3.1	<i>L-1's Ability to Quickly Perform</i>	88
3.2	<i>High Level Implementation Plan</i>	89
3.3	<i>Implementation Plan</i>	91
4	<i>Section 4: Security Protocol</i>	94
5	<i>Section 5: Terms and Conditions</i>	96
6	<i>Appendix</i>	121
6.1	<i>M. Legal Contract</i>	121
6.2	<i>Addenda</i>	122
6.3	<i>Brochures</i>	127
6.4	<i>L-1 Financial Information</i>	133

ComnetiX Inc., an L-1 Identity Solutions Operating Company, (hereinafter referred to, along with all other L-1 Divisions or operating companies referenced herein, as "L-1") is proud to offer the NYPD a multi-modal biometric system that will enhance the current investigative processes by adding face, iris and fingerprint enrollment, biometric search and identity verification capabilities.

This Forensic Imaging System (FIS) will allow NYPD to enroll new face images from the existing mugshot system via a real-time interface. At the time of deployment L-1 will import the existing mugshot database for search into the ABIS® face recognition server

L-1 will set up and maintain face databases as per NYPD requirements:

- i) Mug shot database with already existing and also incoming arrest images,
- ii) Unsolved Face database with face images of persons of interests.

The databases will contain faces from arrest records and from crime images, and also images of known subjects who are of interest to the NYPD. This may include images coming from external sources, for example, FBI or Interpol Wanted lists

The following business process enhancements are envisioned within the scope of the current project:

- Enrollment of the mug shots of offenders into face recognition system.
- Staffing of the NYPD FIS group
- Software to search the image databases using photo and video imagery.
- Integration with NYPD external and legacy systems, [REDACTED] Nitro and IDS.
- Search of new mug shot enrollment images in the Unsolved Face database.
- Booking kiosks equipped with iris capture camera and the iris search database.

NYPD FIS consists of the following main components:

1. Multi-biometric, face and iris recognition server running L-1 ABIS® software
2. Face Examiner workstations installed at NYPD FIS unit that allow expert users to enhance and process crime scene photographs
3. ABIS® Workflow Server that receives updates
4. L-1 face, iris, fingerprint and palm print booking workstations

Unique Benefits to NYPD of an L-1 Solution

Single Point of Contact for total solution – The ABIS® solution is a product of L-1; all aspects of the system are produced internally within L-1. Algorithms, GUI, database technology, etc have been developed by our engineering team. With this in mind NYPD will have a single point of contact for problem solving, additional requirements, and future solutions.

Enterprise license allows NYPD to easily add capacity as needed to meet growing demands of system – As part of our partnership with NYPD the enterprise licenses provided for both face and iris will have unlimited capacity. As a result, NYPD will incur no additional costs as the database grows other than additional hardware for data storage.

24/7 local support provides for continuity of operation

Forensic Examiners trained by the developers of Face Examiner will maximize the performance of the solution – The FIS unit will be staffed with two L-1 employees and a number of NYPD employees. The Forensic Examiner will play a leading role in cross training and knowledge transfer from the L-1 experts to the NYPD staff. . As a result of the partnership between L1 and NYPD a best practice methodology for crime scene image collection can be developed.

Direct partnership between NYPD and the L-1 team will result in a unique solution that will increase the effectiveness of the NYPD crime solving operation and create a standard for law enforcement agencies throughout the US. – The partnership will provide both NYPD and L-1 a showpiece system with a state of the art facial recognition solution.

L-1 Company Overview

L-1 Identity Solutions, Inc. (NYSE: ID), together with its portfolio of companies, offers a comprehensive set of products and solutions for protecting and securing personal identities and assets. Leveraging the industry's most advanced multi-modal biometric platform for finger, face and iris recognition, our solutions provide a circle of trust around all aspects of an identity and the credentials assigned to it – including proofing, enrollment, issuance and usage. With the trust and confidence in individual identities provided by L-1 Identity Solutions, government entities, law enforcement and border management agencies, and commercial enterprises can better guard the public against global terrorism, crime and identity theft fostered by fraudulent identity. L-1 Identity Solutions is headquartered in Stamford, CT. For more information, visit www.l1id.com.

The **L-1 Biometrics Division** was formed by joining the industry leaders ComnetiX, Inc., Identix Incorporated, SecuriMetrics, Inc. and Indian Technologies Inc. NYPD will have the benefit of our combined 48+ years of history serving domestic and international governments, law enforcement, border management, military branches and commercial businesses. L-1's biometrics solutions are used to capture, manage and move biometric data for positive, rapid ID and tracking of persons of interest. The solutions support a full range of finger and palm, facial, iris, and multi-modal biometric technologies, as well as systems and solutions that empower the identification of individuals in large-scale identity management programs. Thousands of L-1 biometric solutions are deployed in the field today with state and local law enforcement, federal agencies and international governments. ComnetiX will be providing products and services from its affiliate in the L-1 Biometrics Division, Identix Incorporated, for the NYPD Forensic Imaging Solution. For more information, visit www.l1id.com/biometrics.

This project falls squarely within L-1's stated mission of "*developing, installing and supporting customer-driven solutions that capture, manage and move biometric data for the positive, rapid ID and tracking of persons of interest*". We are committed to the success of this project. Because it falls directly in our "sweet spot", we are able to leverage our existing infrastructure and experience and offer an extremely cost-effective solution.

Contact:
Mr. Donald Sutton
Regional Sales Manager
Telephone: 518 253 7790

L-1 Identity Solutions, Biometrics Division
5705 W. Old Shakopee Road, Ste. 100
Bloomington, MN 55437

1 Section 1: Experience and Organizational Capacity

1.1 L-1 Clients

Customer Name: [REDACTED]

Customer contact information:	Name: [REDACTED]
	Telephone number: [REDACTED]
	Email address: [REDACTED]
Contract Award Amounts:	[REDACTED]
Time frame:	[REDACTED]
Project Summary: [REDACTED]	



Customer Name: [REDACTED]

Customer contact information:

Name: [REDACTED]

Telephone number: [REDACTED]

Email address: [REDACTED]

Contract Award Amounts:

Time frame:

Since [REDACTED]

Project Summary:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Customer Name: [REDACTED]

Customer contact information:

Name [REDACTED]

Telephone number: [REDACTED]

Email address: [REDACTED]

Contract Award Amounts:

Time frame:

Since [REDACTED]

Project Summary:

[REDACTED] is one of the pioneers of [REDACTED]. Different components of the system have been gradually built over the years based on the needs of the [REDACTED].

The current deployment has the following components developed and deployed by L-1:

1)

2)

3)

4)

5)

6)

1.2 L-1 Technical Staff assigned to support NYPD

The personnel listed below are highly skilled in delivering biometric solutions of the scope similar to NYPD FIS. The personnel will be assigned to specific NYPD FIS tasks as required by project needs and as coordinated by the Project Manager. The key team members have been instructed to consider NYPD FIS as their definitive highest priority. Additional personnel will be assigned to the FIS team if needed to meet the project schedule from the pool of 130 employees of the L-1 Biometrics Division Professional Services group and about 150 employees of the Engineering group.

	Team Member	Role	Location	NDA	Availability
1	[Face Examiner 1]	Face Examiner, operates the system	NYC, JC	Upon hire	9-5, but the schedule will be adjusted for optimal coverage of NYPD daily investigative workload
2	[Face Examiner 2]	Face Examiner, operates the system	NYC, JC	Upon hire	9-5, but the schedule will be adjusted for optimal coverage of NYPD daily investigative workload
3	Michael Petrov, Ph.D.	Solution Architect	JC	Yes	9-5
4	Ernst Mucke, Ph.D.	Software Development Manager	JC	Yes	9-5
5	Paul Fritze	Project Manager	Toronto	Yes	9-5
6	Asawari Deshpande	Systems Engineer, will be performing software installation and configuration on-site	JC	Yes	9-5
7	William Li	Systems Engineer, will be performing software installation and configuration on-site	JC	Yes	9-5
8	Ashwath Harthattu	Computer vision image processing consultant	JC	Yes	9-5



	Team Member	Role	Location	NDA	Availability
9	Jidnya Shah	Computer vision image processing consultant	JC	Yes	9-5
10	Michael Brauckmann, Ph.D.	Computer vision image processing consultant	Germany, Bochum	Yes	5 am – 1 pm
11	Jens Hube	Computer vision image processing consultant	JC	Yes	9-5
12	Oleg Chernov	Face Examiner Workstation software engineering	JC	Yes	9-5
13	Mark Anderson	Face Examiner Workstation software engineering	JC	Yes	9-5
14	Nickolas Wasko	Face Examiner Workstation software engineering	Washington, DC	Yes	9-5
15	Tim Brown	Face Examiner Workstation software engineering	Florida	Yes	9-5
16	Michael Rinne, Ph.D.	Workflow customization engineer	Germany, Bochum	Yes	5am – 1 pm
17	Rahul Parthe	Workflow customization engineer	JC/ India (part time)	Yes	9-5/ 5 am – 1 pm when in India
18	Stefan Fuhrman	Workflow customization engineer	Germany, Bochum	Yes	5 am – 1 pm
19	Grigoriy Laskovich	Workflow customization engineer	JC	Yes	9-5
20	Vinay Shah	Workflow customization engineer	JC	Yes	9-5
21	Rainer Menzner, Ph.D.	Workflow customization engineer	Germany, Bochum	Yes	5 am – 1 pm

1.3 Key L-1 Team Resumes

Michael Petrov, Ph.D.

Summary of Qualifications

- Experienced director of technology solutions and products in areas of biometrics, optics, computer vision and graphics, digital image processing, and enterprise IT systems.
- Proven track record of bringing new products and technologies to market in the roles of an inventor, engineer, group leader, product manager and solutions director.
- Strong customer focus. Excellent customer relationship skills.
- Broad federal and international business experience.

Professional Experience

L-1 Identity Solutions, Jersey City, NJ

Jan 2004 - Present

Director, Advanced Solutions

Director of Experimental Biometrics Lab, Research Program Manager

- Managed solution development process for over three hundred customers, mainly system integrators and government agencies. Broadly exposed to industry thought leaders via daily communications with customers and partners. Selected recent engagements include:
 - Chief architect and technology manager of a Latin American antiterrorist screening system
 - Consultant for to the government of a large Middle Eastern country in deployment of a multi-biometric National ID system. This engagement lasted for several years.
 - Architect and deployment manager of a face recognition solution at a major amusement park in the USA.
 - Architect of a Latin American country biometric National ID system.
 - Chief engineer of the face recognition-based loss prevention system for retail.
 - Deployment manager of a distributed multi-tier iris recognition system used by the US DOD.
 - Architect and deployment manager of one of the largest biometric face de-duplication system in the world in use by a Washington agency.
 - Invited technology expert to the government of China
 - Technology expert and architect of several UN election-fraud detection programs in third-world countries.
- Architected solutions in the following areas:

- Large-scale multi-biometric human identification systems
 - Face, fingerprint and iris recognition
 - Biometric capture
 - Biometrics for embedded platforms
 - Intelligent surveillance
 - Physical access biometrics
 - Automated Fingerprint Identification Systems (AFIS)
 - Biometric travel documents (e-Passports) and National ID
- Actively contributed to the presales and solution marketing processes. Presented to customers in the pre-bid phase. Invented solutions and proposed them to the end user. Led engineering and business efforts for putting together a proposal in response to RFP or sole-source opportunities. Examples of deals where I played a key role:
 - Forensic face recognition solution for a US law enforcement agency. This deal has \$5 MLN value.
 - Airport face recognition screening system in a Middle Eastern country with \$3 MLN L-1 revenue.
 - Biometric passport registry system for an Asia-Pacific country.
 - Biometric technology for a national registry for a large Middle Eastern country.
- Reported to CTO, CEO (founder) and Sr. VP of Solutions. Active member of Technology Council that coordinates technology development across divisions of L-1. Up to eleven direct reports: researchers, software, system and sales engineers. Built my group as the hub of applied biometric expertise in the company.
- Pioneered a new face recognition product that generated revenues of over \$4 MLN during its first year on the market. It is currently on a solid product roadmap. Used federal grant for the initial product development
- Managed government grant and internally funded research and development projects.
- Conducted research in the areas of face recognition and experimental assessment of biometric technologies. Authored several white papers and a patent application. Was responsible for L-1's participation in technology vendor trials.

Viewpoint Corp. (NASDAQ:VWPT), New York, NY

Previously known as **MetaCreations Corp.** (NASDAQ:MCRE, \$90M revenue), Princeton, NJ and **Real Time Geometry Corp.** (startup with \$7 MLN of initial financing), Princeton, NJ

Director of Research and Development

Product Manager, Engineer, Head of Hardware R&D

Co-founder, 1996

- Invented a new technique of 3D digitizing (capture) and image processing technology that led to obtaining over \$7 MLN of VC funding and fueled the growth of the company to a sizable NASDAQ business. The intellectual property is by now adopted by the industry in software tools by Intel, Adobe, AutoDesk, and others.
- As an engineer, contributed to all stages of optics, electronics and software development. Developed prototypes of the first instant 3D capture cameras. The

innovative laser scanning hardware architecture provided fastest acquisition speeds and the most photorealistic quality of 3D rendering of all products on the market. Software innovations included methods for geometry surface reconstruction, texture mapping, and data compression and visualization.

- Managed company's R&D department. Was responsible for the technology lifecycle from early product R&D to product release and maintenance.
- Played decisive role in licensing computer vision technology to Eastman Kodak Company and Minolta Co., Ltd. and managed joint product development projects with both clients. The joint product, Minolta MetaFlash, sold more units than all other 3D digitization products in the history of the industry, combined.
- Commercialized the 3D laser-based capture and data processing technology via a joint venture with a Lockheed Martin's division.

Education

Princeton University, Princeton, NJ

Ph.D. in Physics, May 1997

Research in the area of experimental optics of semiconductors was conducted at Electrical Engineering Dept. Experience with electronics, software, spectroscopy, data visualization, materials research, semiconductor processing, image processing, and sensor design.

While at Princeton, he took the majority of MBA-level business classes offered by the school.

Moscow Institute of Physics and Technology

BS/MS in Physics, May 1991

Experimental Optics, Cum Laude, GPA 4.0, Recipient of Nobel Laureate P. L. Kapitza Honorable Fellowship.

Additional Professional Accomplishments

- Nine US and foreign patents related to computer vision technology. Selected US patents:
 - System and method of three-dimensional image capture and modeling
 - Structured-light, triangulation-based three-dimensional digitizer
 - System and method for rapid shape digitizing and adaptive mesh generation
 - Portable 3-D scanning system and method for rapid shape digitizing and adaptive mesh generation
- My products received Computer Graphics World Innovation Award, Best of What's New Award from Popular Science Magazine, PC Magazine, and other awards. They have been reviewed and written about in all major computer and business publications including The Wall Street Journal and The New York Times
- More than a dozen publications in scientific and industrial magazines. Selected articles:
 - 'Tunneling properties of $Al_xGa_{1-x}As$ and $AlAs$ studied by ballistic electron luminescence spectroscopy', *Physical Review B*, vol. 54, 1996
 - 'Optical 3D digitizers: Bringing life to the virtual world', *IEEE Computer Graphics and Applications*, 1998

- 'Software techniques aid 3-D imaging in digitizing-scanner design'. *Vision System Design*, 1998
- US citizen. MRPTC clearance. Enjoy international business having travelled for business and pleasure to over 60 countries.

Jens Peter Hube

EXPERIENCE

2000 - present

L-1 IDENTITY SOLUTIONS

Senior Principal Research Scientist

- Designed and wrote biometric fusion library supporting Neyman-Pearson and proprietary approaches for multi-modal and multi-algorithm scenarios
- Responsible for research on quality-based, statistical, and implementation fusion issues
- Responsible for research on performance analysis and estimation methods
- Managed the development of deliverables for a number of vendor tests including FRVT, FpVTE, and ELFT; acted as point of contact and as lead of research team
- Performed research on iris recognition and iris quality algorithms
- Extensive face recognition research, including algorithms for matching high resolution images and for handling images captured at very long range
- Performed research on face sample quality, designed and wrote quality metrics with significant correlation to recognition performance
- Designed and wrote video face capture SDK for facial screening applications, includes 'best shot' analysis for selecting candidate faces for search
- Designed and wrote still camera face capture SDK in use at mug shot capture stations
- Lead the design and implementation of a number of face enrollment and verification application projects

1998 - 2000

MORTGAGE INDUSTRY ADVISORY CORPORATION

Vice President, Quantitative Analyst

- Wrote a Black-Derman-Toy binomial tree model of interest rates that supports risk management and valuation software; includes pricing code for a variety of interest rate derivatives such as swaptions
 - Wrote Black pricing models for floors, caps, and swaptions
 - Built a Value-at-Risk calculator as part of risk analysis tool
 - Edited and documented cash flow modeling of mortgage servicing assets, which includes prepayment and default models

1994 - 1997

PHYSICS DEPARTMENT, PENN STATE UNIVERSITY

- Structured and taught weekly classes in introductory physics
 - Responsibilities included creating and grading exams and quizzes

Tea

EDUCATION

December 1997 **M.S. in Physics**

Penn State University, University Park, PA

- Final emphasis on computer simulations of critically self-organized systems
- Was a candidate for Ph.D ; research in quantum gravity
- Awarded Durcan Fellowship which provided financial support for two years

May 1993

B.A. in Physics

Wesleyan University, Middletown, CT

- Graduated with honors for thesis work in theoretical physics
- Member of Sigma Xi, a scientific honor society

COMPUTERS

C++, C#, MFC, .NET, MatLab, Mathematica, MS Access and Excel, SQL, LaTeX

Asawari K Deshpande

Profile:

- 3 years of experience in Biometrics
- Masters degree in Digital Systems and Image Processing
- Certification in Oracle Database Administration
- Coding experience of over 4 years in C, C# and MATLAB
- Worked extensively in the field of Embedded System Design
- Flexibility to work independently with minimal supervision or to gel with a team.

Computer Skills:

Proficient in: C, C++, MATLAB, MATLAB GUI, VB6, Assembly Programming
Familiar with: VC++, .NET, Web Based tools and MS Office.

Senior Systems Engineer (L-1 Identity Solutions Company, Biometrics Division <http://www.l1id.com>)

- Database administration (Oracle backups and replication) and server maintenance.
- Determine hardware requirements for biometric systems for RFPs and internal projects.
- Provide technical support to Marketing and Sales department with technology and product demonstrations.

Systems Engineer II (Identix Inc., An L-1 Identity Solutions Company <http://www.l1id.com>)

- Deploy biometric systems at customer sites.
- Perform key role in planning, testing and executing biometric performance tests.
- Maintain hardware inventory.

Systems Engineer II (Identix Inc. <http://www.identix.com>)

- Provide pre-sales and post-sales technical support on various Identix products.
- Test, deploy and support customized biometric solutions.
- Set up and maintain prototype and demo systems.

West Virginia University

- Master of Science in Electrical Engineering
- Graduate Research Assistant, Advance Power and Electricity Research Center <http://www.csee.wvu.edu/aperc>
- GPA 4.00
- Financed 100% of Master's Education with a research assistantship

Development Engineer (SPJ Systems <http://www.spjsystems.com>)

- Developed and tested 8051 microcontroller based LCD control for GPS receivers

- Extended the scope and functionality of the existing C compiler and assembler for the 8051 microcontroller to satisfy the company requirements
- Tested and troubleshooted embedded system development boards – Mini51 Evaluation Boards and SBC51 Single Board Computer for quality testing before delivery.
- Conducted training programs on "C" programming for 8051" for clients.

Vishwakarma Institute of Technology

- Bachelor in Electronics Engineering
- GPA 3.8 University Rank 5/300

Masters Thesis:

Implementation of Computer-Aided Home Energy Management (CAHEM) System

(Chair: Dr. Powsiri Klinkhachorn, Advisors: Dr. Ali Feliachi, Dr. Hyungna Oh and Dr. Xin Li)

- Designed a CAHEM system based on Price-Responsive Load Management (PRLM) for the residential sector based on real time pricing.
- Devised an optimal load shifting strategy using Fuzzy algorithm to shift load from peak period to off-peak periods while maintaining reasonable customer comfort.
- Demonstrated with a prototype system based on X10 home automation technology.

Publications:

- Moholkar A., Klinkhachorn P., Feliachi A., "Effects of Dynamic Pricing on Residential Electricity Bill," *2004 IEEE Power Systems Conference and Exposition*, New York, October, 2004.
- Oh H., Moholkar A., Douglas S., "Testing the Effects of a Price Responsive Load Management Program in the Residential Sector on Power Systems and Market," *18th Annual Western Conference*, San Diego, California, June 2005.

Conferences:

- IEEE Power Systems Conference and Exposition, New York, October 12-14, 2004
- DOE/NSF EPSCoR Conference, Morgantown, June 14-16, 2005
<http://www.netl.doe.gov/publications/proceedings/05/EPSCoR/pdf/abstracts/moholka-abstract.pdf>
- Sigma Xi National Honor Society's Graduate Research Competition, Morgantown, WV, April 25, 2005

**Achievements
/Extracurricular
Activities:**

- Awarded the National Talent Search Scholarship. Only 0.1% students in India are selected.

- Represented Pune University in State-level Swimming Competitions.

**Professional
Membership:**

Institute of Electrical and Electronics Engineers

Paul Fritze

PROFILE

Paul Fritze is an experienced project manager with a professional attitude that garners respect from all members of the team. He has strong skills working within a team or independently and thrives on assisting others to achieve their goals. His experience allows him to quickly understand the customer's business processes and communicate effectively with the customer, creating high level project plans and then ensuring execution of those plans. He is an effective communicator with proficiency in numerous software packages including Excel, MS Word, Visio, PowerPoint, Relational Databases (Oracle), and MS Project.

CORE COMPETENCIES

- ▣ Project Management • Following PMI methodologies
- ▣ Business analysis
- ▣ Project budgeting
- ▣ Communication planning
- ▣ A solid understanding of software development life cycle
- ▣ Project Procurement
- ▣ Risk Analysis
- ▣ Experience with Canadian Federal Agencies, U.S State and Local Agencies.
- ▣ Excellent Decision Making / Troubleshooting
- ▣ Progress and Financial Reporting
- ▣ Professional Presentations
- ▣ Team Building & Organizational Leadership
- ▣ Client Relationship Building & Partnering
- ▣ Coordination • Tracking • Materials Planning

ACCOUNTABILITY & EXPERIENCE

- ▣ Change Management
- ▣ Process Improvement
- ▣ Understanding the project and the solution being provided

INFORMATION TECHNOLOGY EXPERTISE

- ▣ Relational Databases, SQL queries, Oracle
- ▣ General Database Programming
- ▣ Excellent understanding of database programming
- ▣ Mapping Data Elements Across Disparate systems
- ▣ Intuit Quickbase, Visio, Excel, Word, PowerPoint, MS Project
- ▣ Summary Reports – Crystal Reports, Cognos

Added Value: Workflow Planning & Prioritization • Customer Satisfaction • Staff Training
• Purchasing • Leadership & Supervision

EMPLOYMENT EXPERIENCE

*L1id Biometrics Division, **Oakville, Ontario***

Biometric Solutions Company Capturing, managing and moving biometric data for positive, rapid ID and tracking of persons of interest

Project Manager/ Business Analyst

- Working on a daily basis with the President to achieve strategic deliverables and financial objectives
- Providing weekly revenue status reports and project status presentations for key project stakeholders
- Constantly defining and refining internal protocols and procedures for the Project Management Department
- Working with Subject Matter Experts to define the work break down structure.
- Ensuring that proper communications are coordinated and maintained amongst the various internal departments and customers
- Managing software development from design and development to implementation
- Processing customer software and hardware change requests
- Managed Real Time ID projects for *Revenue Canada, Indian and Northern Affairs Canada, Natural Resources Canada, Communication Security Establishment Canada and Canadian Heritage*
- Simultaneously delivered biometric projects for the *New York State Office of Mental Health and the New York State Office of Mental Retardation* worth 1.2 million. These projects had short time lines with go live dates that were mandated by state legislation
- Implemented a multi-location biometric solution for the *Vermont Department of Public Safety* (600,000 contract)
- Designed the *Boston Police Departments Sexual Offender Registry*
- Designed, implemented and currently maintaining a real-time enterprise resource tracking system

*Advanced Systems International, **Southfield, Michigan***

Developer of Labour Management, Time & Attendance & Human Resources Software Solutions

Business Analyst

- Business Analyst on major labour management projects
 - Continental Airlines - a four million dollar U.S contract using a biometric time tracking system
 - Volvo, Chrysler and the Dana Corporation
- Conducted professional presentations with the Human Resource, Payroll and Staff Management departments to define the business rules required for software functionality

- Designed and created ad-hoc reports as per client's specifications (Crystal Reports & Cognos software)
- In a crisis situation, provided training to 36 departmental supervisors for the Dana Corporation
- Successfully implemented over 200 Oracle clients and configured client software on site

Toronto Dominion Bank, Toronto, Ontario

Electronic Banking and Database Marketing

Business Analyst

- Coordinated database marketing initiatives for banking products (Visa and Credit lines)

Education and Professional Development

- PMI Certification – In progress
- Fundamentals of Project Management, Ryerson University, (2006), Toronto
- Diploma in Applied Information Technology, (AIT) (1998), Information Technology Institute
- Visual Basic Level 1, George Brown College, (1996), Toronto

1.4 *L-1 Financial Status*

L-1 is a publicly traded company listed on the New York Stock Exchange (NYSE -- ID) with over 2,200 employees and a market capitalization of approximately \$600 million. Complete Annual reports can be found at www.L1ID.com.

The 2007 and 2008 L-1 Identity Solutions Annual Reports can be found in the Appendix 6.5 Financial Information.

1.5 *Other L-1 Projects*

Information on existing projects and contracts is confidential, however the personnel listed in Section 1.2 are highly skilled in delivering biometric solutions of similar scope as the NYPD FIS. The personnel will be assigned to specific NYPD FIS tasks as required by project needs and as coordinated by the Project Manager. The key team members have been instructed to consider NYPD FIS as their definitive highest priority. Additional personnel will be assigned to the FIS team if needed to meet the project schedule from the pool of 130 employees of the L-1 Professional Services group and about 150 employees of the L-1 Engineering group.

2 Section 2: Products and Services Offered and Methodology and Approach

2.1 F/S System Components

L-1 Identity Solutions Automated Biometric Identification System®

The L-1 Identity Solutions Automated Biometric Identification System® or ABIS® multi-modal solution supports 2D print finger, face, iris, palm, and latent matching. ABIS® Enterprise Edition (EE) allows all the way to multi-million record multi-modal systems. ABIS® is designed as a 21st century multi-biometric search engine with a number of innovations as compared with other existing biometric systems:

- ABIS® is built in Java and other COTS environments that can be deployed on COTS server hardware running Microsoft 64 bit Windows Server 2003.
- ABIS® has been designed with XML-format internal data content and native XML-format external interfaces. This allows simple, tight and cost-effective integration between systems.
- ABIS® has been designed to allow both the ABIS® back end and biometric workstations to be implemented as services to any SOA (Service Oriented Architecture) or business logic environment. This is possible through the use of open technologies and modular design rather than the closed technologies and system designs of traditional biometric vendors.
- ABIS® contains fingerprint, face, and iris matching technology shown to be among the most accurate of available algorithms in recent tests by external testing bodies.
- ABIS® is designed as a multi-biometric architecture from the ground up, supporting fingerprint, face, and iris matching in a single processing environment rather than separate systems from separate vendors coupled by "glueware" as with many other biometric system providers.

The subsections that follow provide more detail for each of the key components.

ABIS® Central Site Processing Elements

This section describes details about the server based components cited in the preamble to this section. Generally speaking they are arranged as seen on the diagram below. Please note that this diagram only shows, for illustrative purposes, some of the assembly elements possible in any given ABIS® configuration.

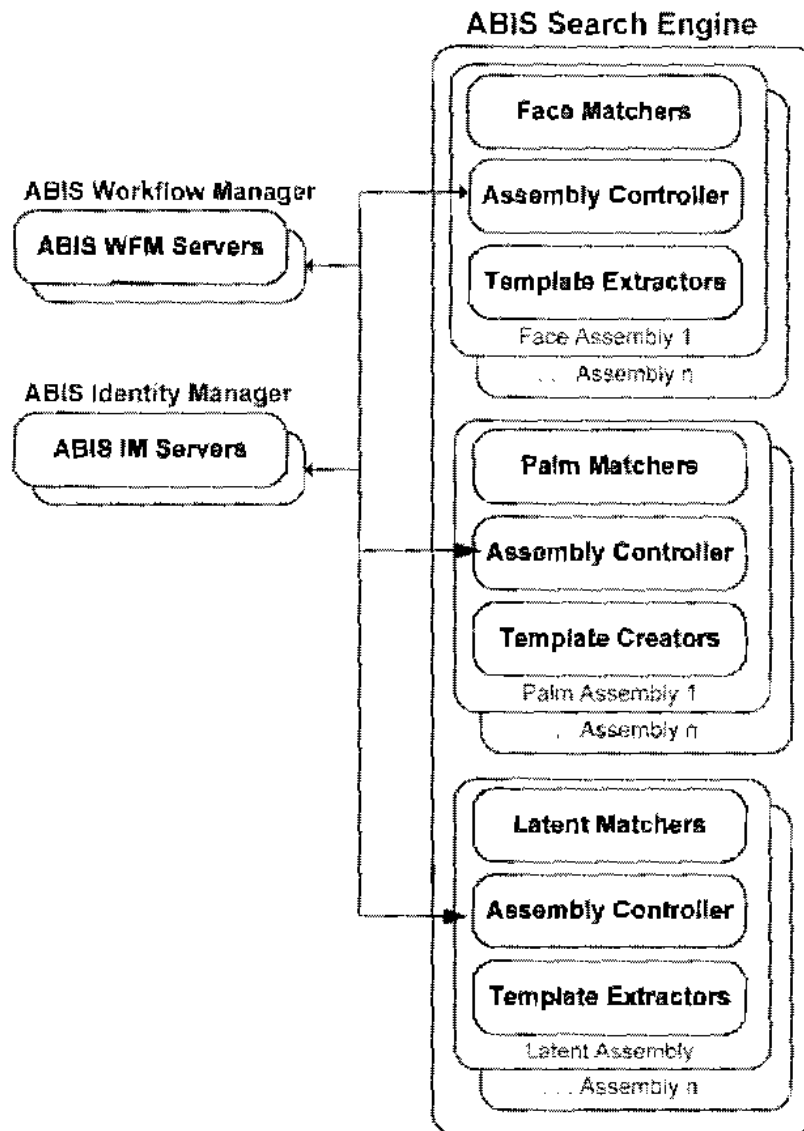


Figure 2-1 General architecture showing server component relationships

ABIS® Search Engine

The ABIS® Search Engine provides biometric processing functions, such as 1:N identity search, 1:1 verification search, latent search, candidate response, record update and record delete. All core biometric algorithms are implemented in the ABIS® Search Engine in a ready-to-use, tested, reliable search component. The ABIS® Search Engine is built one or several assemblies and supporting components. Each assembly is comprised of minutia extractor, template creator and/or matcher processes. Assemblies can be implemented on a single physical server or, to support scalability, on multiple physical servers. The representation of the ABIS® assembly structure is illustrated below. Scaling of the system for additional throughput or biometric modalities is accomplished by installing additional assemblies.

Each assembly contains an Assembly Administration (application server) process that provides the interface into and out of the assembly and that mediates the operation of the matchers and creators/extractors in the assembly.

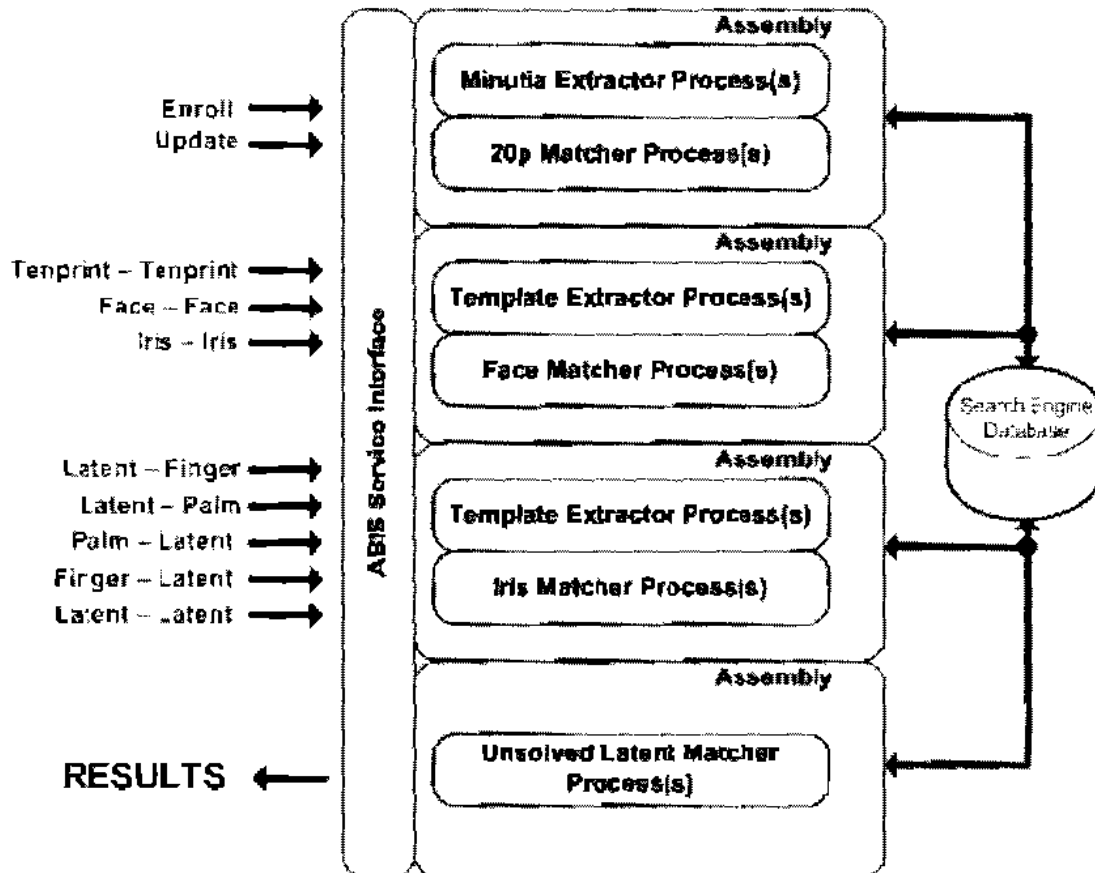


Figure 2-2 Representative view of Assembly structure in ABIS®

Inside each assembly is a mixture of services assigned to template extraction or matching as indicated in the diagram above. As an example of the diagram below illustrates what would be contained within an assembly. Depending on the specific requirements of a solution, each biometric modality will typically have its own set of assemblies with the number of assemblies assigned to each modality driven by database size and performance requirements.

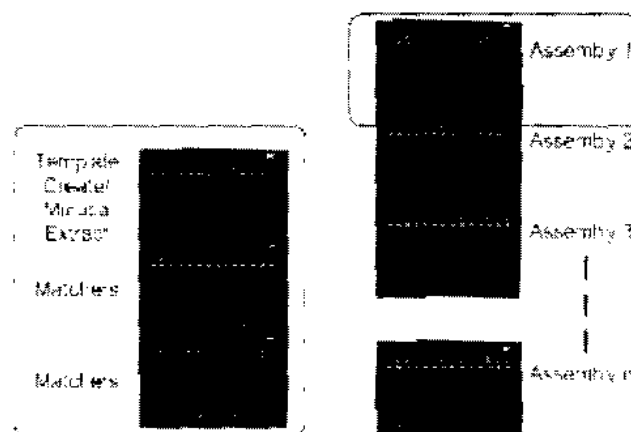


Figure 2-3 Diagram showing elements within an assembly

The identity matching processes within the assemblies handle transactions that are addressed to the fingerprint, face, latent, or iris identity galleries. Each biometric typically passes through several search passes with different levels of selectivity. The first pass very quickly returns a large candidate list that would certainly contain the target identity, if it exists, within the search core with subsequent, more intensive, searches zeroing in on the correct candidate. Each of the passes is a discrete process within the assemblies with each of the assemblies being tightly integrated elements of an overall ABIS® implementation. As a result, we have the industry-unique ability to either handle biometrics in discrete single-biometric flows or to intermix multi-biometric processing in a variety of ways and all within the same biometric environment.

As examples, within a single ABIS® environment, biometric processing could be handled in the following ways:

- A single biometric submission can be processed through its entire processing pipeline providing results based on search type submitted.
- A multi-biometric submission can have each of the biometrics contained within that submission submitted to the full processing pipelines for each biometric with discrete results for each biometric returned.
- A multi-biometric search can have the biometric deemed to be the "primary" biometric submitted to its full processing pipeline with the results handed to secondary and/or tertiary biometric processes as a filter for subsequent biometric searches.
- A multi-biometric search can be processed through its entire processing pipeline and use discrete 1:1 verification with a secondary biometric for "lights-out" processing with superior FAR and FRR scores.
- A multi-biometric submission can have one of the submitted biometrics processed through a portion of its pipeline with results handed to another biometrics' entire pipeline or portion of its pipeline as a filter for that biometric search

The preceding examples can all be implemented within the same processing environment with the transaction flow based on custom-designed biometric processing flows with each flow selected based on custom TOTs (Type Of Transaction). As noted previously, the biometric processes are provided within a solution which can be integrated into a full SOA business process environment. This gives the customer the unique ability to implement process flows that are specific to their requirements and, more importantly, address requirements that have been heretofore unable to be addressed given the limitations of other vendors.

ABIS® Workflow Manager

The ABIS® search core is accessed by the workstations through the ABIS® Workflow Manager (WFM), a server-based software component that supplies the ESB (Enterprise Service Bus) and business logic for a solution. The diagram below depicts an ESB implemented in ABIS® WFM highlighted in green. Along with the ESB, interfaces to external systems are implemented at this layer.

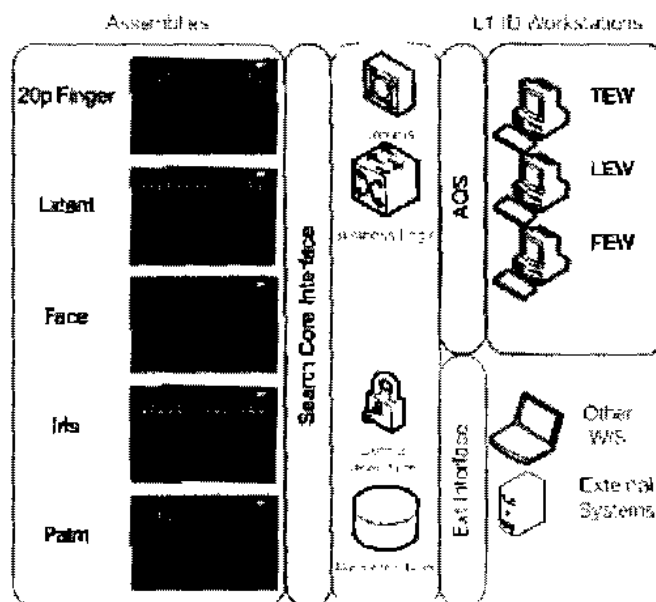


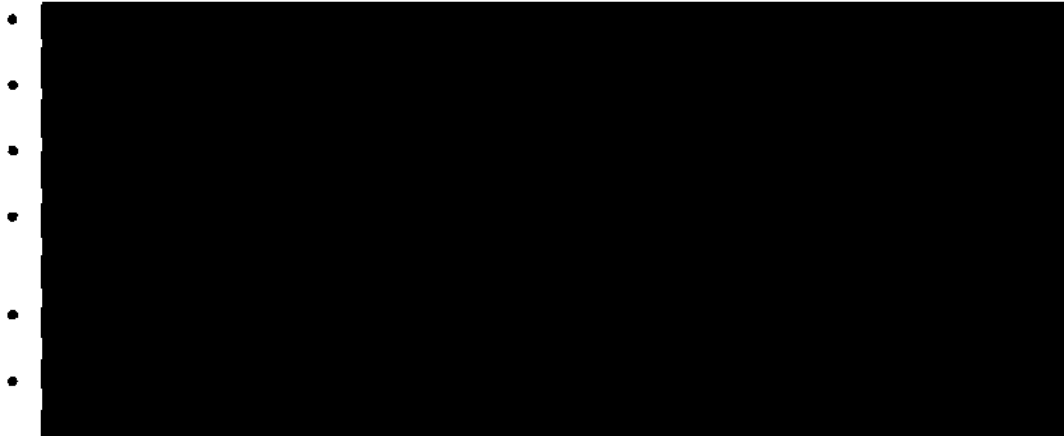
Figure 2-4 High level ABIS® architecture highlighting ESB

ABIS® WFM transaction data is formatted in compliance with:

- ANSI/NIST-CSL 1-1993 standard ("Data Format for the Interchange of Fingerprint Information").
- ANSI/NIST-ITL 1-1997 standard ("Data Format for the Interchange of Fingerprint, Face, & Scar Mark & Tattoo (SMT) Information").
- ANSI/NIST-ITL 1-2000 standard ("Data Format for the Interchange of Fingerprint, Face, & Scar Mark & Tattoo (SMT) Information").

Using an EBTS-X implementation of these NIST formats, we provide support for the business functions that would be required of a multi-modal ABIS® that may include (depending on the capabilities implemented):

- Face searches and subsequent enrollment of face records originating from a variety of sources including those from Face Examiner Workstation.



ABIS® WFM also provides interfaces that format transactions for seamless interchange with other biometric systems. ABIS® WFM transactions are processed within business workflows that define the processing paths with processing performed at each step and contingency actions taken at each step. Each processing step in a workflow is associated with a transaction queue managed by ABIS® WFM. Workflow queues control the processing load submitted to automatic processes such as the fingerprint matchers.

Queues are managed within the ESB formed by ABIS® WFM also support tasks that may require human intervention (such as search results adjudication) allowing the workstation user to select a transaction and process it when ready. For example, if the solution is configured for it, [REDACTED]

[REDACTED] All workflow queues are implemented in an Active Workflow Database so that workflows may be resumed in the event of hardware failure

ABIS® WFM workflows are easily customized and may be further customized on site for the future adaptations necessitated by changing capabilities requirements.

ABIS® Workstation Queue Services

L-1 has taken an innovative approach with the communication layer between our ABIS® server environment and ABIS® workstations. Rather than requiring a proprietary interface between the central site and the workstation, we have developed a workstation queue service that will operate as a service to a SOA based ESB. In this way, process logic required by the customer may be implemented either in ABIS® WFM or other WFMs of the customer's choosing.

This queue service is presented to the ESB via a defined API to allow the Tenprint Examiner Workstation, Latent Examiner Workstation, or Face Examiner Workstation to be implemented in the manner most suited to specific requirements. The diagram below shows AQS implemented in relationship to the ESB.

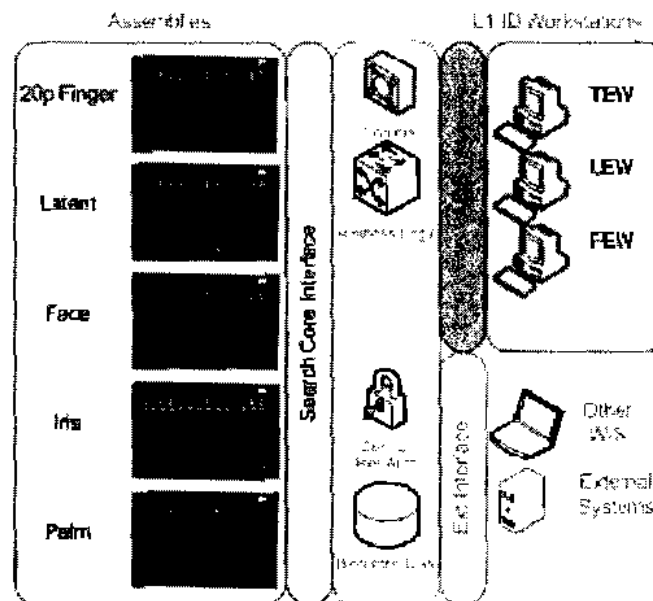


Figure 2-5 High level architecture highlighting AQS

Biometric Processing Workstations

L-1 Identity Solutions has designed the workstations to be able to act as modular pieces to an overall business-processing environment. As such, business workflow logic only needs to be implemented and supported in *one* place rather than in the business workflow layer and a proprietary workstation connection layer. Our workstation applications can readily co-exist with each other as well as non-L-1 Identity Solutions applications on standard Microsoft Windows XP Professional workstations. We do not require workstations dedicated to our applications.

To ensure a consistent user experience and to ease user training requirements, all our workstations have a common look and feel. Aside from the obvious differences imposed by the different biometric modalities, all common functionalities are handled in exactly the same way across all three. All three have common case and queue management implementations and all utilize the same general GUI controls.

Face Examiner Workstation (FEW)

The L-1 Identity Solutions Face Examiner Workstation (FEW) fills a need that has been heretofore unfilled.

Face recognition technology has been typically limited to the civil applications and has typically relied on higher capture image quality so that greater search and match accuracy can be realized. Standards mandate or prefer higher resolution images, specialized compression techniques, and better lighting practices to capture more face features. This improves the accuracy of face recognition using frontal or mildly-angled images captured in controlled situations.

In forensic applications, face recognition technology also performs well taking the same approach as civil applications when images are captured during booking. However, when images are captured under less-than-ideal conditions, such as those from Closed Circuit TV (CCTV), covert surveillance video cameras, or from low-resolution image sources in general, hit rates continue to be low. In particular, video of crime-scene activity from banks, retail stores, and other premises that conduct surveillance as encountered by law enforcement and intelligence agencies in the war against terror and crime is commonly of low resolution and quality.

The extracted crime scene face images generally feature:

- Small head size – face images captured at a distance from the camera
- Poor lighting – uncontrolled environments, outdoors, shadows, etc.
- Off-angle poses – non-frontal, non-cooperative subjects
- Partial face obstructions – glasses, face hair, hats, scarves, etc.
- Movement blur – subjects are not still
- Overall quality issues – low-resolution cameras, old media, etc.

All of these factors contribute to a common result of a generally low and unsatisfactory face recognition hit rate using traditional face recognition processes. This is unacceptable as this “latent face” may be the only forensic evidence from many crimes.

The L-1 Identity Solutions Face Examiner Workstation (FEW) serves as an investigative toolbox with a plethora of face extraction and image enhancement technologies. It allows the criminal investigator to extract and enhance face still images from low-quality image sources and surveillance video footage in much the same manner as a fingerprint examiner would capture and enhance latent fingerprint images. Once the face images have been extracted and enhanced, the workstation tools allow the operator to submit them to the back-end face recognition search system implemented in ABIS®. After submission the examiner can receive and review candidate responses utilizing an extensive set of comparison tools.

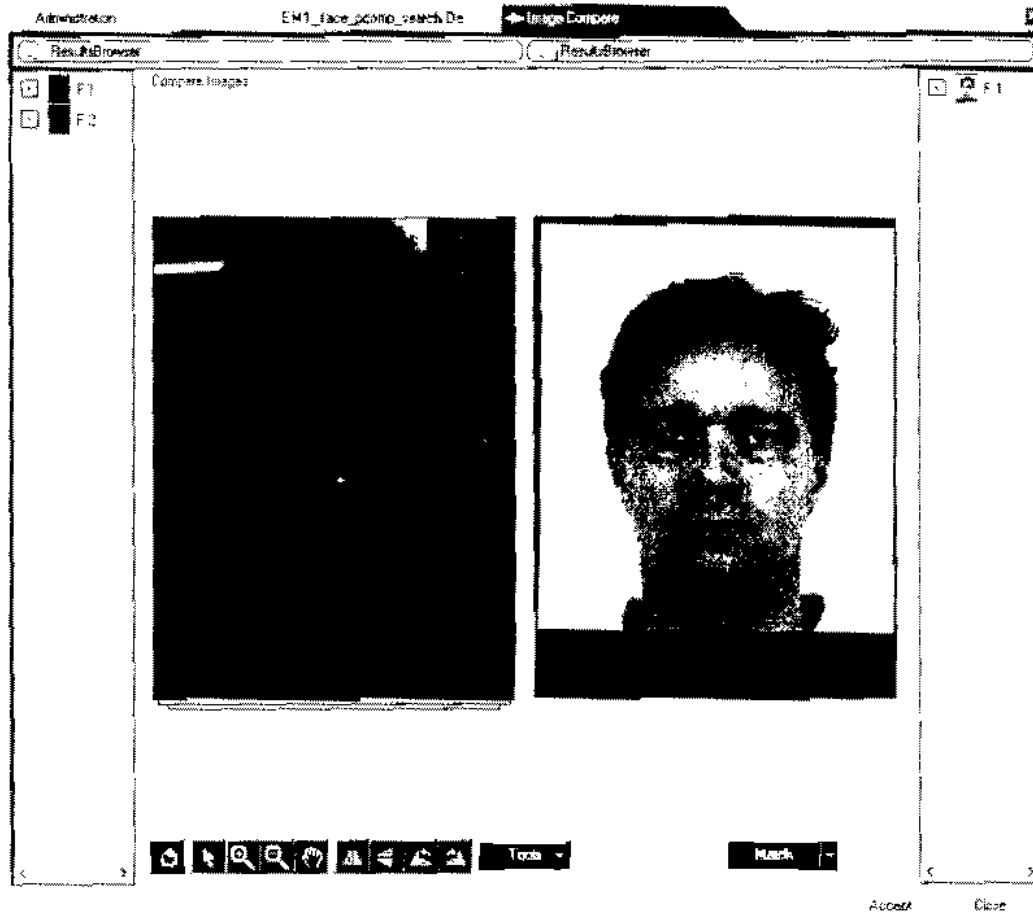


Figure 2-6 Screen capture of a typical FEW screen

2.2 FIS System Architecture

General Project Scope

L-1 provides NYPD Forensic Imaging System (FIS) that allows NYPD perform face and iris recognition biometric searches. This document describes the system architecture and the work elements to be provided to NYPD in the course of delivery the system. The system is turnkey, integrated with several external systems.

NYPD FIS consists of the following main components:

1. Multi-biometric, face, iris and fingerprint recognition server running L-1 ABIS® software
2. Face Examiner workstations installed at NYPD face recognition lab that allow expert users to enhance and process otherwise crime scene photographs
3. ABIS® Workflow Server implements the business process logic of FIS operations
4. L-1 face, iris, fingerprint and palm print booking workstations

The following table contains the general performance specifications:

Number of face recognition records in the database	Unlimited per license terms, but expected to start off with about 2 MLN
Number of iris recognition records in the database	Unlimited per license terms, but expected to grow to about 300K subjects in 5 years
Face search throughput, at least	500 searches/ hr
Search duration (excludes network latency time)	about 5 sec
Enrollment throughput, at least	5 records/ sec
Number of Expert Face Examiner Workstations	10
Number of face, iris, finger and palm enrollment kiosks	10

Project Assumptions

The following are the overall assumptions which are considerations to be noted.

- The hardware is to be provided by NYPD per specification given by L-1.
- Microsoft SQL database licenses are provided by NYPD.
- FIS system is deployed at One Police Plaza data center.
- NYPD provides, as needed, NYPD IT personnel required for installing and configuring the hardware including unpacking the hardware, booting it up, installing the operating system, configuring IP addresses, installing antivirus software servers, user administration, and network administration.
- Scheduled backup and routine maintenance of ABIS® servers such as installation of OS or antivirus patches, are to be provided by NYPD IT.

- L-1 provides technical support on the ABIS® system and related components. L-1 technical support group does not provide direct technical assistance to police detective users of the system. However, face investigative staff provided by L-1 may be utilized in this role.

Solution Source Code

Software provided as the overall solution to NYPD falls under 3 categories: L-1 COTS software and IP (intellectual property), third-party software, and applications developed specifically for this project. As such, source code for these software elements is typically handled in the following manner:

- L-1 COTS software and IP
 - Source code for L-1 COTS software will not be provided.
- Third-party software
 - L-1 has no control over source code or release cycles of third-party software.
 - Coincident with this consideration, L-1 ensures that current versions of our COTS software is supported on third-party software that is under currently supported status for all required software elements.
 - In the event that the customer, either initially or subsequently during the life-cycle of this project decides to halt further updates to the solution, it becomes the customer responsibility to maintain availability of the specific versions of third-party software required and accept risks incurred by using potentially unsupported third-party applications
- Solution specific software
 - For all software elements developed by L-1 specific to the deliverables of this project, L-1 will provide source code to the customer along with any documentation pertinent to it. This includes:
 - Customization scripts and utilities for ABIS® server components
 - Workflow Server customization scripts and utilities

Solution Documentation

The following product documents will be provided:

- Standard ABIS® and ABIS® Workflow Server product documentation, including:
 - System Overview
 - Installation Guide
 - Developer's Guide
 - Administration Guide
 - Troubleshooting Guide
- Face Examiner Workstation documentation

The following set of documents specific to this deployment will be provided:

- ABIS® System configuration document
- Application and interface design document

All documentation is in English.

Forensic Imaging System Architecture

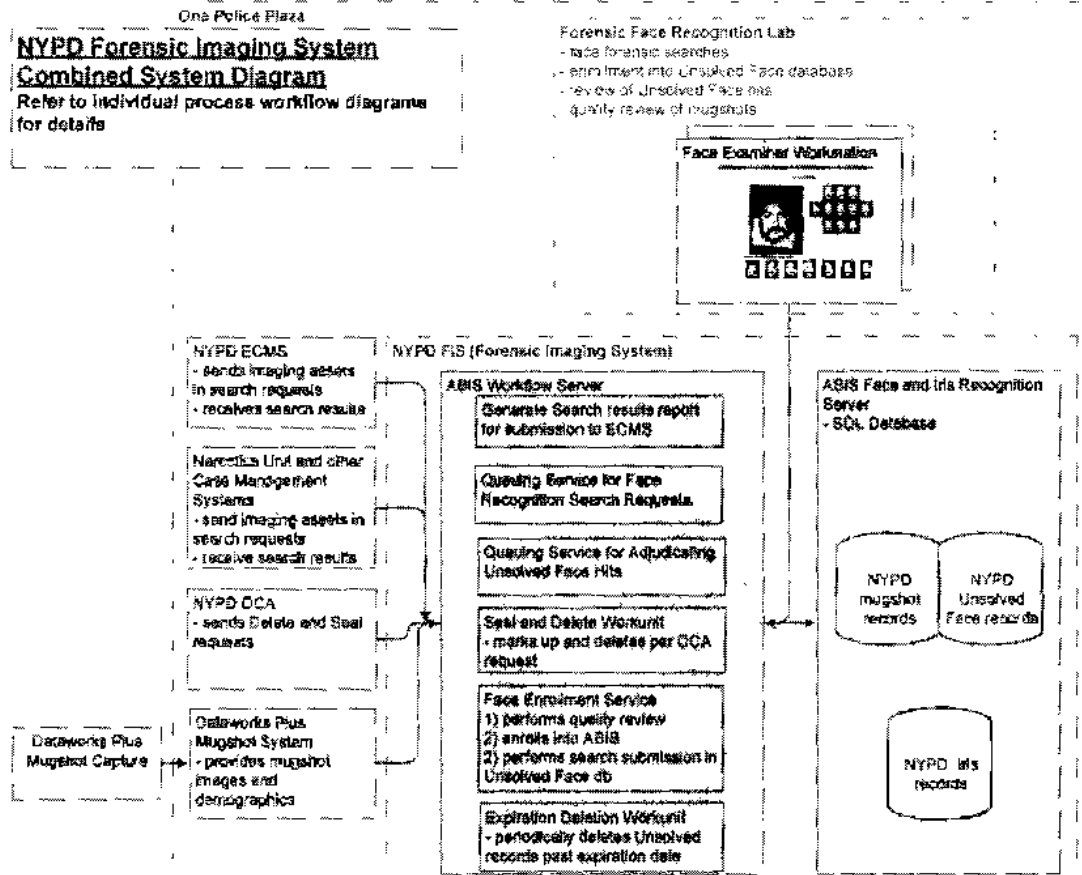


Figure 7 NYPD FIS architecture. The workflow of individual processes is explained in this document below.

Briefly stated and illustrated in Figure 7 is the architecture of the solution. The detailed description of individual components of the solution is provided later in this document. The back-end server component of the solution is ABIS® face and iris recognition server. ABIS® server includes its own database for storing images, demographic data and templates. ABIS® runs on Microsoft SQL database.

ABIS® Workflow Server:

- Communicates with external services such as Dataworks Plus Mugshot sever
- Queues work requests for Face Examiners
- Performs data maintenance operations such as processing Seal and Delete requests
- Implements quality review process
- Executes Unsolved Face database search workflow

Face Examiner Workstation software is provided for use by NYPD forensic experts. It performs these functions:

- Performs forensic searches in ABIS®

- Performs quality reviews of Mugshot images that failed to enroll
- Enrolls into Unsolved Face database

FIS interfaces with the following external systems:

- Dataworks Plus Mugshot Server that provides the initial mugshot database and then updates FIS with new booking records as they are acquired
- OCA system that provides Seal and Delete data feed
- [REDACTED] and other case management systems that provide forensic search requests and receive search reports.

The server is deployed at [REDACTED] If necessary, L-1 is prepared to host the forensic investigation lab at L-1 offices in Jersey City and subsequently relocating to One Police Plaza at the conclusion of their remodeling.

NYPD FIS ABIS®

ABIS® Face and Iris Recognition Server is the core component of the system. ABIS® server layout is shown in Figure 8. ABIS® uses SQL database for storing images and templates.

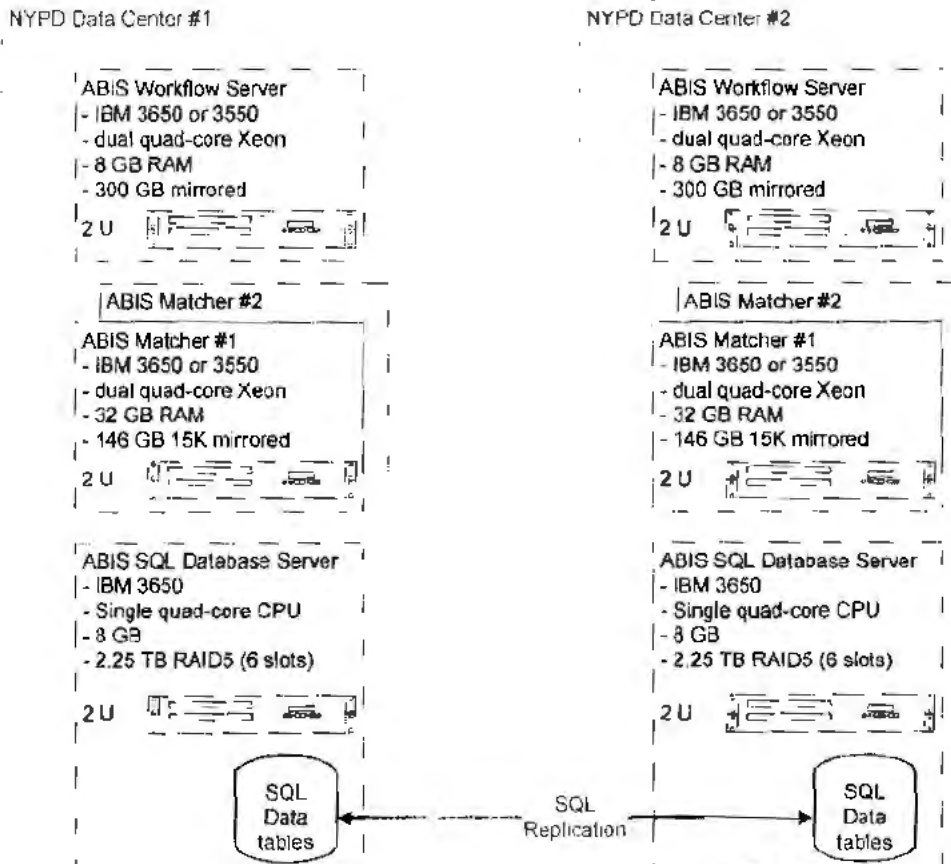


Figure 8. ABIS® Server physical architecture. The hardware specification is pertinent for the FIS project, but the actual hardware may be different because it is to be procured by NYPD.

Physically, ABIS® Server will consist of the following hardware components, replicated in Active-Active configuration at 2 nodes:

- ABIS® Database Server that contains SQL database and database tables.
- 2 ABIS® Matchers that perform face and iris recognition searches.
- ABIS® Workflow Server which executes FIS workflows and communicates with external systems via customized interfaces.

All hardware is rack-mounted COTS. The recommended hardware vendor is IBM.

The database server will have at least 2.25 TB SAS capacity configured for RAID 5 redundancy. With assumption that the average size of the JPEG mugshot images remains at 30 KB as in the current NYPD mugshot database, the database storage capacity is going to be sufficient for about 20 MLN records. Upon receiving the award, L-1 will review with NYPD the system data capacity requirements and will provide the most current hardware spec to assist NYPD in procuring the hardware.

The Unsolved Face database is planned to share the same Database Server with Mugshot database. The current assumptions on the Unsolved Face database growth are in the range of 10-50K additional images per year. In the worst case scenario, the size of the Unsolved Face database should not exceed 350K images accumulated over 7-year period. The FIS hardware will safely be able to accommodate this database growth. The planned iris database of up to 300K records is also going to be stored in the ABIS® Database Server. However, the size of this database is going to be negligible as compared with the size of the face recognition databases.

Each ABIS® Matcher can contain at least 8 MLN templates to the total theoretical system capacity of 16 MLN records.

The data replication between the 2 system nodes will be at the database level. L-1 will provide SQL database replication scripts and will deploy them.

NYPD FIS Face Examiner Workstations

FIS will have 10 seats of Face Examiner Workstation (FEW) application licenses for use by NYPD experts at the biometric forensic lab. FEW is designed to be the main FIS client software application. In particular, it is used in the following circumstances:

- To open still image and video assets
- To submit an image for searching in Mugshot or Unsolved Face databases
- To enroll images into Unsolved Face database
- To enhance forensic images.
 - o To de-interlace images
 - o To generate 2D-3D projections
 - o To increase the resolution of images
 - o To capture a snapshot from a video file
 - o To balance the lighting on an image
 - o Other tools will be developed per requests of face examiners within the level of effort as per Statement of Work

- To perform quality review of mugshots that failed to enrolled due to a quality issue
- To generate search report

System Workflow

Initial Mugshot Enrollment Workflow

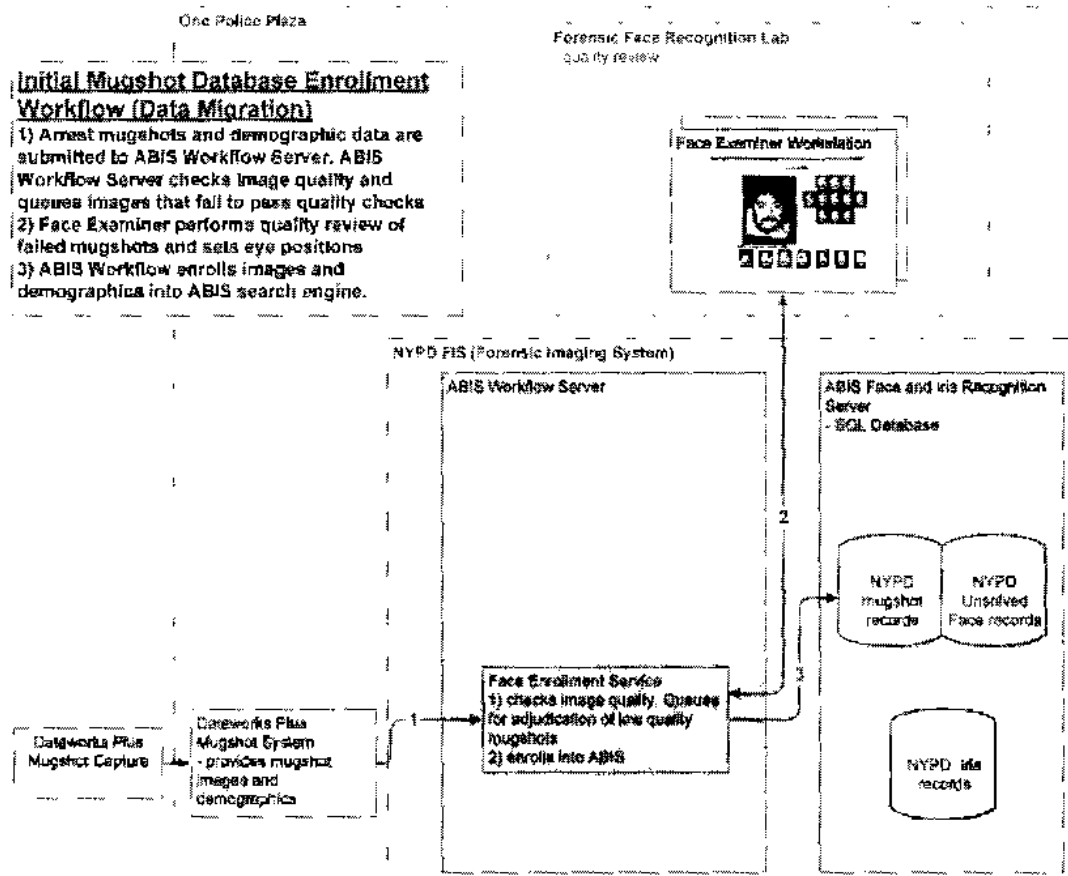


Figure 9. Initial Mugshot Enrollment Workflow.

During the initial data migration, the images are sent to FIS from Dataworks Plus Mugshot System via custom developed SOAP interface. The enrolled data includes a JPEG mugshot image and demographic information. The exact naming of the demographic fields will depend on the content of the existing mugshot database, but L-1 expects these fields to be populated:

1. Arrest Number # , NYSID and other case identification information
2. Flag if the record is an update to an existing record
3. Flag if the record is sealed (some records in the Dataworks Plus database are already sealed)

4. Gender
5. Race
6. Complexion
7. Eye characteristics
8. Eye color
9. Facial color
10. Hair color
11. Hair length
12. Hair style
13. Skin tone
14. Teeth
15. Facial jewelry
16. Height
17. Weight
18. Place of birth
19. Amputations -1
20. Amputations -2
21. Amputations -3
22. Scars/ marks/ tattoos -1
23. Scars/ marks/ tattoos -2
24. Scars/ marks/ tattoos -3
25. Date of birth
26. Hispanic
27. Location ID
28. Charge -1
29. Charge -2
30. Charge -3
31. Arrest date
32. Megan's Law

FIS will contain all mugshot images from Dataworks Plus Mugshot Server. All images from sequential arrests are going to be enrolled. The workflow of the process is illustrated by Figure 9. Initial Mugshot Enrollment Workflow. Figure 9 and Figure 10. ABIS® Workflow Server is configured to perform quality check of the incoming mugshots. If a mugshot fails the quality check it will be diverted to a review queue. The face examiner operator will review the image to confirm that it is of suitable quality and subsequently enroll it. If the image of unsuitable quality it will still be enrolled in the database for the merits of its demographic data and for consistency with Dataworks Plus system, but it will not be available for face recognition searches.

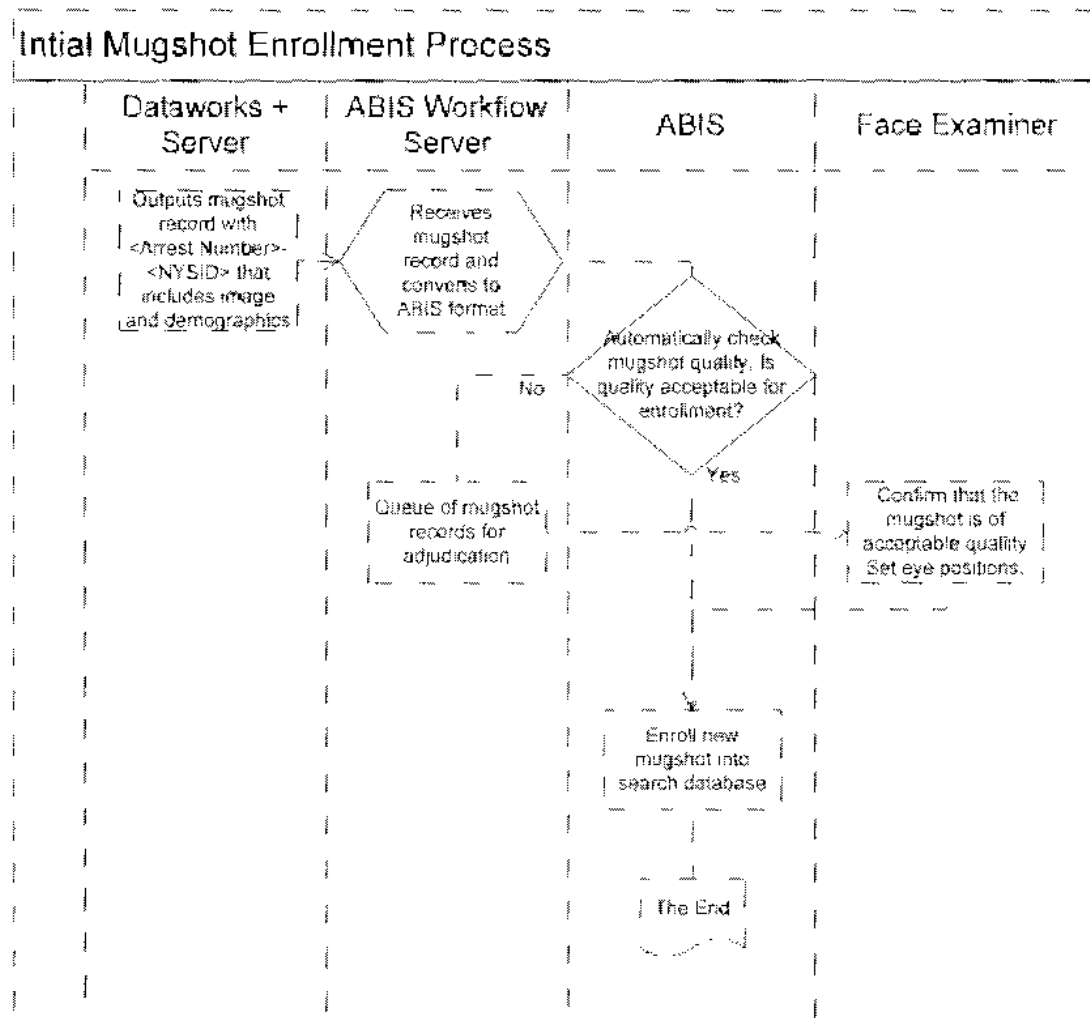


Figure 10. Initial mugshot enrollment process workflow diagram.

Ongoing Mugshot Enrollment Process

Ongoing Mugshot Enrollment Workflow

- 1) Arrest mugshots and demographic data are submitted to ABIS Workflow Server. ABIS Workflow Server checks image quality and queues images that fail to pass quality checks
- 2) Face Examiner performs quality review of failed mugshots and sets eye positions
- 3) ABIS Workflow enrolls images and demographics into ABIS search engine. The mugshot is searched in Unsolved Face database
- 4) Search results against Unsolved Face database are sent to Queuing Service
- 5) Face examiners retrieve search results from the queue and adjudicate them

Forensic Face Recognition Lab
- quality review
- adjudication of searches in Unsolved Face Database

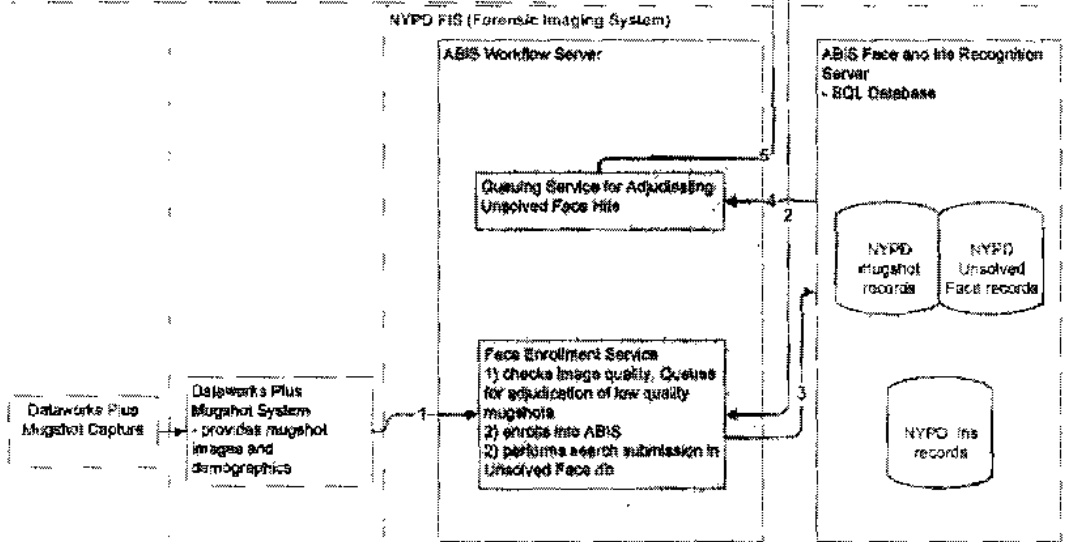
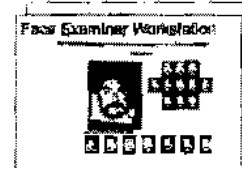


Figure 11. Ongoing mugshot enrollment process

Ongoing Mugshot Enrollment Process

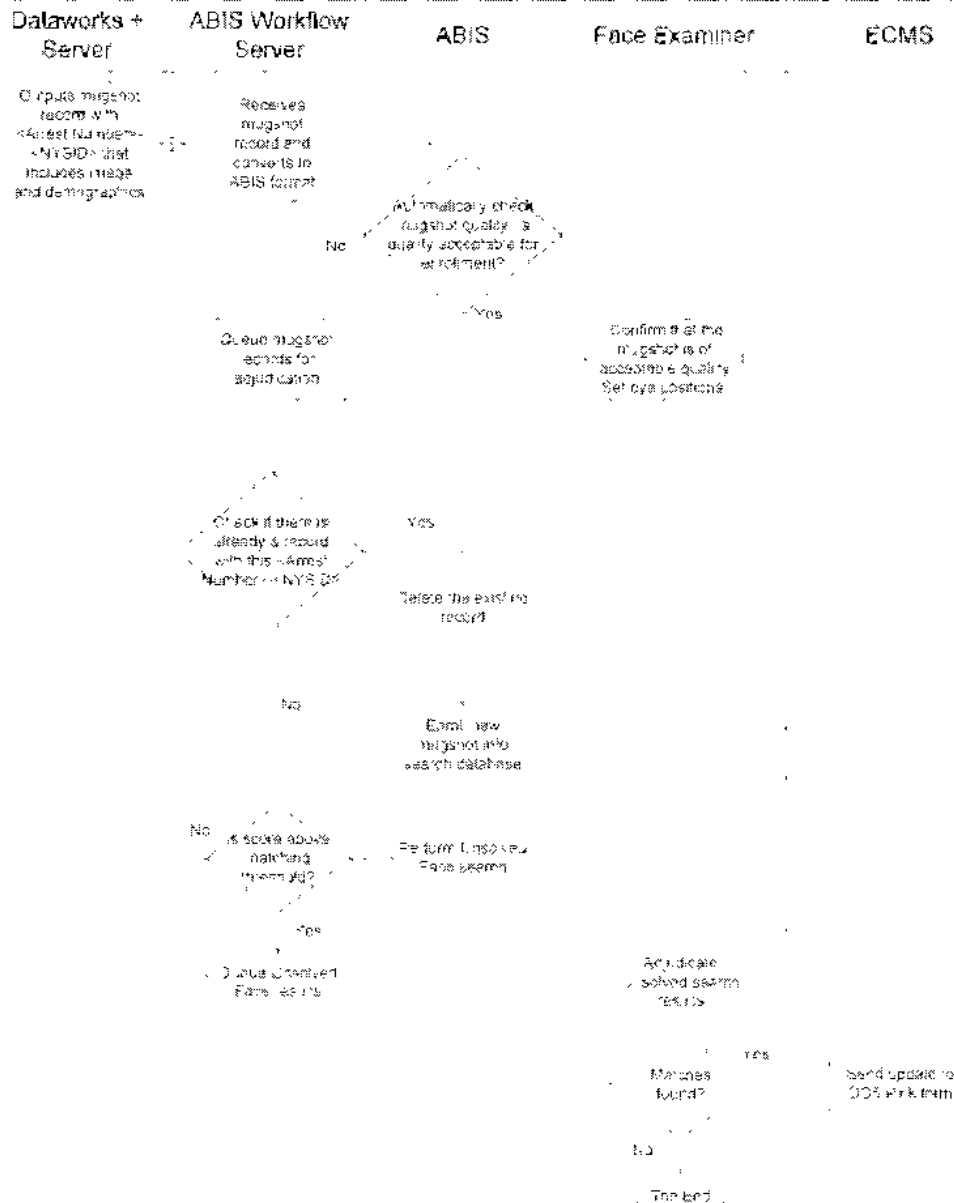


Figure 12. Ongoing mugshot enrollment workflow diagram.

The ongoing mugshot enrollment workflow is similar to the initial mugshot enrollment process with one essential difference: all ongoing enrollment mugshots are searched in the Unsolved Face database. If search candidates are found then they are queued up in ABIS® Workflow Server and subsequently adjudicated by face examiner operators.

OCA Seal and Delete Workflow

One Police Plaza

OCA Seal and Delete Workflow

- 1) OCA sends XML-based data feed with Arrest Numbers of the records to be Sealed or Deleted to ABIS Workflow Server
- 2) ABIS Workflow Server:
 - a) marks up Sealed demographic filter for the records to be sealed, or
 - b) permanently removes records from ABIS database that are to be deleted

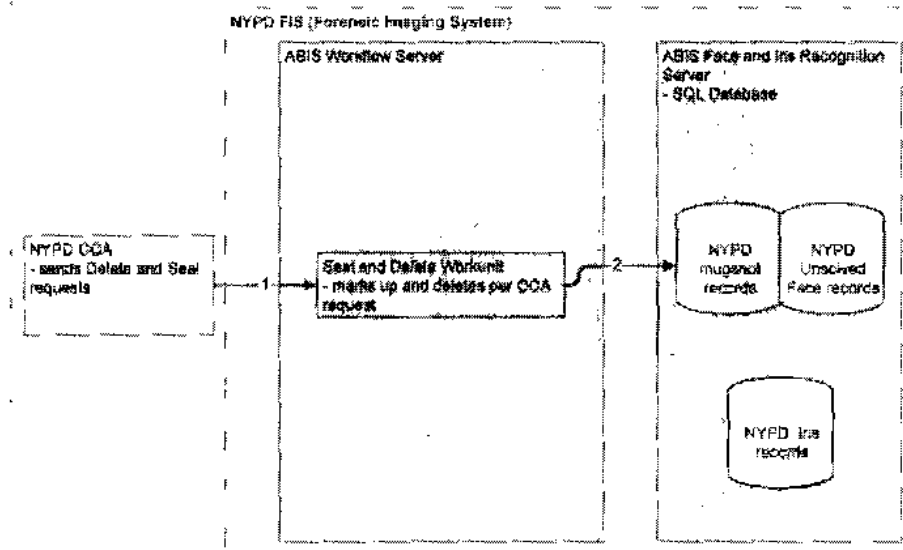


Figure 13. OCA Seal and Delete process

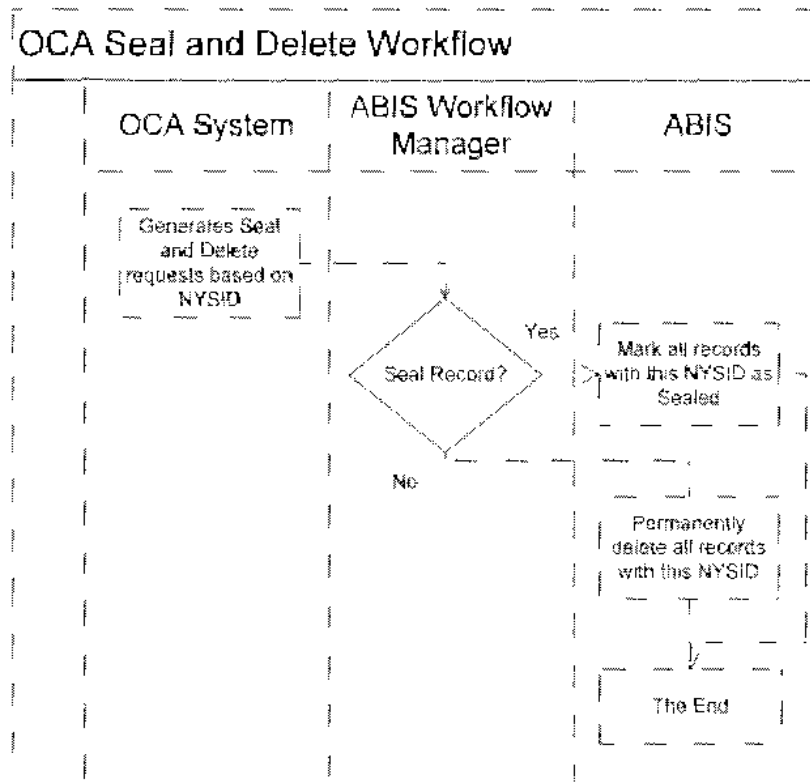


Figure 14. OCA Seal and Delete workflow diagram

The records stored in ABIS® database can be labeled as sealed or completely deleted via OCA data feed. ABIS® Workflow Server will receive OCA feed and perform the required action. ABIS® Workflow Server will be capable to start receiving the data feed directly from OCA. Initially, the seal and delete data feed will be routed via Dataworks Plus Mugshot System.

Face Examiner Workstation software will be modified to be aware if a record is sealed. The search reports will graphically indicate if the record is sealed.

Deletion process will completely remove templates from the search core and from ABIS® database.

Forensic Search Workflow (Not Automated)

Forensic Search Workflow

- 1) Forensic examiner receives search request as an email or a hard copy
- 2) Face examiner analyzes and enhances assets, then performs search in Mugshot and Unsolved Face databases
- 3) If no search result was produced AND if the assets are of acceptable quality, then face examiner manually enrolls face images and demographics into Unsolved Face database
- 5) Face examiner creates a search report

Forensic Face Recognition Lab
- face forensic searches
- enrollment into Unsolved Face database
- review of Unsolved Face lists



NYPD FIS (Forensic Imaging System)

ABIS Workflow Server

ABIS Face and Iris Recognition Server - SQL Database

NYPD
mugshot
records

NYPD
Unsolved
Face records

NYPD
Iris
records

Figure 15. Forensic search process (not automated).

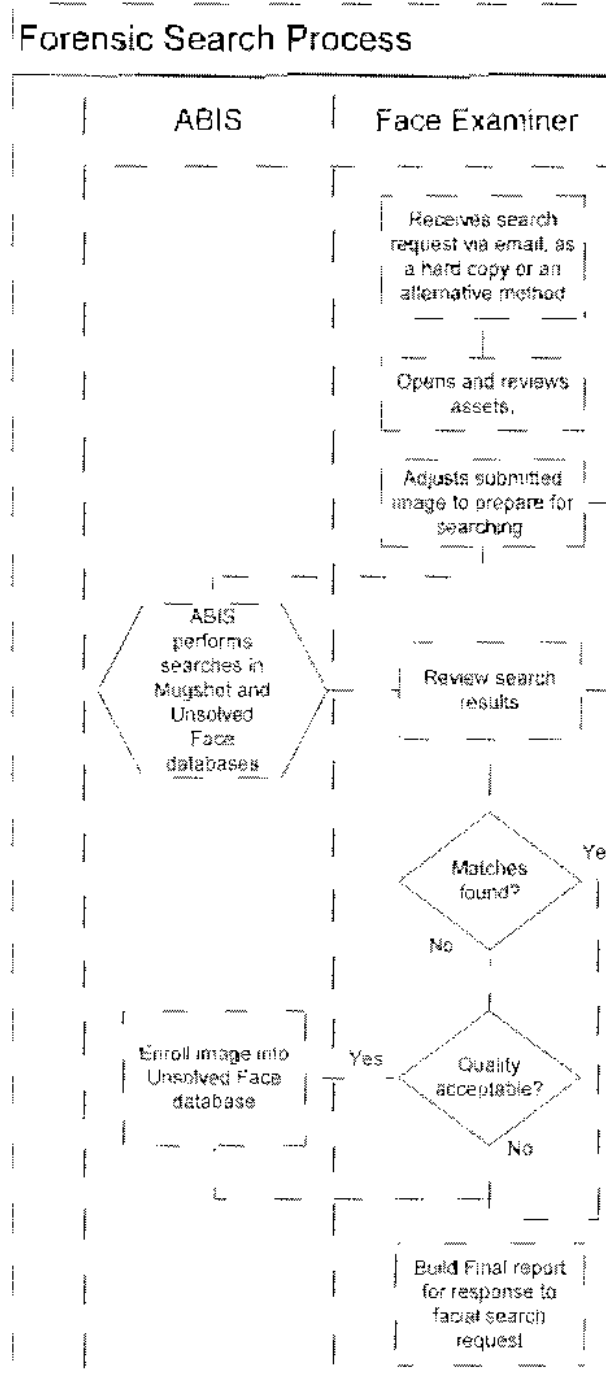


Figure 16. Forensic search process (not automated) workflow diagram

In the basic not automated forensic search process the operator of Face Examiner Workstation receives imaging assets via email, digital media or as a hardcopy. The images are opened in Face Examiner Workstation, faces are extracted and searched in

Mugshot and Unsolved Face databases. If the probe image quality is insufficient to produce a hit, Face Examiner Workstation enhances the images using image enhancement tools available. If the candidate is found, then Face Examiner Workstation reports the findings in an examiner report. If no hit, then the examiner enrolls the image with its available physical characteristics into Unsolved Face database.

Face Examiner Workstation features a number of tools for enhancing the images and improving the odds of getting hits. Working in close collaboration and acting on the feedback of NYPD personnel L-1 will put its best effort to develop additional tools and search methods and to provide NYPD with updated versions as soon as they become available.

ECMS Forensic Search Workflow

ECMS Forensic Search Workflow

- 1) ECMS sends search request to ABIS Workflow Server. The search request includes **ORIGINAL (UNCOMPRESSED)** image assets and available demographic fields as per same XML model as in the mugshot enrollment process
- 2) Face examiner retrieves the assets from the queue
- 3) Face examiner analyzes and enhances assets, then performs search in Mugshot and Unsolved Face databases
- 4) If no search result was produced AND If the assets are of acceptable quality, then face examiner manually enrolls face images and demographics into Unsolved Face database
- 5) Face examiner creates a search report and submits it back to Workflow Server
- 6) Workflow Server updates ECMS DD4 form

Forensic Face Recognition Lab
- face forensic searches
- enrollment into Unsolved Face database
- review of Unsolved Face hits

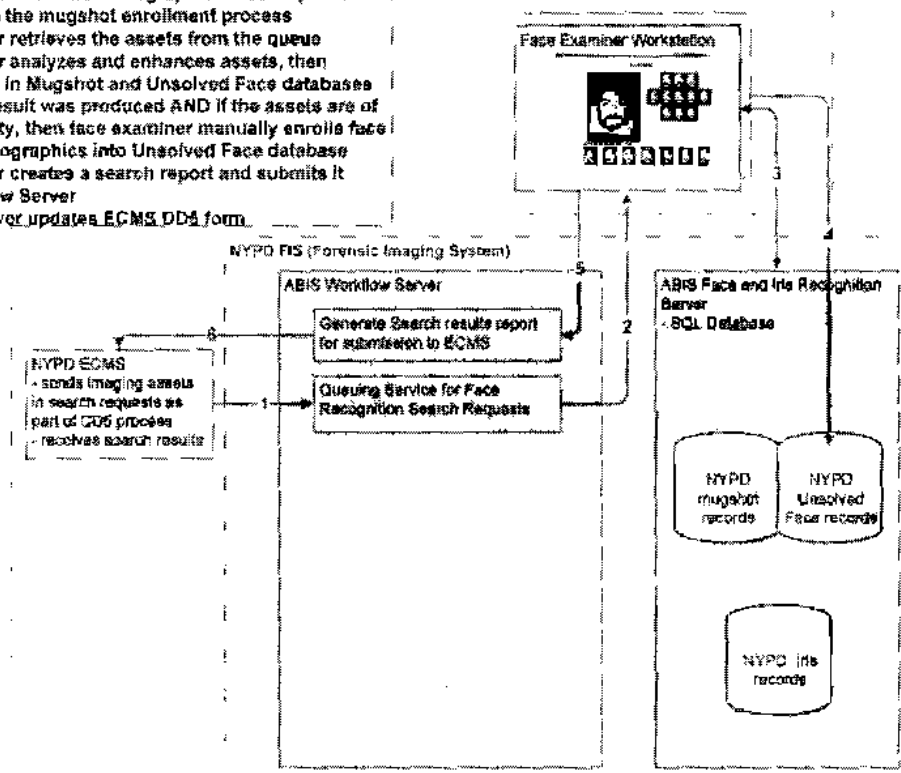


Figure 17. ECMS forensic search process.

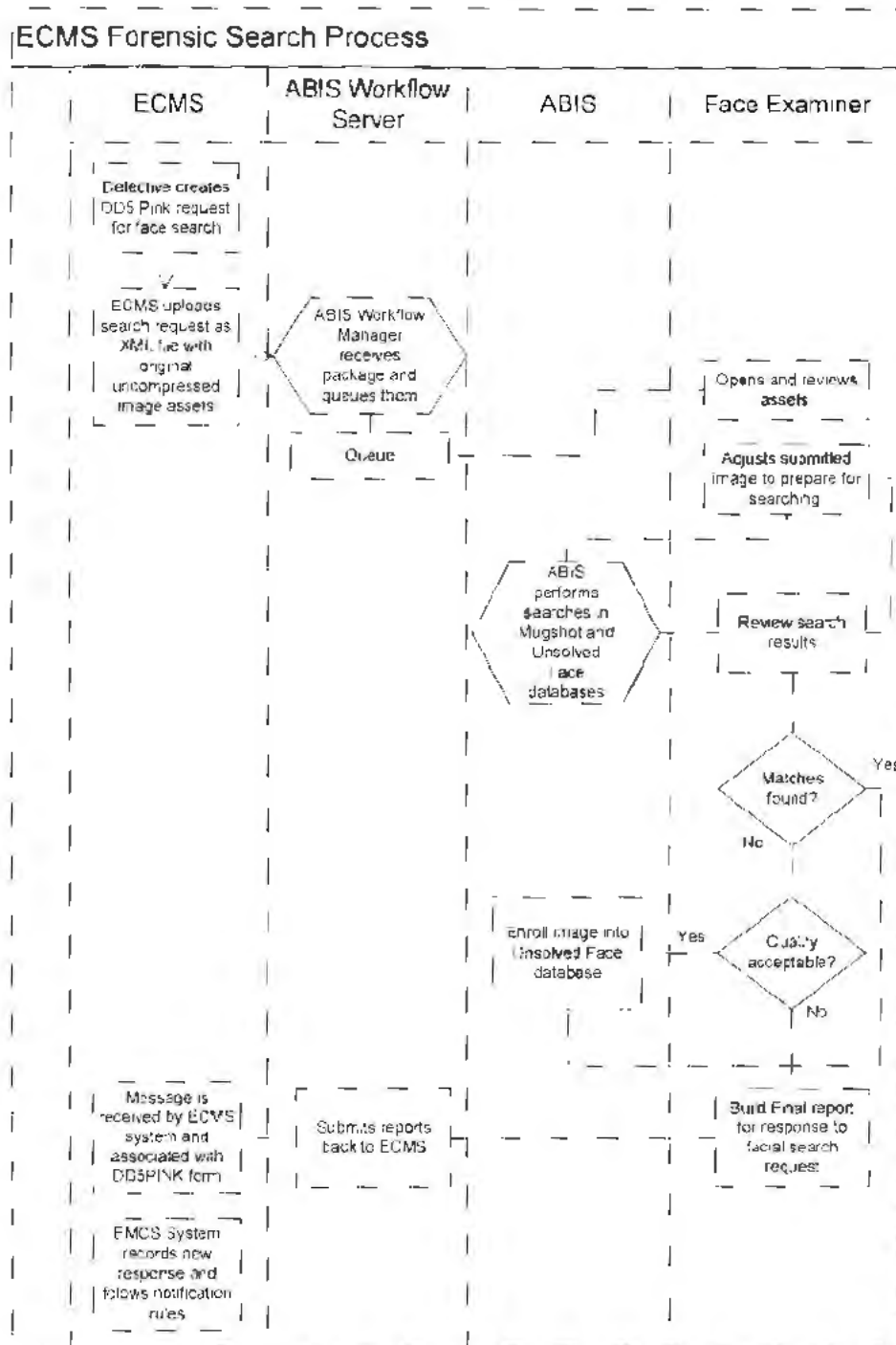


Figure 18. ECMS forensic search workflow diagram.

This process is integrated with [REDACTED]. The detective fills out an appropriate ECMS online form, attaches imaging assets and submits it to forensic lab for searching. The search requests are provided to FIS via SOAP-based

interface from [REDACTED]. The package includes images or video files in common file formats (several images may be attached to a single submission) and demographic information that may be collected at the crime scene. This demographic information will be used for filtering in the Mugshot and Unsolved Face databases. To be effective, the demographic filters match the demographic fields provided by Dataworks Plus system. It is understood that most demographic filters cannot be used with high degree with accuracy. For example, an individual with grey eyes may actually be enrolled as the one with blue eyes. In a different example, a robbery investigation may concentrate on the suspects who have been previously convicted of a similar crime (**Charge** demographic field). Face examiners will use their experience in setting the demographic filters such as:

- **Complaint # and other case identification information**
- **Detective coordinates and other information that would help us trace back whoever placed the search request**
- **Comments - information that the detective wants the forensic examiner to be aware about when performing searches (for example, search the third subject on the left on this photo).**
- **HTTP links to the actual imaging assets that may be in many different file formats and their thumbnails. Multiple images can be included in a single request**
- **Gender**
- **Race**
- **Complexion**
- **Eye characteristics**
- **Eye color**
- **Facial color**
- **Hair color**
- **Hair length**
- **Hair style**
- **Skin tone**
- **Teeth**
- **Facial jewelry**
- **Height**
- **Weight**
- **Place of birth**
- **Amputations -1**

- Amputations -2
- Amputations -3
- Scars/ marks/ tattoos -1
- Scars/ marks/ tattoos -2
- Scars/ marks/ tattoos -3
- Date of birth
- Hispanic
- Location ID
- Charge -1
- Charge -2
- Charge -3
- Arrest date
- Megan's Law

Once the assets are loaded into Face Examiner Workstation, the search process is the same as the forensic search process without automation. Generation of the search report concludes the process. The report is submitted back to the ECMS via the same complain number that it came from. ECMS notifies the detective that the report is available. The detective takes an action as required by NYPD policies.

Forensic Search Workflow Integrated with Other Case Management Systems

The Forensic Imaging System will also be integrated with Narcotics Unit and Intelligence Unit case management systems which are different from [REDACTED]. The workflow of FIS when integrated with other case management systems is the same as the workflow of FIS integrated with [REDACTED] described above. L-1 will perform integration services within the scope of work which will be similar to the [REDACTED] integration scope.

2.3 NYPD-FIS Standard and Extended Services Offering

L1 Professional Services, Technical Support and Engineering personnel will provide standard, escalated and extended services as negotiated for normal and after hour's service activity as required for this project.

The NYPD-FIS contract is covered under the standard 9/5 Support package referenced below.

Standard 9/5 Support Package

Standard 9/5 Support Package is included when you purchase the ABIS® system, FEW, LEW, WFM, and Facelt Argus product lines. It gives you 1 year of our Standard 9/5 Support Plan included with the purchase of the product. At the end of the maintenance period, a renewal notice will be sent out.

Our person-to-person support package for an L-1 Standard Support Plan member includes the following (via e-mail or phone 1-888-435-7439 or 1-888 HELPIDX): Our Email address is idxsupport@L1id.com

- Warranty Support Package
- 24/7 incident reporting
- 9-hour Support Coverage Window. **Monday through Friday 8 AM CST -- 5 PM CST** (normal support hours)
- Prompt determination and resolution of product problem
- Prioritization and escalation of each case
- The customer is entitled to unlimited phone and e-mail support for the duration of the maintenance contract.
- Troubleshooting of installation and configuration issues
- Maximum of 4-hour response time during the normal business hours listed above
- Access to maintenance releases, product updates and product upgrades
- Assistance in duplicating errors reported by the customer on L-1 supplied software and hardware. L-1 Support will assist the customer in determining the cause of said errors and provide a reasonable solution, if available.
- If patches or updates are not available, L-1 Support Engineers will submit problem reports (entered into the bug tracking database) for classification, consideration and assign a priority level. It is L-1's intention to incorporate important bug fixes into subsequent commercial releases; however, L-1 cannot commit under this plan to fixing every reported problem. On issues classified as Severity Level 1 or 2, as defined later in this document, every effort will be made as a high priority to help address those immediately and deliver the fixes as soon as possible.

- Access to Maintenance Releases/Service Packs
- Although the L-1 Standard Support Plan does not provide guarantees on resolution times, L-1 can assure our customers that we will keep them informed and will make every reasonable effort to determine the nature and cause of the reported problem as soon as possible. Priority will be given to all problems classified as Severity Level 1 and 2.
- NYPD occasionally will install Microsoft operating system updates and service packs to their servers. NYPD will notify L-1 about the upcoming patches. L-1 will provide the NYPD's operations group ("MISD") with notification within 26 days if any software patch applicable to servers might interfere or adversely affect L-1's software.

Extended Support

After Hours support will contact the Technical Support Center @ 1-888-HELPIX (435-7439) or via E-Mail at idxsupport@L1id.com. (This is the same process as during normal business hours.) **This support offering is intended for the customized parts of the solution as offered to NYPD. It covers resolution of solution customization performance issues that may appear during system use. Also covered is assistance in system use that NYPD may require outside of normal business hours. The support offering is also intended to be available for severity level 1 or 2 issues, as defined in the table shown at the end of this document. In most cases severity 3 and 4 issues will be handled during the standard business hours.**

- Includes everything in the Standard 9/5 Support Package.
- After Hours Support Coverage Window is defined as Monday through Friday 5pm CST – 8am CST along with Weekends and Holidays.
- Prompt determination and resolution of product problem for all severity Level 1 and 2 issues.
- Prioritization and escalation of each case.
- Maximum of 1 hour response time during extended hours
- Professional Services and Engineering representatives available for after hours phone support.
- A Local L-1 representative on site if required for L-1 provided Hardware or Software issues where remote access has not effectively resolved the reported problem. On site is defined as any location where NYPD FIS servers, Face Examiners and booking stations are located.
- Although the L-1 Extended Support does not provide guarantees on resolution times, L-1 can assure our customers that we will keep them informed and will make every reasonable effort to determine the nature and cause of the reported problem as soon as possible. All severity Level 1 and 2 issues will be given priority and detailed information on the plan to address those issues.

The Call Flow process

NYPD-FIS Personnel or IT Support Personnel will contact L1 Technical Support Center @ 1-888-HELPIDX (435-7439) or via E-Mail at idxsupport@L1id.com. (For either standard 9/5 or Extended/Escalated (After hours) Service Requests)

A Technical Support representative will answer the phone 24/7, 365 days per year, and open a Service Request (SR) against the reported system. We will enter the appropriate data into our Database and provide a SR number for your tracking purposes..

We will escalate to the Tier III group during Standard business hours and directly to the Professional Services / Engineering representative for issues reported after hours.

The Tier III, Professional Services or Engineering contact after hours will call back to the customer within one hour from initial call placement to begin troubleshooting the problem on Severity Level 1 and 2 issues. If issue cannot be resolved remotely within 4 hours of original contact, support personnel will be dispatched to the site. On site response will be within 8 hours of original contact

The problem will be addressed via remote access methods or via direct on-site support if required for hardware or software issues. The problem will be worked through to resolution and the Service Request will then be updated and closed. The Data will be available for historical reference if needed.

Severity Levels and Issue Resolution

Software/Hardware Severity Level Definitions

Severity Level 1	Emergency	The Licensed Software cannot be used by Licensee to perform any useful work for which it was intended. The L-1 provided hardware is inoperable.
Severity Level 2	Severely Impacted	The Licensed Software cannot be used by Licensee to perform all functions, but some useful work can be performed. The L-1 provided hardware is performing but extremely difficult to use
Severity Level 3	Limited Function	The error is not critical, but is an inconvenient defect that can be circumvented or avoided on a temporary basis
Severity Level 4	Circumvented Problem	The error is a minor problem and easily circumvented.

Definition of Resolution

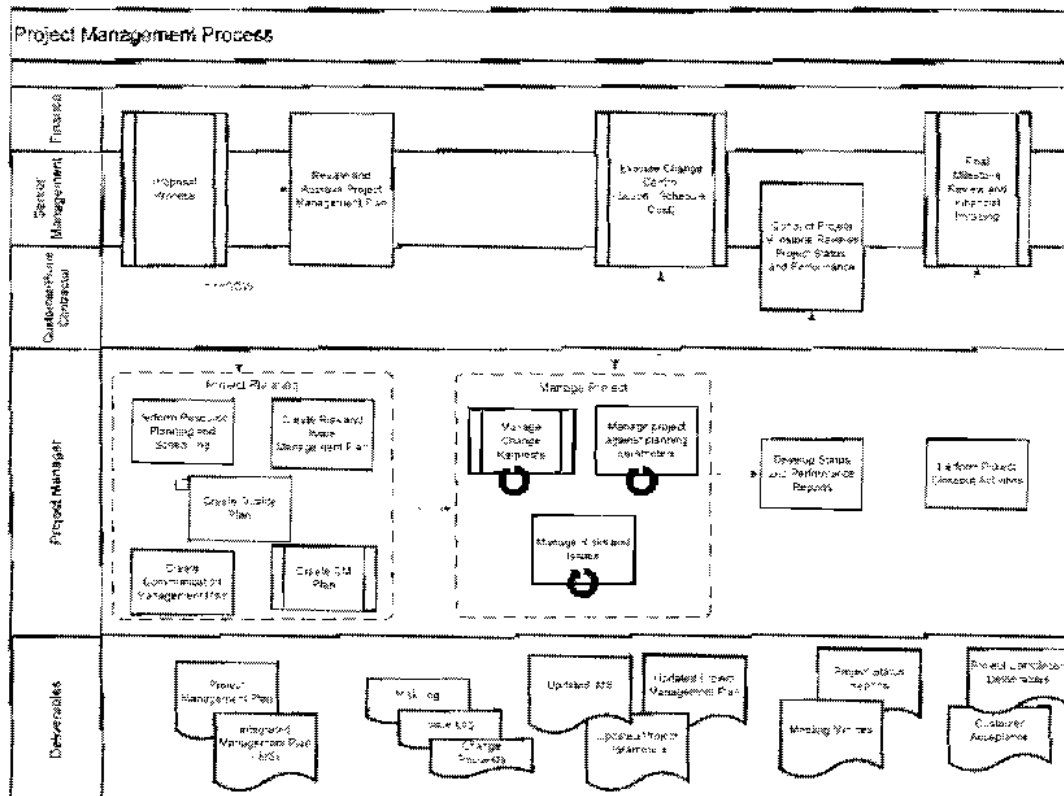
After an issue is accepted as being within the extent of technical support (as described above), resolution of the technical support issue shall be defined as accomplishing any one of the following:

- Providing a reasonable solution to the issue

- Providing a reasonable interim resolution to the issue
- Determination by L-1 that the issue is an enhancement request and forwarding of the request to L-1 Product Management
- Escalation by L-1 of the incident/error to L-1 Engineering for review

L-1 Technical Support shall use commercially reasonable efforts to correct or create a reasonable interim solution for reported errors. Corrections may be included in the next update of the Licensed Technology, or soon thereafter, as we deem reasonable.

2.4 Project Management Methodology



The L-1 Biometrics Division program management process is supported by a proven methodology consisting of key phases, which demonstrates in detail the steps necessary to define, plan, execute, deploy, review and maintain strategic programs. The methodology assures that all details of the program are addressed and successfully managed to completion. A critical tool L-1 uses to complement the methodology is the Integrated Master Schedule (IMS). The IMS is developed using MS Project (or equivalent format) and allows the program team to structure the overall approach specific to the program requirements.

Other critical functions that the L-1 PM methodology supports are:

- Risk Management, for the identification, analysis, mitigation and monitoring of key risks;
- Issue Management, for the identification, assessment, escalation and tracking through closure of project issues.
- Change Control, for the receipt, impact assessment, prioritization and management approval of significant change

- Communication Approach, for keeping key stakeholders informed of status relating to issues, risks and changes, as well as an awareness of project status and performance

2.5 Appendix B - Statement of Work

Appendix B – Scope of Work, Assumptions and Requirements, PIN 056100000684

I. OVERVIEW OF THE REQUIREMENTS

A. Introduction

The New York City Urban Area has a population of 11 million people. In order to protect New York City, it is important to use technology that will provide Law Enforcement with the best tools available. The Forensic Imaging System (FIS) is one of those tools. NYPD FIS would match unknown images of perpetrators gathered by NYPD investigators against images of persons in the NYPD databases of known entities. This includes the NYPD Detective files, Narcotics database, and the Intelligence Data Gathering System. The ability to collect, search and analyze unknown images against images of known criminals will give investigators critical identification information for their cases. In addition, this procurement and contract is strictly confidential and should not be discussed with anyone who has not signed a Non-Disclosure Agreement.

B. Scope of Project

1. The specifications set forth herein are the technical requirements for Forensic Imaging Services and a Forensic Imaging System. The successful vendor will provide the elements necessary to implement the system.

L-1 Response: L-1 is proud to offer NYPD multi-modal biometric system that will enhance the current investigative processes by adding face, iris and fingerprint enrollment, biometric search and identity verification capabilities. This Forensic Imaging System (FIS) will allow NYPD to enroll new face images from the existing mugshot system via a real-time interface. At the time of deployment L-1 will import the existing mugshot database for search in ABIS® face recognition server.

L-1 will set up and maintain face databases as per NYPD requirements

- i) Mugshot database with already existing and also incoming arrest images
- ii) Unsolved Face database with face images of persons of interests.

The databases will contain faces from arrest records and from crime images, and also images of known subjects who are of interest to the NYPD. This may include images coming from external sources, for example, FBI or Interpol Wanted lists. The Unsolved Face database is not going to be populated at the beginning of the project but will grow with system use.

This document outlines how L-1 envisions implementing such an integrated system. The following business process enhancements are envisioned within the scope of the current project.

- Initial and continuous enrollment of the mugshots of offenders into face recognition system.
- Staffing of the NYPD facial recognition group

- Software to search the image databases using photo and video imagery submitted by detectives and investigators.
- Integration with NYPD case management systems, [REDACTED] and Nitro, to automate the search requests making it easy for detectives to request an investigation of a crime scene photo
- Search of every new mugshot enrollment images in the Unsolved Face database
- Booking kiosks equipped with iris capture camera and the iris search database.

NYPD FIS consists of the following main components:

1. Multi-biometric face and iris recognition server running L-1 ABIS® software
 2. Face Examiner Workstation software installed at NYPD face recognition unit that allow expert users to enhance and process otherwise crime scene photographs
 3. ABIS® Workflow Server that receives updates
 4. L-1 face, iris, fingerprint and palm print booking workstations
2. The Vendor should assign a project manager who will oversee all deliverables and resources. NYPD will also assign a project manager. The vendor's project manager will provide ongoing progress reports to NYPD's project manager throughout the life of the project.

L-1 Response: L-1 has designated Paul Fritze as the dedicated Project Manager to be responsible for all aspects of the NYPD FIS project. His resume can be found in the Section 1.2. He will be the primary point of contact and the main liaison to the NYPD Project team. Paul will develop a Master Schedule consisting of the following critical data: agreed upon milestones, detailed tasks required to meet the milestones, task duration, definition of task ownership and resources required to support each tasks. The MS is structured in a manner conducive to meeting all project objectives within the timeline and budget agreed to. This tool will include a schedule for weekly and monthly project reviews by which ongoing status reports will be developed, discussed, updated and distributed to all key stakeholders, therefore ensuring clear communication throughout the life of the project.

3. The selected vendor should provide a comprehensive warranty, after system acceptance, during the _1st_ year and provide the same level of service and maintenance during subsequent performance periods of up to 4 years after system acceptance by the NYPD (for a total of 5 years).

L-1 Response: L-1 complies and offers the following NYPD-FIS standard and extended services offering as per terms listed above in Section 2.3 NYPD-FIS Standard and Extended Services Offering

4. It is anticipated that the location in which the Forensic Imaging Services will be performed will be One Police Plaza or another OIT/MISD approved location.

L-1 Response: L-1 will deliver FIS solution to One Police Plaza or another location within commuting vicinity. The FIS disaster recovery system will be installed at an NYPD data center and accessed remotely for deployment and maintenance.

C. Project Plan

1. The vendor will maintain the primary responsibility for the successful completion of the work. This responsibility includes the coordination of all subcontractors and personnel involved with the project. The vendor will retain all responsibility for the successful completion of the work in conjunction with the cooperation of NYPD.

L-1 Response: As stated above in section B (item #2) Paul Fritze, the L-1 Project Manager will be responsible for all aspects of the project which includes coordination and communication with assigned subcontractors and all personnel involved with the project. All key deliverables required by the subcontractor will be tracked as part of the Master Schedule and managed as part of the weekly and monthly reviews.

2. The Vendor's role of providing this direction is as outlined below.
 - **Leadership:** Vendors will provide the leadership required to complete the project. This will include directing the activities of all personnel as appropriate. The nature of this leadership will be such that potential conflicts are avoided and the most efficient use of all project resources is realized.

L-1 Response: The L-1 Project Manager is empowered to make critical decisions necessary to meet the needs and objectives of the NYPD team and its FIS Project. The Project Manager is experienced and well equipped to dictate priorities and manage conflict when necessary. The L-1 Project Manager will continuously evaluate project resources against schedule, scope and budget. Additionally, there is a clear escalation path available to the Project Manager should obstacles require escalation.

- **Coordination:** The Vendor's PM will be responsible for coordinating the activities to minimize disruptions to service. This coordination will include equipment deliveries to NYPD facilities, access for project personnel and other non-legal authorizations as may be required to complete the work. Contract Modifications will be approved by the NYPD-Agency Chief Contracting Officer.

L-1 Response: The L-1 Project Manager will ensure that the utmost care is taken to minimize the impact of the NYPD FIS project on daily NYPD operations. Protocols regarding facility access will be agreed to in advance, distributed to the project team and strictly adhered as part of the project deployment process. The Project Manager will be sure that all personnel adhere to the guidelines set forth by the NYPD.

Contract Modifications: Part of the Project Methodology will be to institute a Change Management Process. The Change Management Process will follow an orderly process that will ensure all contract modifications will need to be approved by the NYPD Chief Contracting Officer. A more detailed representation of the L-1 Change Management Process is listed below

Change Management Process

The Configuration Management Approach includes the control of changes throughout the project lifecycle.

When there is request for change to scope, schedule, cost or baselined project deliverables, the Change Request Form (CRF) is used to formally identify changes, and to obtain appropriate levels of approval. The Change Management Process requires that the following information be documented for each change to assess impact prior to approval:

- Summary project information
- A description of the proposed change to the project
- A list of the business and system drivers requiring the change to take place
- The benefits and costs of implementing the change
- An overview of the impact of implementing/not implementing the requested change
- An approval section

The CRF should be completed by the Change Requester and formally distributed to the Change Manager (L-1 PM) for review. The Change Manager will determine whether or not the form provides adequate information to submit to the Change Review Group for approval. The Change Manager may either request that more information be provided or initiate a Feasibility Study to further investigate the implications of the change proposed. Following the completion of either of these activities, the change documentation will be presented to the Change Review Group for approval. The Change Manager will monitor the status of the Change Request and communicate the final decision of the Change Approval Group to the Change Requester.

- **Reporting:** The Vendor's PM will report directly to the designated NYPD manager on a regular basis through a process to be mutually agreed upon by both parties. These reports will address progress, planned and completed activities as well as identify any issues that require resolution. Should a

conflict arise that the PM is unable to resolve, the matter will be referred to the NYPD manager in a timely manner.

L-1 Response: The responsibility of the L-1 Project Manager includes that of generating weekly status reports reflecting current project activities. The status reports will be updated and redistributed each week after the status meetings have occurred to ensure all stake holders are well informed. All customer dependencies and items requiring customer resolution will be highlighted and escalated the appropriate NYPD Project Manager in a timely manner

- **Implementation:** The Vendor's PM will be the primary point of contact between the Vendor's personnel, all subcontractors and the NYPD PM for the coordination of the implementation phase of the project. This will include notification of affected personnel, coordination of access, determination of operational impacts and identification of risks associated with the work.

L-1 Response: The L-1 Project Manager will be the primary point of contact and the main liaison for all aspects of the NYPD FIS project from the planning phase through implementation. The Implementation Plan will be developed jointly between the L-1 and NYPD FIS Project teams and reflected in the Integrated Master Schedule. The L-1 Project Manager will be responsible for the execution of the Implementation Plan including coordination of all resources and facility access required to complete implementation successfully and on time.

- **Project Manager:** For each project, the Vendor will carefully select the Project Manager who possesses the skills and experience necessary to provide the customer with a timely and successful completion that meets, or exceeds customer expectations.

L-1 Response: L-1 will be careful to select from a team project managers the individual that best fits and has the appropriate level of experience to support the specific needs of the NYPD FIS Project. L-1 will ensure that the Project Manager chosen for the NYPD FIS Project has had previous experience implementing biometric systems and that the Project Manager will endeavor to not only meet the customer's expectations but exceed them.

- **Support and Maintenance:** The Vendor will maintain an experienced support team that can provide ongoing support, upgrades, maintenance and monitoring of the proffered system.

L-1 Response: L-1 will maintain an experienced support team to provide ongoing support, upgrades, maintenance and monitoring of the NYPD FIS

system. The team members are listed in Section 1.2 – L-1 Technical Staff Assigned to Support NYPD.

Additional Project Management Responsibilities:

- Manage project resources.

L-1 Response: The L-1 Project Manager is empowered to develop the L-1 Project team and will steward all of the resources for NYPD FIS Project. The L-1 Project Manager will continuously evaluate project resources against schedule, scope and budget to ensure that all resources are managed, coordinated and dedicated to effect maximum efficiency.

- Coordinate with NYPD management and project resources on joint efforts.

L-1 Response: The L-1 Project Manager will take responsibility for facilitating and coordinating all joint effort requirements between the L-1 Project team and NYPD FIS Project team.

- Hold weekly status meetings on the accomplishments of the reporting week against plan, issues, risks, previous week's activities, next week's planned activities.

L-1 Response: As stated in section B (item #2), the Master Schedule will include required weekly and monthly project reviews by which ongoing status reports will be developed, discussed, updated and distributed to all key stakeholders, therefore ensuring clear communication throughout the life of the project. The Master Schedule allows the project team to clearly identify areas of potential risk and gives the team an opportunity to be proactive by developing risk mitigation and risk management plans therefore defining options early in the process for minimizing possible impact to the quality of the deliverables. The L-1 Project Manager will develop Action Plans in order to respond to critical items independent of the standard communications should a higher level of attention be necessary to resolve a specific obstacle within the project.

- Prepare weekly Status Reports on the accomplishments of the reporting week against plan issues, risks, previous week's activities, next week's planned activities discussed during the weekly status meeting.

L-1 Response: As identified above under reporting, the L-1 Project Manager will be responsible for developing weekly reports that will convey the current project status. The format of this report will be determined through a joint effort between the NYPD and L-1 Project Managers.

- Conduct Monthly Project Reviews to summarize accomplishments for the period including but not limited to software customization, system and hardware integration, and Forensic Imaging Services.

L-1 Response: Monthly meetings will review schedule and technical status to include completed and upcoming milestones. Emphasis is placed on risks and issues needing resolution, including all items pertaining to the schedule or technical requirements. Discuss will include but are not limited to the following items

- Overall schedule performance, including the identification of the major drivers behind schedule variances and the action plans to resolve these variances.
- Accomplishments since the last monthly review meeting
- Expected accomplishments prior to the next monthly review meeting
- Definition and implementation of contingency or work-around plans.
- Program risks, status and risk mitigation plan and alleviation measures for significant items, such as those impacting the Program schedule by greater than two (2) weeks.
- NYPD and subcontractor dependencies.
- Preparations for product delivery and acceptance.
- Planned and actual staffing levels, including personnel clearance status.
- Status of all action items, deliverables, engineering change proposals.
- Quality status - open actions and status of post action items and quality inspections to date
- Status of open problem reports, including opening and closure rates for Problem Reports (Priority 1/Priority 2) against Closure plan.
- Requirements implementation and test plan, by increment, and progress against plan

II. SPECIFICATION ASSUMPTIONS

General Requirements and Scope of Deliverables:

L-1 Response: Please refer to Section 2 for the detailed description of the proposed system operation in compliance with NYPD requirements below

1. The vendor will provide a Forensic Imaging System that:

- a) "Enrolls" images from the NYPD mug shot system, historically and ongoing, into an FIS database of known entities. These images are to be "quality assured" by the FIS system to ensure all stored images are of acceptable quality for forensic matching.

L-1 Response: Interface with Dataworks Plus mugshot database will be implemented for enrolling existing records and for ongoing enrollment.

- b) Accepts images of unidentified perps from existing NYPD case management systems and matches submitted images against NYPD "enrolled" mug shot images and other stored images of unidentified perps. These images will arrive in many forms including: printed, digital or video format either online, via mass media transfer (removable hard drives) flash memory drives, video tapes, or printed media

L-1 Response: Interfaces with 3 NYPD case managements systems will be implemented. Unsolved crime scene photograph database will be maintained in ABIS® server. It is understood that NYPD considers [REDACTED] integration as the highest priority task, while the integration of the two other case management systems may be implemented at a later time, once the system is fully deployed and operational

- c) Facilitates image enhancement to improve the quality of images having marginal quality. Only copies of the original image may be modified. In NO case should the original image be modified.

L-1 Response: Image enhancements will be performed in Face Examiner Workstation software. The mugshots will be enrolled into the database as is, without modifications.

- d) Performs facial recognition matching and returns results to a Facial Recognition Analyst for review, and subsequently returns results to the NYPD case management system from which the request was originally made

L-1 Response: Interfaces with NYPD case management systems will be implemented to receive search requests and to return search results back to case management systems.

- e) Provides an audit trail, comprehensive reporting and exchange of information needed between the FIS and existing NYPD systems.

L-1 Response: Audit database will be maintained to record all search requests and interactions with case management systems. ABIS® audit database monitors use patterns, system use and face examiner search operations.

2. The vendor should provide image capture hardware that is capable of capturing mug shot quality face images, fingerprints and irises.

L-1 Response: L-1 is providing a fully integrated Multi Biometric enrollment station, this station consists of a 10print and palm 500 ppi optical live scan, an Iris camera (tethered) and a digital still camera for face capture. The kiosk will allow NYPD to capture face images, 10prints and palm images, data and iris enrollment. A single software solution will be included that will support the 3 biometric modalities.

3. The vendor should provide training, training materials and end-user documentation for NYPD personnel utilizing the vendor's hardware and software. Such training will take place at NYPD approved facilities.

L-1 Response: L-1 will fully train L-1-provided face examiners required to operate FIS. Comprehensive training to NYPD personnel will be provided on ongoing basis by FIS face examiners for as long as they stay employed by the project. The training will be performed as needed at NYPD facilities in the New York.

Additional training will be provided to NYPD IT personnel for maintaining ABIS® servers.

At least one comprehensive training session on kiosk operation will be provided by L-1 field service engineers.

Other Requirements:

1. General
 - a. The Vendor should provide references to at least one deployed face recognition system with operational capacity of over 20 MLN face records

L-1 Response:

Customer Name: [REDACTED]

Customer contact information:	Name: [REDACTED]
	Telephone number: [REDACTED]
	Email address: [REDACTED]
Contract Award Amounts:	[REDACTED]
Time frame:	[REDACTED]
Project Summary:	
[REDACTED]	
[REDACTED]	

- b The Vendor should provide references to at least two deployed US State and Local face forensic investigative law enforcement applications. The systems should have database capacity of over 1 MLN face records and investigative client applications that allow police examiners to perform face recognition searches. The Vendor should specifically note the number of investigative cases solved using face recognition technology.

L-1 Response:

[REDACTED]

Customer Name:

Customer contact information:	Name:	[REDACTED]
	Telephone number:	[REDACTED]
	Email address:	[REDACTED]
Contract Award Amounts:	[REDACTED]	
Time frame:	Since	[REDACTED]

Project Summary:

[REDACTED]

Customer Name: [REDACTED]

Customer contact information:

Name: [REDACTED] **System Analyst**

Telephone number: [REDACTED]

Email address: [REDACTED]

Contract Award Amounts:

Time frame:

Since [REDACTED]

Project Summary:

[REDACTED] is one of pioneers of face recognition use in law enforcement. Different components of the system have been gradually built over the years based on the needs of the county.

The current deployment has the following components developed and deployed by L-1:

1)

2)

3)

4)

5)

6)

- c. The vendor should provide references to at least one deployed multi-biometric (face, fingerprint and iris recognition) system.

L-1 Response:

Customer Name: [REDACTED]

Customer contact information:

Client: [REDACTED]
Technology/Defense Group
Name: [REDACTED]
Telephone number: [REDACTED]
Email address: [REDACTED]

Contract Value: [REDACTED]

Time frame: [REDACTED]

Project Summary:

TYPE OF BIOMETRIC SYSTEM INSTALLED

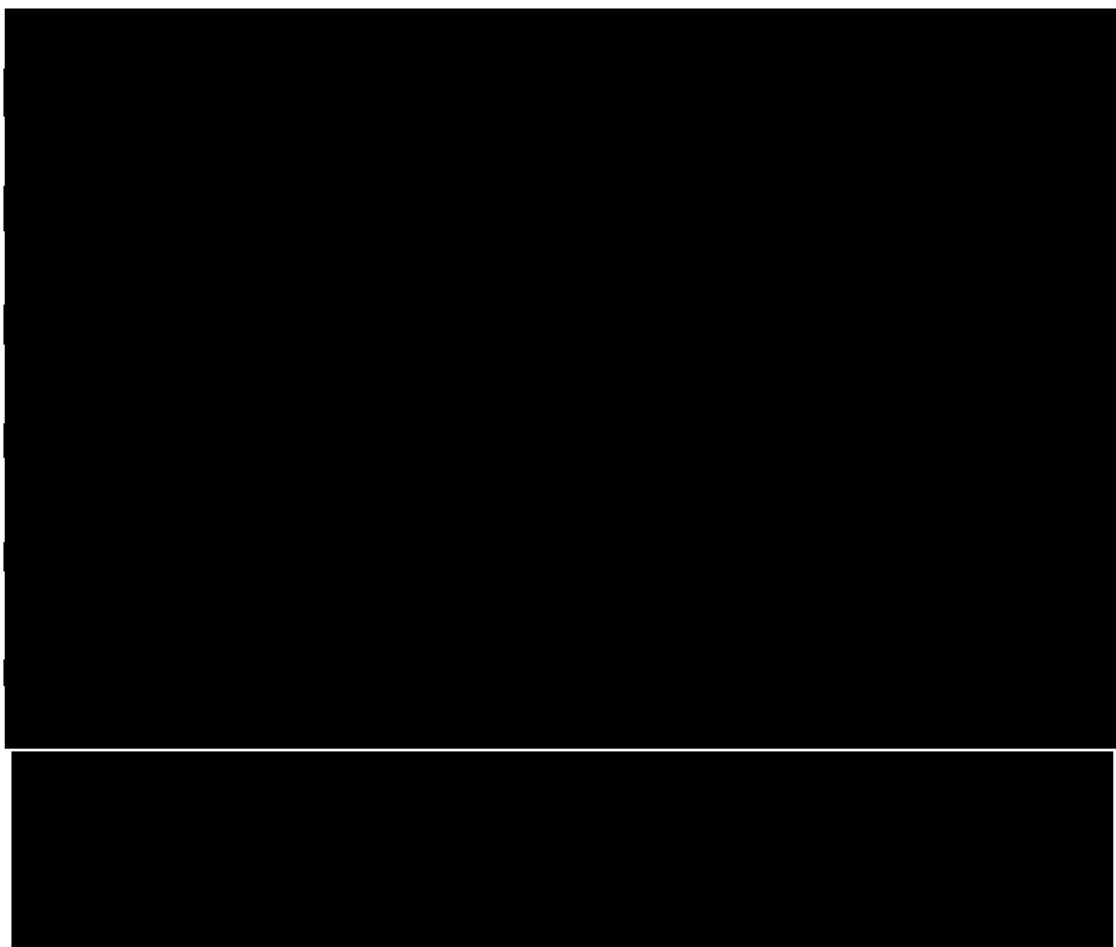
[REDACTED]

Description of Service(s)

- Integration services
- Provision of software components
- Provision of support

- Provision of training

Description of Product(s):



- d. The Vendor should demonstrate Tier-1 performance in open competition government-certified vendor evaluations of face, fingerprint and iris recognition technologies. Examples of tests are those conducted by NIST such as NIST Face Recognition Vendor Test (FRVT) 2006, NIST Iris Challenge Evaluation (ICE) 2006 and the ongoing NIST Proprietary Fingerprint SDK Test.

L-1 Response:

Face Recognition

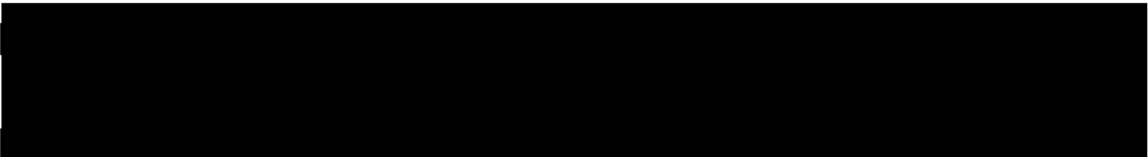
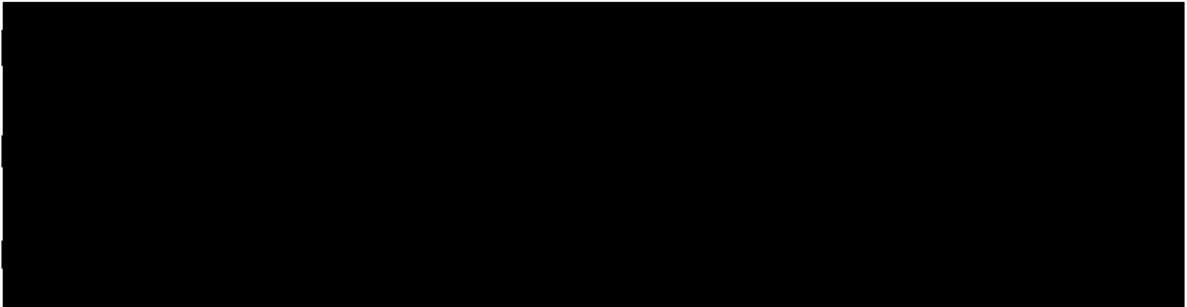
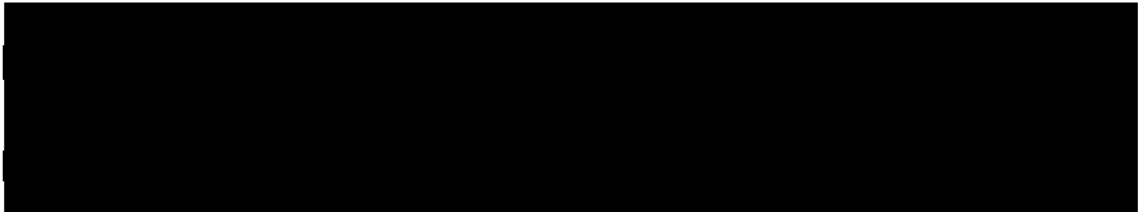
L-1 has participated in NIST Face Recognition Vendor Tests since their inception. The most recent NIST sequestered test was FRVT 2006 with its results published in a NIST report <http://nls.nist.gov/ice/ice2006.htm>.

The Face Recognition Vendor Test (FRVT) 2006 was conducted by the National Institute of Standards and Technology (NIST), an agency of the US government.

The results are publicly available at: <http://face.nist.gov/frvt/frvt2006/FRVT2006andICE2006LargeScaleReport.pdf>

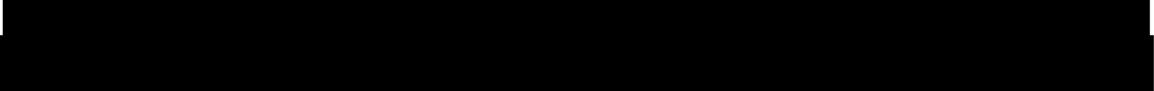


Figure 19. Simplified Representation of FRVT2006 1:N Search Results.



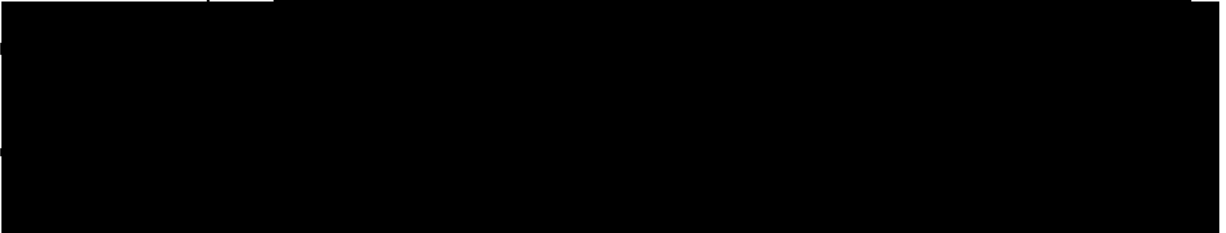
Graph comparing Facell G8 to its predecessors

The Face Recognition Vendor Test (FRVT) 2006 was conducted by the National Institute of Standards and Technology (NIST), an agency of the US government.



<http://face.nist.gov/frvt/frvt2006/FRVT2006andICE2006LargeScaleReport.pdf>

The figure below is a simplified representation of the 1:N search results reported in Figure 5 of the NIST report.



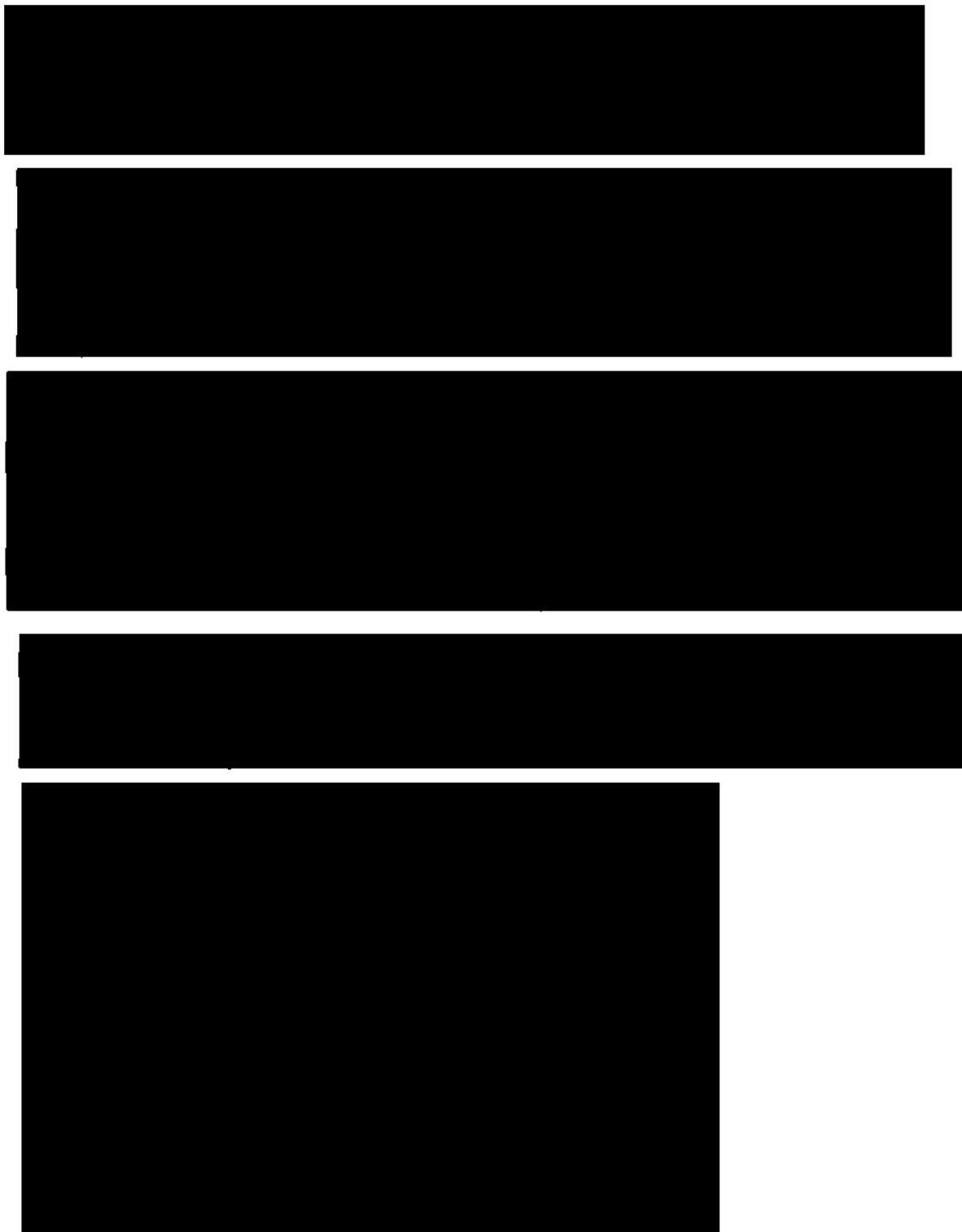


Figure 20. Graph comparing Facelt G8 to its predecessors

Iris Recognition

L-1 is a recognized leader in iris recognition technology. L-1 has participated in NIST iris recognition tests since their inception. The most recent NIST sequestered test was ICE 2006 with its results published in a NIST report <http://iris.nist.gov/ice/ice2006.htm>. Out of all participating algorithms only 3 algorithms have been able to successfully complete all experiments. Out of those 3 algorithms at the finish line, 2 algorithms belong to L-1. They outperformed the competition in accuracy and speed.

Fingerprint Recognition

L-1 is an active participant of NIST fingerprint vendor evaluations. NIST Proprietary Fingerprint Template (PDT) Testing <http://fingerprint.nist.gov/SDK/> is an ongoing testing activity that has a reputation as probably the most important NIST sequestered fingerprint vendor test. L-1 has been tested in January 2008, March 2008, and most recently in April 2009. As of summer 2009, L-1's BioEngine algorithm is the second-best technology in terms of accuracy behind NEC and above Cogent, Sagem and other AFIS vendors.

- e. The Vendor should possess all source code to the core technology and should be actively developing the technologies of interest: face, fingerprint and iris recognition.

L-1 Response: L-1 possesses all source code to the core technology provided face, fingerprint and iris recognition. All these technologies are in active current development by L-1. The core algorithm development is primarily performed at L-1 R&D centers in Jersey City, NJ and Bochum, Germany.

2. Kiosks:

- a. The Vendor should provide multi-biometric booking workstations with mug shot, fingerprint and iris acquisition integrated into a single booking application.

L-1 Response: MBCS or Multi Biometric Capture Station system will allow NYPD to capture and manage all 3 biometric modalities listed: face, finger and iris. Data entry is also achievable with MBCS via human intervention or an electronic data exchange interface.

- b. Mug shot capture module should evaluate face image quality parameters for compliance with ISO/IEC JTC 1/SC 37 Standard Biometric Data Interchange Formats -- Part 5: Face Image Data.

L-1 Response: L-1 face mugshot capture module in kiosks uses state-of-the-art quality algorithm to assess image compliance with the ISO Standard. The same algorithm will be used across all FIS components: ABIS® server and Face Examiner Workstation, to ensure complete component compatibility.

3. Search Engine:

- a. The Vendor should provide an integrated multi-biometric search engine that combines face, fingerprint and iris recognition in a single platform.

L-1 Response: L-1 ABIS® System combines multiple biometric modalities within a single software application, within a single application server container. A single server can be configured to run one, two or three biometrics.

- b. The system should be designed to accommodate 16 MLN face record capacity.

L-1 Response: Refer to Section 2 for the details of the server configuration. Hardware permitting, ABIS® system scales well over 16 MLN face records.

- c. The Vendor should provide an unlimited capacity license for the number of face and iris recognition records.

L-1 Response: L-1 will provide NYPD an unlimited capacity licenses for any number of face and iris records that NYPD plans to use. Hardware permitting, NYPD may eventually implement loading of databases from other state and federal agencies. The L-1 licenses for ABIS® and Face Examiner Workstation are not transferrable to other agencies.

- d. The software should be tested to operate in a VM environment.

L-1 Response: ABIS® software has been tested and can be deployed in VMware ESX environment. However, running the software on the native OS is recommended because dedicated servers will be available for FIS system.

- e. The system should operate on COTS hardware.

L-1 Response: ABIS® System operates on COTS IBM, Dell, HP or other brand hardware. None of the biometric modalities require custom built and hard to replace accelerator hardware.

4. Client applications:

- a. The Vendor should provide the face forensic investigative workstation as a universal software application tool. The forensic examiner application should perform at least the following functions:

- i. Support of multiple job queues

L-1 Response: Queuing server for multiple job requests is provided as part of ABIS® deliverable. ABIS Workflow Server manages the work queues for operators.

- ii. Quality review of mug shots prior to their enrollment into the mug shot database

L-1 Response: Quality review workflow will be implemented for the initial and ongoing mugshot enrollment. The images below the required quality standards will be thrown into the operator review queue for rejection or correction (manual eye location) by the operator.

- iii. Forensic image enhancement functions: lighting compensation, multiple image resolution enhancement, pose correction, single frame resolution enhancement, de-interlacing and other functions if objectively proven to improve face recognition performance.

L-1 Response: Face Examiner Workstation includes these and other image enhancement functions.

- iv. Customized and automated search result reporting

L-1 Response: Face Examiner Workstation result reporting mechanism will be customized to address NYPD detective bureau requests

- v. Tools for facilitating image comparison operations

L-1 Response: Face Examiner Workstation has a comprehensive set of tools for comparing pairs of images. The tools include transparency overlays, vertical and horizontal split lines, mutual image alignment, zooming, etc.

- vi. Integration with the system workflow server

L-1 Response: Face Examiner Workstation is fully integrated with ABIS® Workflow Server.

5. Forensic Lab:

- a. The Vendor should provide two trained forensic on-site examiners for conducting investigative searches. These resources should have expertise in the vendor's technology such that they may a). staff NYPD's Forensic Imaging Unit for up to three (3) years and b). provide training and transition to NYPD Facial Recognition Analysts over that time period. The vendor's resources will provide such services at NYPD or NYPD-approved facilities.

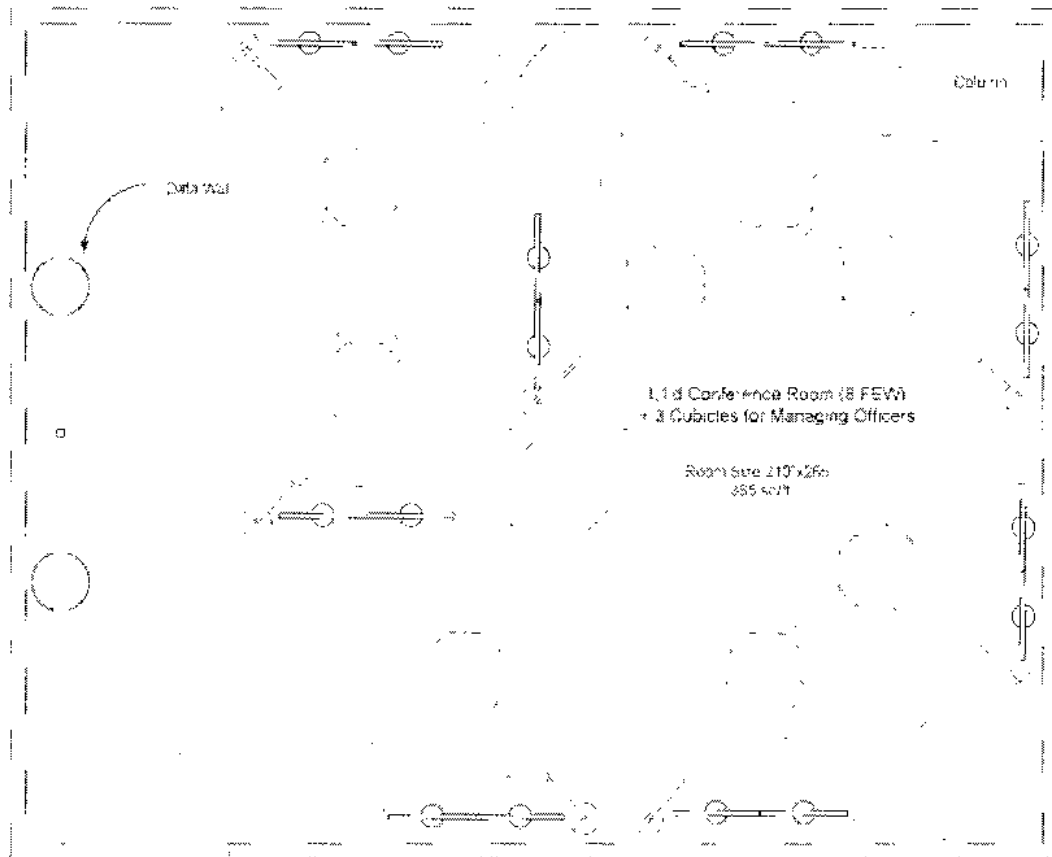
L-1 Response: L-1 will hire two forensic examiners as required by the project. Until qualified candidates are located, L-1 may use qualified existing employees from its Professional Services group. The examiners will be based out of L-1 Jersey City office but will spend the majority of their office time in One Police Plaza. Highly qualified face examiners are the key factors for success in the FIS project. They will operate the system and advocate its use across NYPD departments by presenting system benefits and providing training to detectives.

- b. The Vendor should provide an office facility in the vicinity of 1 Police Plaza for temporary hosting of forensic operations. The vendor's facility will be required to host approximately 10 persons/workstations, a data wall and peripherals. The lease agreement for this space may be required for 1.5 years, with an option to withdraw at any time, such that the NYPD a). may receive a pro-rated refund and b). extend the lease on a monthly basis indefinitely. NYPD-approved personnel will need 24x7 access to this facility and the facility should comply with NYPD security requirements. It should be equipped with a secure network connection to NYPD location.

L-1 Response: L-1 is prepared to provide an adequate facility for temporal hosting of forensic operations. The facility will be located within L-1 office at 10 Exchange Place, 18th floor, Jersey City, NJ, directly above PATH Exchange Place Station. This is a Class A office building. The office building has 24/7 security and access. The L-1 office doors are protected by fingerprint sensors. The 9/5 receptionist provides basic secretarial services. Free coffee and snacks are available in the break room. There are conference rooms that may be used by FIS personnel for meetings.

This temporary hosting of forensic operations will be for approximately 10 persons/workstations and FIS equipment. NYPD approved personnel will have 24 hour access to the facility.

The approximate proposed layout of the main face examiner room is shown on the illustration below.



The temporal office facility will have sufficient space for placing a data wall or an alternative display solution.

L-1 understands that a collaborative data visualization technology is an important component of the successful FIS operation. A large-screen monitor installed in the FIS operations room will allow operators to cooperate on their work and to display and discuss the results with detectives and forensic imaging specialists.

The complete workflow of FIS operation is fully digital. All crime scene imaging assets will be digitized prior to submission to FIS as computer files. The FIS system will not have any analog inputs during the course of its normal operation. For example, analog video tapes will be digitized prior to their face recognition processing. The prime use case of the visualization system will be in project desktops running Face Examiner Workstation and other software for collaborative discussion within the group.

To address those needs L-1 recommends the following two options. It should be noted that L-1 does not supply the hardware for either one but merely recommends subcontractors that can supply the visualization system to NYPD.

Visualization Option #1: Activu Data Wall

Contact:

Stuart Brudner

Sales Manager

Activu Corporation

cell: 973.332 [REDACTED]

phone 973.366 [REDACTED]

[REDACTED]@activu.com

www.activu.com



The solution consists of 4 stacked 50" Mitsubishi rear-projection monitors of SXGA+ resolution. The monitors are arranged to form a continuous data wall with only minor discontinuities and intensity fall off at the monitor edges.

The data processing is accomplished using 2 COTS servers (included with the system) that require their own equipment rack. This equipment rack should be located in a server room in vicinity of FIS operations room or in the FIS operations room itself.

The Activu system is designed to receive source data from multiplicity of inputs, digital and analog. Each input source requires specialized cabling running from the data source (FIS operations room) to the data processing servers (server room, or special room/closet near FIS operations room).

FIS requires only 1 data input which is just a VGA input to allow connecting computers to use the data wall as a large-screen projector.

The Activu projection system will be connected to the same secure network as the investigative workstations. Each workstation will run Activu client software (license required) to display its content on the data wall.

The thickness of the rear-projection monitors and ventilation requirements require substantial room space to be allocated for the data wall. Considerable power consumption may require NYPD to plan installation of the system with sufficient air-conditioning and electrical power.

It should be noted that Activu client software application does not presently support DirectShow drivers that may impede the ability of the data wall to display video. Practically, it may be impossible to display crime scene AVI video files as a playback via Microsoft Media Player or Face Examiner Workstation. Certain graphics elements of Face Examiner Workstation application may not properly display on the data wall due to incompatibility of Activu client software with DirectShow.

The system comes with available comprehensive 5-year maintenance.

Activu solution offers capabilities that dramatically exceed the operational needs of FIS.

Visualization Option #2: Large Screen LCD Monitors

Contact:
Ken Knack
Dell Corp.
Software and Peripherals | North Central
Region
E Americas | US Central Area | Dell Inc.
Phone: [REDACTED]
Fax: 512-283-6612
Email: [REDACTED]@dell.com

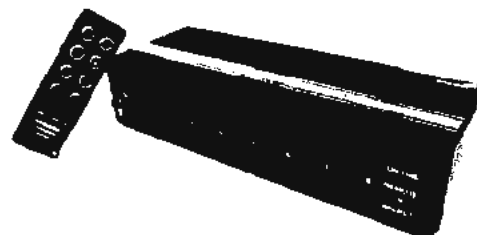


Dell Corporation offers a wide range of high-end large-screen LCD computer monitors. The recommended one is Samsung 65-inch LN65D650 1080p HDTV LCD, http://accessories.us.dell.com/sna/products/Video_Conferencing/productdetail.aspx?c=us&l=en&s=dfb&cs=28&sku=A3111394 which may also be procured by NYPD from other vendors.

Two to four of those monitors will be installed on the walls of FIS operations room.

All monitors will be wall-mounted to save room.

The monitors require regular VGA data inputs but support a wide variety of other digital and analog video inputs in case if FIS operators may want to review analog tapes or other media on a large screen.



The FIS room will be equipped with one or several video switches such as 8 Port High Resolution VGA Video Switch with Remote
<http://accessories.us.dell.com/sna/products/Displays/productdetail.aspx?c=us&l=en&s=qen&sku=A0963875> as provided by Dell. All desktops of the FIS operators will be wired using VGA cables to the switch. Each desktop will be required to have a dual output video card or a video splitter, all provided by Dell.

- Dell offers monitors with available extended 5-year warranty. It may also provide installation services. It sells wall mount brackets and cables required for wiring the system.

The large-screen visualization solution from Dell appears to completely satisfy the operational needs of FIS.

6. Contract:

- a. The Vendor should provide all technology maintenance and upgrades and the services required to perform upgrades for the duration of 5 years.

L-1 Response: L-1 will provide NYPD with services required to install face recognition technology upgrades when they become available. Software upgrades normally occur once every 18 months. During the technology upgrade L-1 will:

- a. Prepare a detailed plan for the upgrade to analyze all system dependencies
- b. Provide cross-compatible versions of ABIS®, ABIS® Workflow Server and Face Examiner Workstations
- c. Provide updated customized modules such as ECMS communication work units
- d. Reinstall ABIS®, ABIS® Workflow Server and Face Examiner Workstations
- e. Sequentially update 2 nodes of FIS. Re-template the database. The upgrades will be performed one node at a time. The first node will first be stopped, updated and then brought back up followed by the similar upgrade of the second node.

Additionally, new FEW image enhancement tools are developed to improve the search system accuracy according to feedback and experience in the FIS investigator lab.

System accuracy performance is analyzed in ongoing basis

Note: Not included are the changes to the system required if the NYPD business processes change such as a change in the case management system API.

- b. The vendor should provide 24x7 end-user support for hardware and software. Such support may entail on-site visits to NYPD facilities for remediation.

L-1 Response: Please refer to the NYPD-FIS Standard and Extended Services Offering section above.

B. Completion Criteria:

1. DESIGN ACCEPTANCE

Before the contractor programs any custom software, the Department will approve the software's design to assure its compliance with requirements. This includes Department approval of the contractor's design of software modules for use under the Agreement. Before acceptance, the Department will consider, at a minimum, the following:

- a. Do the system requirements allocated to software provide a clearly stated, verifiable, and a testable foundation for software engineering and software management?

L-1 Response: Yes. L-1 complies. Product Management develops a Product Requirement Document (PRD) and Software Engineering prepares a Requirements Matrix as a check list of requirements met, validated, partially met etc.

- b. Does the requirement management process monitor the completeness of the requirements?

L-1 Response: Yes. L-1 complies. Software Engineering prepares a Requirements Matrix based on the Requirements Document as a check list of requirements completed.

- c. Does the software development plan appropriately address requirement implementation?

L-1 Response: The software development plan, once developed and agreed upon, addresses requirement implementation

- d. Has the software planning process resulted in a software development plan that is within budget, within the proposed schedule, and is consistent with other project requirements?

L-1 Response: The software development plan, once developed and agreed upon, addresses this

- e. Are the actual results and performance of the software project tracked against the software development plan?

L-1 Response: Yes. L-1 complies. The results and performance of the software projects will be tracked against the software development plan.

- f. Is there a mechanism for the review of the cost, schedule, resource, and technical risk status of the software development phase?

L-1 Response: Yes. L-1 complies. The L-1 Project Manager is responsible to track the cost, schedule, resource and technical risk status of the software development phase and regularly report on risk status

- g. How is the development of software by subcontractor's tracked as they apply to the above concerns?

L-1 Response: Not applicable. All software development is performed by direct full time L-1 employees

- h. Is there a mechanism for identifying software baseline(s)?

L-1 Response: L-1 software engineering uses the Stage Gate process for product development

- i. Does the configuration management process track the number of changes to the software baseline(s)?

L-1 Response: Yes, L-1 complies. Source versioning control system (SVN) is in place to track changes and versions, allow for management of revision labeling and branching. The source code database is backed up. The tapes are stored in a secure location outside of L-1 offices.

- j. Has a software engineering process group been established?

L-1 Response: Software Engineering follows well defined software life cycle processes. The software groups are well established for ABIS® and Face Examiner Workstation software development. They report to the Biometrics Division SVP of Engineering.

- k. Is the standard software process stable?

L-1 Response: Yes, L-1 complies. L-1 has been in the business of software solution delivery to law enforcement customers for over 20 years. All software follows a mature productization cycle.

- l. Does programming staff have the appropriate skill mix for the development?

L-1 Response: Yes, L-1 complies. L-1 Biometrics Division employs highly specialized biometric software and algorithm development resources. Majority of core developers have been with the company developing biometric software for over five years.

- m. Will independent audits be conducted for each step of the software development process?

L-1 Response: Quality assurance at L-1 is performed by dedicated Quality Assurance group which is separate from the software development group. The Quality Assurance group reports to the SVP of Engineering.

- n. Are standards and procedures applied on the software development project?

L-1 Response: L-1 software engineering uses the Stage Gate process for product development.

2. ACCEPTANCE TESTING

The Department intends to include in the contract a provision for an acceptance test of the hardware and software provided by the contractor. It will not accept the software and authorize final payment to the vendor unless the acceptance test has been successfully completed. Before acceptance is granted, the Department will consider, at a minimum, the following:

L-1 Response: L-1 will comply with the following NYPD FIS Acceptance Testing requirements. A detailed Acceptance Testing Plan will be worked out once the contract award has been announced

- a. Has the contractor continually worked to improve its standard software development process?
- b. Has the contractor met the Department's Improvement goals?
- c. Does the quality of the product indicate that the product is ready for full release to the Department?
- d. Will undetected or unresolved problems in the product lead to more problems in the live-cycle stage?
- e. Does the number of trouble reports indicate that the product should be reworked before proceeding to the live-cycle stage?
- f. Do the types of defects suggest risk to mission critical concerns?
- g. Is the testing activity complete?

See Section V.B. of the Information and Requirements for Application of Negotiation for further information on the Design and System Acceptance.

C. Warranty/ Extended Warranty and Maintenance and Future Considerations

- a. Upon acceptance of the total system, the Contractor will provide complete warranty for 1 year and extended support/maintenance services (hereinafter referred to as System Warranty) for an additional 4 years from the Completion of the Warranty period.

L-1 Response: ABIS® will be complete with one year warranty and 4 years of an extended support and maintenance service. The ABIS® warranty and technical support program will cover NYPD for 5 years from the first day of beneficial use.

- b. During the System Warranty period the Contractor will provide the NYPD with:

- All codes, plans, and documentation necessary for future systems maintenance vendors, or NYPD personnel, to maintain the system upon completion of this agreement. The Contractor agrees not to include any imbedded code or other proprietary schemes that will limit the ability of the NYPD to select a qualified vendor or its own personnel to maintain the system upon completion of the term of the Agreement.

L-1 Response: The following list of product documents will be provided:

- Standard ABIS® and ABIS® Workflow Server product documentation, including:
 - System Overview
 - Installation Guide
 - Developer's Guide
 - Administration Guide
 - Troubleshooting Guide
- Face Examiner Workstation documentation

The following set of documents specific to this deployment will be provided

- ABIS® System configuration document
- Application and interface design document

All documentation is in English

- A guarantee that the products, services, and/or systems are free from defects and faulty workmanship and that the System will perform and conform to the NYPD specifications in Appendix B as is or amended thereof during the entire System Warranty period. Any repairs or maintenance performed during the Warranty period should be performed at no additional cost to the NYPD.

L-1 Response: Agrees. L1 will comply with the NYPD design specifications to ensure a defect free system is delivered. The system will meet and exceed the expectations of NYPD and L1 commits to the NYPD specifications in Appendix B. Work required to conform to the NYPD specifications during the initial system roll out will be provided at no cost to NYPD.

- Notification of any defect or malfunctions in the hardware, equipment, computerized systems or documentation, including any that the Contractor discovers from any source. The Contractor will be responsible for correcting any defects or malfunctions in the products, services, and/or systems including computerized systems or documentation discovered at any time by either the Contractor or the NYPD. The Contractor will also provide the NYPD with corrected copies of the corresponding documentation.

L-1 Response: L-1 will make every effort to ensure prompt notification of any defects or malfunctions found in any component of the delivered ABIS® solution

- All subsequent enhancements to the products, services, and/or systems and documentation. Enhancements include all updated versions and modifications to the products, services, and/or systems and previously customized computerized systems.

L-1 Response: During the term of the contract, L-1 will supply NYPD with any enhancements to the products, services, and/or systems and documentation. L-1 will provide NYPD with all major and minor software upgrades. L-1 will deliver services required to upgrade ABIS servers and face examiner workstations

- Nonstop (24 hour by 7 days a week) maintenance and technical support.

L-1 Response: See section 3.4 Paragraph B 3 NYPD-FIS Standard and Extended Services Offering.

- The Contractor should provide detailed information concerning their technical support, including but not limited to responding to the requirements herein.

L-1 Response: Standard 9/5 Support Package is included when you purchase the ABIS® system, FEW, LEW, WFM, and Facelt Argus product lines. It gives you 1 year of our Standard 9/5 Support Plan included with the purchase of the product. At the end of the maintenance period, a renewal notice will be sent out

Our person-to-person support package for an L-1 Standard Support Plan member includes the following (via e-mail or phone 1-888-435-7439 or 1-888-HELPIIDX): Our Email address is idxsupport@L1id.com

After Hours support will contact the Technical Support Center @ 1-888-HELPIIDX (435-7439) or via E-Mail at idxsupport@L1id.com. (This is the same process as during normal business hours.) **This support offering is intended for the customized parts of the solution as offered to NYPD. It covers resolution of solution customization performance issues that may appear during system use. Also covered is assistance in system use that NYPD may require outside of normal business hours. The support offering is also intended to be available for severity level 1 or 2 issues, as defined in the table. In most cases severity 3 and 4 issues will be handled during the standard business hours.**

Severity Levels and Issue Resolution

Software/Hardware Severity Level Definitions

Severity Level 1	Emergency	The Licensed Software cannot be used by Licensee to perform any useful work for which it was intended. The L-1 provided hardware is inoperable
Severity Level 2	Severely Impacted	The Licensed Software cannot be used by Licensee to perform all functions, but some useful work can be performed. The L-1 provided hardware is performing but extremely difficult to use.
Severity Level 3	Limited Function	The error is not critical, but is an inconvenient defect that can be circumvented or avoided on a temporary basis.
Severity Level 4	Circumvented Problem	The error is a minor problem and easily circumvented.

Definition of Resolution

After an issue is accepted as being within the extent of technical support (as described above), resolution of the technical support issue shall be defined as accomplishing any one of the following.

- Providing a reasonable solution to the issue
- Providing a reasonable interim resolution to the issue
- Determination by L-1 that the issue is an enhancement request and forwarding of the request to L-1 Product Management
- Escalation by L-1 of the incident/error to L-1 Engineering for review

L-1 Technical Support shall use commercially reasonable efforts to correct or create a reasonable interim solution for reported errors. Corrections may be included in the next update of the Licensed Technology, or soon thereafter, as we deem reasonable.

3 Section 3: Ability to Quickly Perform

3.1 L-1's Ability to Quickly Perform

L-1 is committed to solving the problems faced by Law Enforcement professionals, and over the years has dedicated thousands of hours in developing the type of solution now being requested by NYPD. L-1 has deployed several similar systems in the past, and continued deployment and enhancement of these types of systems is the centerpiece of our strategy for serving the Law Enforcement market. The benefit of experience and our strategic focus will allow L-1 to execute the project as expediently as possible, while mitigating the inherent risks.

Staffing

Staffing for the NYPD FIS project will use existing staff members that are knowledgeable in the proposed solution. Since the team members already exist, staffing requirements will not cause a delay in the project timeline. L-1 staff does not include forensic examiners who can be fully committed to the NYPD project. However, L-1 will start hiring forensic examiners immediately upon receiving the award.

L-1 has experienced staff members who have deployed numerous ABIS® systems. All customer-facing team members are based out of Jersey City, on Hudson waterfront and one PATH train stop away from One Police Plaza in New York. Close proximity to the core research and engineering resources will allow us to tap into the best brains in biometric science in the world.

Software Development

L-1 has highly skilled development staff that is familiar with the proposed solution. L-1 will ensure that the development staff provided for the FIS project will be dedicated to meeting the proposed timeline. The software team will perform substantial amount of work to customize the system to fit the needs of NYPD business processes and to improve the performance of the search technology to produce more hits.

Implementation Plan

The first beneficial use can occur with the L-1 COTS software to reduce deployment risks. As soon as the data is migrated into ABIS® database, L-1 COTS system will be capable of performing forensic searches for NYPD. The proposed COTS products, ABIS® and Face Examiner Workstations, are mature products tested in real life deployments. Once the COTS system becomes operational, L-1 will upgrade it with the custom-developed components to address NYPD business processes: the FIS will be integrated with [REDACTED] and Face Examiner Workstation software will be customized to support the investigative lab workflow. Additional updates to investigative tools will be deployed as soon as they become available.

This planning methodology is reflected in the proposed Implementation Plan on the following pages.

3.2 High Level Implementation Plan

The high-level plan below is representative of L-1's ability to deliver FIS components and general understanding of the project flow. It does not factor in the NYPD and other external dependencies. This plan, including the payment milestones, is tentative and subject to adjustments based on discussions with the NYPD once the contract is awarded.

Within 15 calendar days:

1. System Design Submission
2. System Design Approval –NYPD (10% Payment Milestone)
3. Have a project planning Meeting
4. Define project Team
5. Review project plan
6. Define communication protocol
7. Discuss monthly & weekly reporting format
8. Discuss change management
9. Discuss a risk management plan
10. Discuss the creation of a customer acceptance test plan
11. Discuss payment milestones
12. Discuss training plan
13. Begin scheduling for installation and training
14. Place order on kiosk hardware
15. Place order on servers and other required hardware - NYPD
16. Place order on SQL licenses - NYPD

Within 30 days:

1. Provide location for Production server- NYPD
2. Provide location for Disaster Recovery server - NYPD
3. Provide location for Forensic Imaging Lab – NYPD
4. Provide locations for kiosks – NYPD
5. Delivery of Hardware (10% Payment Milestone)

Within 2 months:

1. Setup servers and other hardware, install OS and configure IP's – NYPD
2. Install ABIS® server software
3. Install kiosks
4. Customize and deploy workflow for Iris enrollment from kiosks to ABIS®
5. Prepare location for Forensic Imaging Lab
6. Dataworks Plus mugshot system integrated and provides data feed.

Within 3 months:

1. Ongoing mugshot enrollment process is developed and deployed. Start receiving OCA feed.
2. Install Face Examiner Workstation software (COTS)
3. Develop ABIS® Workflow Server customization for data migration
4. Hiring of 2 FEW Operators

Within 4 months:

1. Training on kiosk operation. Kiosks go live.
2. Customer tests according to test plan (30% Payment Milestone)
3. ABIS® system tested by customer and approved
4. Delivery of Substantial Completion Certificate (30% Payment Milestone)
5. First beneficial use, warranty period begins.

Within 5 months:

1. Install and configure Disaster Recovery server
2. Develop and deploy database replication scripts between Production and Disaster Recovery servers
3. FEW software enhanced and updated
4. [REDACTED] Integrated

Within 6 months:

1. Case Management System CM2 is integrated.
2. Case Management System CM3 is integrated
3. FIS is fully operational.
4. Final Acceptance (20% Payment Milestone)

Ongoing:

1. Project management
2. Weekly status reports
3. Monthly project management review (PMR)
4. FEW system software upgrades as new functionality becomes available. Updates to ABIS® search engine – approximately every 1.5 years and with additional planning and participation of NYPD.

3.3 Implementation Plan

The highlighted line items are Payment Milestones. These Payment Milestones are suggestions and are open to negotiation with the NYPD.

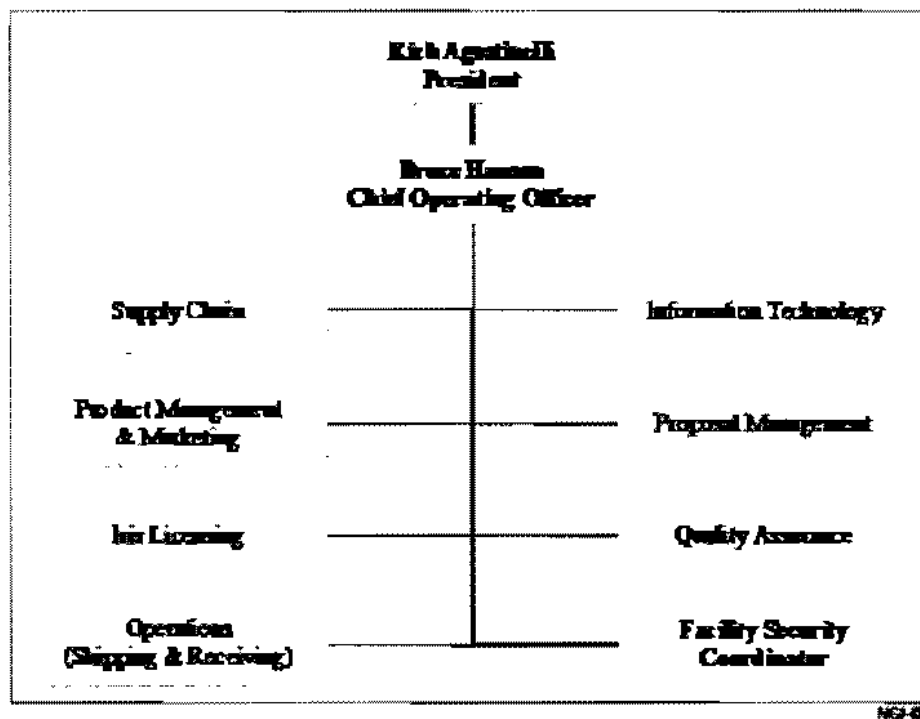
	Task Name	Resource Names
1	- NYPD FIS	
2	Award of contract & Completion of Contract	
3	- Project Management	
4	- Project Planning Meeting	
5	Define Project Team	NYPD & L1
6	Review Project Plan	NYPD & L1
7	Define Communication Protocol	NYPD & L1
8	Discuss monthly & weekly reporting format	NYPD & L1
9	Discuss Change Management	NYPD & L1
10	Risk Management Plan	NYPD & L1
11	Customer Acceptance Test Plan	NYPD & L1
12	Payment Milestones	NYPD & L1
13	Training Plan	NYPD & L1
14	+ Weekly Status Report	
56	+ Monthly Project Management Review (PMRs)	NYPD & L1
70	- System Design	
71	Create Design	L1
72	Submit Design	L1
73	Design Approval (Payment Milestone 10%)	NYPD
74	- Face Examiner Staffing (2x)	
75	Define Job Description	L1
76	Post Position	L1
77	Review Candidates	L1
78	Filter Candidates	L1
79	Perform Background Check	L1
80	Provide Offer	L1
81	Positions established	L1
82	- NYPD Infrastructure Tasks (Durations are estimates, input from NYPD needed)	
83	Procure hardware for servers and kiosks	NYPD
84	Setup OS on Hardware, configure IP addresses, etc	NYPD
85	Provide locations for Production Environment server node	NYPD
86	Provide locations for Production Disaster Recovery server node	NYPD
87	Assign NYPD personnel to face examination unit	NYPD
88	Provide locations for kiosks	NYPD
89	Ensure all hardware is connected to the NYPD network	NYPD
90	Ensure kiosks have access to the NYPD FIS ADIS server	NYPD
91	Procure SQL & OS Licenses	NYPD

6	Task Name	Resource Names
92	- L1 FIS Hardware Procurement	
93	Order equipment (Kiosks FIS, PHOTO & FP)	L1
94	Hardware Delivery (Payment Milestone 10%)	
95	- FIS ABIS Deployment & Configuration (Production Environment)	
96	ABIS installed and configured	L1PS
97	ABIS Workflow Server installed and configured	L1PS
98	SQL Database Server installed and configured	L1PS
99	Database backup procedure deployed	L1PS
100	FIS workstations in laboratory installed and configured	L1PS
101	System testing	L1PS & NYPD
102	- FIS ABIS Deployment & Configuration (Disaster Recovery Environment)	
103	ABIS installed and configured	L1PS
104	ABIS Workflow Server installed and configured	L1PS
105	SQL Database Server installed and configured	L1PS
106	Database backup procedure deployed	L1PS
107	Database Replication Development	L1PS
108	Database replication service deployed	L1PS
109	FIS workstations in laboratory installed and configured	L1PS
110	System testing	L1PS & NYPD
111	- Booking Kiosk Deployment	
112	Define locations	L1PS
113	Customize capture software	L1PS
114	Setup & Test equipment (5)	L1PS
115	KIOSK Training (Centralized 5 people at once)	L1Tran & NYPD
116	Kiosk Go Live	
117	- FEW Enhancements	
118	Enrollment Quality Review Plugin	L1 engineering
119	Unsuited Faces FM Queue	L1 engineering
120	- Workflow Customization for Data Migration	
121	API and interfacing to DataWorks Plus	L1PS
122	ABIS Workflow customization Dataworks Plus	L1PS
123	API and Connector module, incl. Enrollment, Send and Delete	L1PS & Engineering
124	ABIS Workflow Enhancements: FTE and LPM queues	L1PS & Engineering
125	Migration of Dataworks records	L1PS

3	Task Name	Resource Names
126	- Customer Acceptance	
127	Customer tests according to test plan (Payment Milestone 30%)	NYPD
128	Customer approves system	NYPD
129	FIS system Go Live (FIS starts performing forensic searches, first beneficial use)	L1 & NYPD
130	Delivery of Substantial Completion Certificate (Payment Milestone 30%)	L1 & NYPD
131	L1 Warranty Period begins	
132	- ECMS Integration	
133	- Forensic Search Process	
134	ABIS Workflow customization, UFI reports to ECMS	L1PS
135	- FEW Integrated with ECMS Case Management	
136	API and Connector module: search requests, reports, back links	L1PS & Engineering
137	ABIS Workflow Enhancements: search request, reports	L1PS & Engineering
138	FEW Enhancements: images, videos, PDF inputs	L1 engineering
139	FEW Enhancements: back links to ECMS	L1 engineering
140	FEW Enhancements: reports in HTML	L1 engineering
141	- FIS Training	
142	Training to end users	L1Train & NYPD
143	- FIS Integrated with T&D Case management System CM2	
144	API and Connector module for CM2	L1PS & Engineering
145	ABIS Workflows customization for CM2	L1PS & Engineering
146	FEW Customization for CM2	L1 engineering
147	- FIS Integrated with T&D Case management System CM3	
148	API and Connector module for CM3	L1PS & Engineering
149	ABIS Workflows customization for CM3	L1PS & Engineering
150	FEW Customization for CM3	L1 engineering
151	Case Management System Integration Complete FIS is fully Operational	L1 engineering
152	Final Acceptance (Payment Milestone 20%)	NYPD

4 Section 4: Security Protocol

L-1 is a cleared federal contractor participating in the National Industrial Security Program (NISP). L-1 has entered into a security agreement with the U.S. Government. Pursuant to this agreement, it is the responsibility of L-1 Senior Management and of the Facility Security Officer to ensure implementation of the terms and conditions of the Security Agreement and applicable requirements of the NISP. It is additionally the responsibility of each and every employee of L-1, who works on, works with, or otherwise has access to classified material to adhere to the policy, procedures, requirements, and terms of the NISP and this SPP. L-1 Biometrics Division president, Richard Agostinelli, will be available for all NYPD program issues. The Chief Operations Officer, Bruce Hanson has a direct line to Mr. Agostinelli. Our Facility Security Coordinator is Stayce Wean. Any security breaches are written up in an incident report and briefed to the COO and President. Figure below shows our Security Organization



HS-004

L-1 Security Organization. The Facility Security Coordinator has full access to L-1 Biometrics Division Chief Operation Officer and President.

For NYPD FIS project specifically, the following security policies will apply:

- 1) All L-1 employees participating in FIS will be briefed on the confidentiality policies of the project.
- 2) All L-1 employees participating in FIS will be required to sign personal NYPD non-disclosure agreements.

- 3) L-1 Biometrics Division performs a criminal background check employment history on all employees we hire. The employment offer and continued employment is contingent on successfully passing the criminal background and reference check. L-1 uses an outside vendor for our background checks.
- 4) The L-1 hired face examiners are subject to additional NYPD background checks as per NYPD security protocols.
- 5) The FIS-proprietary biometric data will be handled at L-1 offices at Ten Exchange Place, Jersey City. This office location features:
 - a. 24/7 supervised building access that requires all visitors to be announced;
 - b. Fingerprint-based door access control to the 18th floor office;
 - c. Separate fingerprint-based physical access control to the server room.
- 6) All L-1 information technology operational practices adhere to strict security policies.

5 Section 5: Terms and Conditions

Application to Negotiate PIN 056100000684: Forensic Imaging System

Contractor Exceptions and Qualifications

Contractor accepts the terms, conditions, and assumptions stated in the Solicitation Document, and the terms and conditions in Appendix A--Standard City terms and conditions (including the Schedule A and General Conditions subject to the exceptions and qualifications listed below.

Information and Requirements

1) V. Contract Assumptions

a) City Property

- i) Items 1& 2: Contractor respectfully takes exception to this provision. Contractor's deliverables hereunder consist of commercial off the shelf (COTS) hardware and software as well as solution specific software components. The NYPD shall, upon payment to Contractor,
 - (1) take title to the hardware components of the products provided pursuant to this contract;
 - (2) receive a perpetual, non-exclusive, non-transferable, revocable license rights to all COTS software, documentation and other material provided pursuant to this contract;
 - (3) retain the intellectual property rights in the solution specific software that is unique to the NYPD's solution and developed pursuant this Agreement.

All other intellectual property rights to the hardware, software, documentation and other material provided pursuant to this contract, including any derivatives thereof, remain solely and exclusively, at all times, with Contractor. To the extent that the solution specific software is based on Contractor's COTS products, Contractor reserves all intellectual property rights in such products.

In order to enable Contractor to provide warranty, support and customization services to the solution specific software, the NYPD will need to grant a license to Contractor with respect to such software which license shall enable Contractor to use, modify, copy and alter the solution specific software for the sole purpose of providing warranty, support and customization services to the NYPD during the term of the Agreement.

2) B. Design and Acceptance Testing

- a) Contractor requests that, as a part of the good faith negotiation of the acceptance test plan to be used for system acceptance, that any such plan limit the number of days the NYPD can use the system in a productive environment prior to final system acceptance

3) C. System Warranty, Extended Warranty, Maintenance and Future Customization

a) Item 1. The products are warranted as follows:

- i) **Software** (including embedded software): LIMITED WARRANTY / DISCLAIMER OF WARRANTIES / LIMITATION OF LIABILITY. Contractor hereby warrants that the software will perform substantially in accordance with Contractor's written specifications for a period of one (1) year from one (1) year from the date of acceptance of the software or one (1) year from the date of Contractor's shipment of the software if a party other than Contractor installs the software. Contractor's sole obligations and NYPD's exclusive remedy under this warranty are limited to, at Contractor's option, repairing (at Contractor's factory), replacing, providing credit for or refunding the net purchase price of any software which shall be returned to the factory of origin prior to expiration of the warranty period, transportation charges prepaid, and which are determined by Contractor in its reasonable judgment to be non-compliant with the foregoing warranty. CONTRACTOR DOES NOT WARRANT THAT THE SOFTWARE IS ERROR FREE OR THAT USE OF SUCH SOFTWARE WILL BE UNINTERRUPTED. FURTHERMORE, CONTRACTOR SPECIFICALLY DISCLAIMS ANY AND ALL OTHER EXPRESS AND IMPLIED WARRANTIES CONCERNING THE SOFTWARE, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND THEIR EQUIVALENTS UNDER THE LAWS OF ANY JURISDICTION. IN NO EVENT SHALL CONTRACTOR BE LIABLE TO THE NYPD OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUE; LOSS, INACCURACY, OR CORRUPTION OF DATA OR LOSS OR INTERRUPTION OF USE) ARISING OUT OF, OR RELATED TO, THIS CONTRACT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. This limited warranty is in lieu of all other Contractor obligations and liabilities. This warranty shall not apply to any software which has been installed, repaired, modified or altered in any way, except by Contractor, or which shall have been subjected to misuse, negligence, or accident. The aforementioned provisions do not extend the original warranty period of any software that has either been repaired or replaced by Contractor.
- ii) **Hardware:** Contractor warrants that the hardware products to be delivered under this purchase order will, at the time of acceptance, be free from defects in material and workmanship under normal use and service. Contractor's obligations under this warranty are limited to replacing or giving credit for, at its option, at its factory, any of said products which shall within 1 year after acceptance be returned to Contractor's factory of origin, transportation charges prepaid, and which are, after examination, disclosed to Contractor's satisfaction to be thus defective. THIS WARRANTY IS EXPRESSED IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED, STATUTORY, OR IMPLIED.

INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND THEIR EQUIVALENTS UNDER THE LAWS OF ANY JURISDICTION, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON CONTRACTOR'S PART, AND IT NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR CONTRACTOR ANY OTHER LIABILITIES IN CONNECTION WITH THE SALE OF THE SAID ARTICLES. This warranty shall not apply to any of such products that shall have been repaired or altered, except by Contractor, or that shall have been subjected to misuse, negligence, or accident or any improper installation, servicing or testing, nor to any products which have been altered or modified other than by Contractor or as expressly authorized by Contractor. The aforementioned provisions do not extend the original warranty period of any product that has been repaired or replaced by Contractor.

- iii) **Third party products.** Contractor shall, to the greatest extent permitted by law, pass on any manufacturer warranties to any third party product provided hereunder to the NYPD.
- iv) **Warranty and Maintenance Services.** Contractor warrants that it shall provide the services hereunder in a professional and workmanlike manner by duly qualified personnel. Such services shall be provided subject to the service descriptions for warranty and maintenance services as set forth in document titled "NYPD FIS Standard and Extended Services Offering" and the Maintenance Terms and Conditions" submitted with the proposal.
- b) Item 2:
 - i) Item a: Refer to the Statement of Work for details relating to the delivery of source code for the proposed solution.
 - ii) Item b: The products and services will be maintained during the warranty period and the extended maintenance services period as set forth in the document titled "NYPD FIS Standard and Extended Services Offering" and the Maintenance Terms and Conditions submitted with this proposal.
 - iii) Item c: The products and services will be maintained during the warranty period and the extended maintenance services period as set forth in the document titled "NYPD FIS Standard and Extended Services Offering" and the Maintenance Terms and Conditions submitted with this proposal.
 - iv) Item d: Refer to NYPD FIS Standard and Extended Services Offering" and the Maintenance Terms and Conditions submitted with this proposal.
 - v) Item e: The products and services will be maintained during the warranty period and the extended maintenance services period as set forth in the document titled "NYPD FIS Standard and Extended Services Offering" and the Maintenance Terms and Conditions submitted with this proposal.
- c) Item 3:
 - i) **Warranty and Extended Maintenance Services:** The products and services will be maintained during the warranty period and the extended maintenance services period as set forth in the document titled "NYPD FIS Standard and Extended Services Offering" and the Maintenance Terms and Conditions submitted with this proposal.
 - ii) **Future customization:** Contractor agrees to negotiate in good faith with the NYPD for the provision of services related to the future customization of the

products provided hereunder. Any such agreed upon services shall be provided at the rate set forth in Contractor's price proposal.

4) I: Basis for Contract Award

a) Item 2 – Contract Negotiations

- i) Contractor submits its End User License Agreements and Maintenance Terms and Conditions for the products proposed hereunder. Such documents are provided in Exhibit A attached hereto. Contractor anticipates that this exceptions and qualifications document and these terms shall provide the basis for the final negotiated agreement in the event Contractor is the selected contractor for this Application to Negotiate.
- ii) Contractor request the inclusion of a confidentiality provision to protect Contractor's proprietary information disclosed pursuant to any resulting contract. Contractor proposes the use of Appendix A, Article 12.3 Confidentiality as a model for such provision

5) M: Documents Forming Solicitation Document. Contractor respectfully requests that this provision be clarified to ensure that Contractor exceptions and qualifications, as agreed to by the parties, are Inc. as a part of the final negotiated agreement.

Appendix A – Standard Terms and Conditions and Schedule A with General Conditions

1. **Article 3 – Character of the Work.** Contractor's warranties for the products and services provided are set forth in Contractor's response to this Application to Negotiate.
2. **Article 4 – Period of Performance and the Contract Provisions**
 - a. **Section 4.5 –** Contractor respectfully takes exception to this provision and requests that in the event that the NYPD finds any such Schedule Document grossly inadequate that the NYPD provide written notice to Contractor of such inadequacy and a reasonable opportunity for Contractor to correct such Schedule Document. In the event, after such reasonable opportunity, the NYPD stills finds such document grossly inadequate, NYPD may terminate the contract in its entirety.
 - b. **Section 4.18 –** Contractor requests that City/NYPD further warrant that any such claim from any such other contractor be subject to a limitation of liability consistent with the limitation of liability set forth in Article 7.4 of Appendix A.
 - c. **Section 4.18**
 - i. (D)- Contractor respectfully takes exception to this provision. Contractor's warranties with respect to the products and services provided are set forth in Contractor's response to this Application to Negotiate.
3. **Article 6, Insurance, Liquidated Damages, Maintenance And Guaranty**
 - a. **Section 6.3 – Maintenance and Guaranty.** Contractor respectfully takes exception to this provision. Contractor's warranties with respect to the products and services provided are set forth in Contractor's response to this Application to Negotiate
4. **Article 7, Liability of Contractor**
 - a. **Section 7.2(G) – Customized Software – City Property**
 - i. Item 1. Contractor respectfully takes exception to this provision. Customized software shall mean those software components identified by Contractor as solution specific and unique to the NYPE.
 1. Item a: Contractor's deliverables hereunder consist of commercial off the shelf (COTS) hardware and software as well as solution specific software components. The NYPD shall, upon payment to Contractor,
 - a. take title to the hardware components of the products provided pursuant to this contract;
 - b. receive a perpetual, non-exclusive, non-transferable, revocable license rights to all COTS software, documentation and other material provided pursuant to this contract; and
 - c. receive the intellectual property rights in the solution specific software that is unique to the NYPD's solution and developed pursuant this Agreement.

All other intellectual property rights to the hardware, software, documentation and other material provided pursuant to this contract, including any derivatives thereof, remain solely and exclusively, at all times, with Contractor. To the extent that the solution specific software is based on Contractor's COTS products, Contractor reserves all intellectual property rights in such products.

NYPD grants to Contractor a license to use, modify, copy and alter the solution specific software for the sole purpose of providing warranty, support and customization services to the NYPD during the term of the Agreement.

- b. **Section 7.3, Infringements.** Contractor agrees to accept the intellectual property indemnification obligation set forth in this provision 7.3 of Appendix A but only for Contractor developed hardware and Contractor developed software provided hereunder and only with respect to United States patents, copyrights, and trademarks.
- c. **Section 7.4, Limitations of Liability--** Contractor requests this provision to be modified as indicated: "Contractor's total liability for all causes whatsoever arising from its performance under this Agreement shall be limited to direct damages in an amount not to exceed the total amount paid to Contractor under the Contract. The foregoing limitation shall not apply to (i) liability for personal injury including death, and damage to tangible property, and (ii) liability for indemnification against claims of intellectual property infringement. IN NO EVENT SHALL CONTRACTOR BE LIABLE FOR ANY INDIRECT, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, FOREEABLE OR UNFORSEEABLE, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOST DATA AND LOSS OF USE."

5. Article 8 Provisions relating to Labor

- a. **Section 8.5(C)** - Contractor requests this provision to be modified as indicated: "For any break or violation of any of the provisions of paragraphs A and B above, the Contractor shall be liable to the City for liquidated damages, which may be withheld from any amounts due herein or may be recovered in suits brought by the Corporation Counsel in the name of the City, in addition to damages for any other breach of this Contract, a sum equal to the amount of any underpayment of wages due to any employee engaged shall have the right to cancel this contract for violation of this clause and enter into other contracts for the completion of this contract. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages in violation of the provisions of this clause, shall be held in a special deposit account and shall be paid without interest, on order of the City Commissioner of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth herein and on whose account such sums were withheld or recovered, provided that no claims by employees for such payments shall be entertained unless made within one year from the date of actual notice to the Contractor of the withholding or recovery of such sums by the City."



- b. **Section 8.7 (B)** – Contractor requests this provision to be modified as indicated: "For any breach or violation of the paragraphs on working condition and minimum wages above, the party responsible therefore shall be liable to the City for liquidated damages, which may be withheld from any amounts due on any contracts with the City of such party responsible, or may be recovered in suits brought by the Corporation Counsel in the name of the City, in addition to damage for any other breach of this Contract, a sum equal to the amount of any underpayment of wages due to any employee engaged in the performance of this Contract. In addition, the Commissioner shall have the right to cancel this Contract and enter into other contracts for the completion of the original Contract, with or without public letting. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages hereunder, shall be held in a special deposit account and shall be paid without interest, on order of the Commissioner of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth herein and on whose account such sums were withheld or recovered, provided that no claims by employees for such payments shall be entertained unless made within one year from the date of actual notice to the Contractor of the withholding or recovery of such sums by the City "

6. Article 12, Covenants of the Contractor

- a. **Section 12.8, Subcontracting.** Contractor hereby submits for NYPD approval its affiliate, Identix Inc., as a provider of products and services hereunder. Identix Inc., located at 5705 West Old Shakopee, Rd., Suite 100, Bloomington, MN 55437 is a wholly owned subsidiary of L-1 Identity Solutions Operating Company and an affiliate of Identix, Inc.

7. Article 13 Termination

- a. **Section 13.3** – Contractor requests this provision to be modified as indicated: "In the event the Commissioner terminates this Agreement in whole or in part as provided in section 13.2 above the Contractor shall continue the performance of this Agreement to the extent not terminated thereby."

8. Article 21 Warranty

- a. Item (A) – Contractor respectfully takes exception to this provision. Contractor's warranties with respect to the products and services provided are set forth in Contractor's response to this Application to Negotiate.
- b. Item (C) – Contractor respectfully takes exception to this provision. The products and services will be maintained during the warranty period and the extended maintenance services period as set forth in the document titled "NYPD FIS Standard and Extended Services Offering" and the Maintenance Terms and Conditions submitted with this proposal.
- c. Item (E) – Contractor respectfully qualifies this provision and supplements the listed exclusions with those exclusions from service set forth in Contractor's maintenance service contract submitted with the proposal.



- d. Item (F) – Contractor respectfully takes exception to this provision and requests that it be deleted in its entirety.
- 9. **Article 23 Commercial Computer Software Restricted Rights**
 - a. Contractor respectfully takes exception to this provision. Contractor shall not deliver source code to the software, or any component thereof, except as expressly set forth in the Statement of Work.
- 10. **Article 24**
 - a. (C) – Contractor respectfully qualifies this provision by supplementing the Specifications with terms and service descriptions set forth in Contractor's maintenance agreement submitted with this proposal.

Schedule A with General Conditions

1. Section 1.1
 - a. (viii) – Contractor's policies provide for a \$250K retention for Professional E&O Liability coverage and a \$50K deductible for General Liability.
2. Section 1.2
 - a. (2) Employer's Liability Insurance. Renewal certificates are not available from Contractor's insurer until thirty days prior to expiration. Contractor will provide NYPD with such certificates as soon as such certificates are available.
 - b. (3) Commercial General Liability
 - i. Contractor's coverage for Contractual liability only covers liabilities that would have been present in the absence of the contract and is subject to the policies terms and conditions.
 - ii. Contractor's insurance is provided by its corporate parent and cannot be modified or amended by contractor; including any amendments to exclusions requested by the City.
 - c. (4)
 - i. Contractor's coverage for Commercial Auto Liability only covers liabilities that would have been present in the absence of the contract and is subject to the policies terms and conditions.
 - ii. Contractor's insurance is provided by its corporate parent and cannot be modified or amended by contractor; including any amendments to exclusions requested by the City
3. Section 2 GENERAL TERMS AND CONDITIONS FOR INFORMATION TECHNOLOGY (IT) PROJECTS
 - a. (E) – Contractors respectfully requests NYPD to refer to Contractors proposal response submitted in reference to the Application for Negotiation, Section V.A, City Property, and Contractor's response to Article 23 of Appendix A, COMERCIAL COMPUTER SOFTWARE RESTRICTED RIGHTS
 - b. (M) - Contractor respectfully takes exception to this provision. Contractor shall not deliver source code to the software, or any component thereof, except as expressly set forth in the Statement of Work.



i.

Exhibit A

**Contractor's Standard Maintenance Terms and Conditions and End User
License Agreements**

COMNETIX INC.
MAINTENANCE TERMS AND CONDITIONS
Hardware Products

I. GENERAL SCOPE OF COVERAGE

Subject to payment in full of the applicable maintenance fees for the system ("System") described in Comnetix Inc.'s ("Comnetix") current Maintenance Agreement Addendum ("Addendum") with customer ("Customer"), Comnetix, or its authorized agents or subcontractors, shall provide the System maintenance services ("Services") set forth and in accordance with the terms herein (this "Agreement") and the Addendum. The terms of the Addendum are hereby Inc. into this Agreement by this reference.

II. MAINTENANCE SERVICES

The Services provided by Comnetix are those services selected by Customer from one or more of the following maintenance services programs:

A. Included With All Remedial Maintenance Services. *Included With All Remedial Maintenance Services* are as follows:

- Unlimited 24/7 telephone technical support for System hardware and software from the Comnetix TouchCare Support Center via Comnetix toll free telephone number.
- TouchCare Support Center managed problem escalation, as required, to Comnetix technical support staff to resolve unique problems.
- Comnetix shall furnish all parts and components necessary for the service and maintenance of the System. Replacement parts shall be sent to the Customer. All replaced defective parts shall become Comnetix property. Comnetix shall determine if a replacement part is necessary. Replacement parts and components may be new or refurbished. Unless otherwise agreed by Comnetix, replacement parts and components needed at international destinations shall be shipped by Comnetix to the Customer-specified United States destination, and the Customer shall arrange for shipment of the parts and components to the final international destination. In the event Comnetix ships replacement parts and components to an international destination, the Customer shall be responsible for all shipping expenses, duties, tariffs, taxes, and all other delivery related charges.
- Comnetix shall make available to Customer one copy (in electronic or other standard form) of each Update (defined herein) for those System components that are developed by Comnetix and for which Comnetix, in its sole discretion, elects to develop and generally make available to customers whose Systems are under warranty or under a current Comnetix Maintenance Agreement Addendum. Customer shall provide Comnetix with continuous network or dial-up access to the

System (whether stand alone or connected to a central site), and ComnetiX shall deliver the Update via this remote means of delivery. In the event continuous network or dial-up access is not available for *24/7 Maintenance Services* and *9/5 Maintenance Services* Customers, then ComnetiX shall install the Update during any subsequently scheduled on-site visit by ComnetiX for service of the System. An "Update" means a new release of such System software components that are developed by ComnetiX which contain (i) bug fixes, corrections, or a work-around of previously identified errors with such software, or (ii) minor enhancements, improvements, or revisions with substantially similar (but not new) functionality to the original licensed System software

B. 24/7 Maintenance Services. ComnetiX' *24/7 Maintenance Services* are as follows:

- Customer will receive a telephone response to service calls within one (1) hour from the time the Customer places a service call with ComnetiX' Help Desk.
- ComnetiX' Help Desk will attempt problem resolution via telephonic verbal and dial-in troubleshooting prior to dispatching an ComnetiX field service engineer to Customer's facility for on-site service.
- If on-site service is necessary, such service shall be provided 24/7, including holidays. ComnetiX shall use its best efforts to have an ComnetiX' field service engineer at the Customer's facility within four (4) hours from the time the engineer is dispatched by ComnetiX' Help Desk for customers located within a 100 mile radius of an authorized ComnetiX' service location and within 24 hours for customers located outside such 100 mile radius.
- At no additional charge, ComnetiX will provide Customer with up to four (4) Customer-requested type of transaction changes to existing type of transaction applications; **provided, however, that any such type of transaction change does not, in the sole opinion of ComnetiX' Development Management Team, require a significant development effort.** In such event, ComnetiX will provide Customer with a quote for developing and providing Customer with any such applications and changes. Table updates are treated as Updates and will be made available to Customer in accordance with Section II.A. of this Agreement

C. 9/5 Maintenance Services. ComnetiX' *9/5 Maintenance Services* are as follows:

- Customer will receive a telephone response to service calls within one (1) hour from the time Customer places a service call with ComnetiX' Help Desk.
- ComnetiX' Help Desk will attempt problem resolution via telephonic verbal and dial-in troubleshooting prior to dispatching an ComnetiX field service engineer to Customer's facility for on-site service.
- If on-site service is necessary, such service shall be provided nine (9) business hours (that is, 8:00 a.m. to 5:00 p.m.) per day, five business days per week. ComnetiX shall use its best efforts to have an ComnetiX' field service engineer at Customer's facility within eight (8) working hours from the time the engineer is dispatched by ComnetiX' Help Desk if Customer's facility is located within a 100 mile radius of an authorized ComnetiX' service location and within 24 hours if Customer's facility is located outside such 100 mile radius.

- Upon ComnetiX' acceptance of Customer's request for after hours service, Customer shall pay for such after hours service on a time and materials basis at ComnetiX' then current rates.
- At no additional charge, ComnetiX will provide Customer with up to four (4) Customer-requested type of transaction changes to existing type of transaction applications; **provided, however, that any such type of transaction change does not, in the sole opinion of ComnetiX' Development Management Team, require a significant development effort.** In such event, ComnetiX will provide Customer with a quote for developing and providing Customer with any such applications and changes. Table updates are treated as Updates and will be made available to Customer in accordance with Section II.A. of this Agreement.

D. Help Desk Maintenance Services. ComnetiX' *Help Desk Maintenance Services* are as follows:

- The Services do not include any ComnetiX on-site maintenance services. The Customer agrees to provide the on-site personnel to assist the ComnetiX Help Desk with troubleshooting, module replacement, and installation of Updates, as required.
- Customer shall maintain at least one (1) ComnetiX trained System manager on the Customer's System support staff during the term of such Services period contained in the applicable Addendum, and such Customer System manager shall be responsible for periodically backing-up System software in accordance with ComnetiX' periodic requirements. Unless otherwise agreed in writing by ComnetiX, the Customer shall be responsible for the installation of each Update.
- Customer will receive a telephone response to service calls within one (1) hour from the time the Customer places a service call with ComnetiX' Help Desk.
- ComnetiX shall furnish all parts and components necessary for the maintenance of the System. ComnetiX' shipment of a replacement part to Customer will be initiated promptly after the ComnetiX' Help Desk determines the need for such item. Replacement part orders initiated prior to 3:00 p.m. Central shall be shipped the same business day, where orders initiated after 3:00 p.m. Central shall be shipped the next business day. All shipments are made via next day priority air.
- If a defective part is required by ComnetiX to be returned to ComnetiX, the packaging material used in shipment of the replacement part must be reused to return the defective part. [Note: defective parts are not repaired and returned to Customer. Customer will be invoiced for any defective parts that are not returned to ComnetiX within two (2) weeks after receipt of the replacement part. ComnetiX is not responsible for any markings (i.e., asset tags) that Customer may place on System components. It is Customer's responsibility to remove such markings.]
- Upon Customer's request for ComnetiX on-site service, ComnetiX shall use its best efforts to have an ComnetiX field service engineer at the Customer's facility within 48 hours from the time the engineer is dispatched by ComnetiX' Help Desk. Customer shall pay for such on-site service on a time and travel basis at ComnetiX' then current rates and travel policies, respectively. Prior to dispatch of an ComnetiX engineer, Customer shall either provide ComnetiX with a purchase

order ("P.O."), complete ComnetiX' P.O. Waiver form, or provide ComnetiX with a valid credit card number.

E. Preventive Maintenance Services. ComnetiX' *Preventive Maintenance Services* are as follows:

- Preventive maintenance service calls consist of System cleaning, verification of calibration, and verification of proper System configuration and operation in accordance with ComnetiX' specifications for such System. ComnetiX and Customer will seek to agree upon the scheduling of the preventive maintenance service call promptly after commencement of the term of this Agreement and the commencement of any renewal term.
- Preventive maintenance service calls are only available in connection with ComnetiX' 24/7 Maintenance Services and ComnetiX' 9/5 Maintenance Services offerings. Preventive maintenance service calls are priced on a per call basis in accordance with ComnetiX' then current published prices for such Services. Preventive Maintenance Services may not be available for certain System components.

III. EXCLUSIONS FROM SERVICES

A. Exclusions. The Services do not include any of the following:

- System relocation.
- Additional training beyond that amount or level of training originally ordered by Customer.
- Maintenance support or troubleshooting for Customer provided communication networks.
- Maintenance required to the System or its parts arising out of misuse, abuse, negligence, attachment of unauthorized components (including software), or accessories or parts, use of sub-standard supplies, or other causes beyond ComnetiX' control.
- Maintenance required due to the System being modified, damaged, altered, moved or serviced by personnel other than ComnetiX' authorized service representatives, or if parts, accessories, or components not authorized by ComnetiX are fitted to the System.
- Maintenance required due to failures caused by Customer or Customer's software or other software, hardware or products not licensed by ComnetiX to Customer.
- Providing or installing updates or upgrades to any third party (i.e., Microsoft, Oracle, etc.) software.
- Providing consumable parts and components (i.e., platens, toner cartridges, etc.); such items are replaced at the Customer's expense
- Maintenance required due to failures resulting from software viruses, worms, Trojans, and any other forms of destructive or interruptive means introduced into the System.

- Maintenance required due to failures caused by Customer facility issues such as inadequate power sources and protection or use of the System in environmental conditions outside of those conditions specified in ComnetiX' System documentation.

B. Availability of Additional Services. At Customer's request, ComnetiX may agree to perform the excluded services described immediately above in accordance with ComnetiX' then current rates. Other excluded services that may be agreed to be performed by ComnetiX shall require ComnetiX' receipt of a Customer P.O., Customer's completion of ComnetiX' P.O. Waiver form, or Customer providing ComnetiX with a valid credit card number before work by ComnetiX is commenced.

C. Non-Registered System Components. Any System components not registered in the Addendum for which Services are requested by Customer may be required to have a pre-maintenance inspection by ComnetiX before being added to the Addendum and this Agreement. This inspection will also be required if this Agreement has expired by more than thirty (30) days. ComnetiX' inspection will be billed at ComnetiX' current inspection rate plus travel expenses and parts (if any required).

D. Third Party Hardware and Software. Customer shall be solely responsible for obtaining from ComnetiX or an ComnetiX authorized or identified vendor, at Customer's sole expense: (i) all ComnetiX and third party software that may be required for use in connection with any Updates, major enhancements or new versions; and (ii) all hardware that may be required for the use of any Updates, major enhancements or new versions. ComnetiX will specify the hardware and third party software requirements for any Updates.

IV. SERVICE CALLS

Customer may contact ComnetiX' TouchCare Support Center by calling 1-888-HELP-IDX (888-435-7439). Service calls under this Agreement will be made at the installation address identified in the Addendum or as otherwise agreed to in writing.

V. TERM AND TERMINATION

This term of this Agreement shall commence upon ComnetiX' receipt of the annual maintenance fee reflected in the Addendum and shall continue for a period of one (1) year. This Agreement may be renewed for additional one (1) year terms upon the parties' mutual agreement and Customer's execution of an updated Addendum and ComnetiX' receipt of the applicable annual maintenance fee reflected in the updated Addendum. Either party may terminate this Agreement in the event of a material breach by the other party that remains uncured for a period of thirty (30) days from the date the non-breaching party provided the other with written notice of such breach.

VI. FEES FOR SERVICES

A. Fees. The initial fee for Services under this Agreement shall be the amount set forth in the Addendum. The annual maintenance fee during any renewal term will be ComnetiX' current rates in effect at the time of renewal. Customer agrees to pay the total of all charges for Services annually in advance within thirty (30) days of the date of ComnetiX' invoice for such charges. Customer understands that alterations, attachments, specification changes, or use of sub-standard supplies that cause excessive service calls, may require an increase in Service fees during the term of this Agreement at the election of ComnetiX, and Customer agrees to promptly pay such charges when due.

B. Failure to Pay Fees. If Customer does not pay ComnetiX' fees for Services or parts as provided hereunder when due: (i) ComnetiX may suspend performance of its obligation to provide Services until the account is brought current; and (ii) ComnetiX may, at its discretion, provide the Services at current "non contract/per call" rates on a COD basis. Customer agrees to pay ComnetiX' costs and expenses of collection including the maximum attorneys' fee permitted by law (said fee not to exceed 25% of the amount due hereunder).

VII. LIMITED WARRANTY / DISCLAIMER / LIMITATION OF LIABILITY

ComnetiX shall provide the Services hereunder in a professional and workmanlike manner by duly qualified personnel. EXCEPT FOR THIS LIMITED WARRANTY, COMNETIX HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE IN REGARD TO THE SERVICES, SOFTWARE, AND ANY OTHER GOODS PROVIDED HEREUNDER. IN NO EVENT SHALL COMNETIX' AGGREGATE LIABILITY TO CUSTOMER ARISING OUT OF, OR RELATED TO, THIS AGREEMENT, UNDER ANY CAUSE OF ACTION OR THEORY OF RECOVERY, EXCEED THE NET FEES FOR COMNETIX' SERVICES ACTUALLY PAID BY CUSTOMER TO COMNETIX UNDER THE APPLICABLE ADDENDUM TO THIS AGREEMENT DURING THE TWELVE (12) MONTHS PRIOR TO THE DATE THE CUSTOMER'S CAUSE OF ACTION AROSE. IN NO EVENT SHALL COMNETIX BE LIABLE TO CUSTOMER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUE; LOSS, INACCURACY, OR CORRUPTION OF DATA OR LOSS OR INTERRUPTION OF USE; OR FOR ANY MATTER BEYOND COMNETIX' REASONABLY CONTROL, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NO ACTION, REGARDLESS OF FORM, MAY BE BROUGHT BY CUSTOMER MORE THAN TWO (2) YEARS AFTER THE DATE THE CAUSE OF ACTION AROSE.

VIII. LIMITED LICENSE TO UPDATES

ComnetiX may deliver ComnetiX-developed Updates to Customer. The terms of ComnetiX' end user license for the ComnetiX' software delivered as part of the System shall govern Customer's use of the Updates.

IX. MISCELLANEOUS

In no event shall ComnetiX be responsible for delays in the performance of Services when the same are the result of any cause beyond ComnetiX' control, including but not limited to fires, floods, strikes or other labor disputes, acts of sabotage, riots, precedents or priorities granted at the request or for the benefit, directly or indirectly, of the federal or any state government or any subdivision or agency thereof, delay in transportation or lack of transportation, facilities, restrictions imposed by federal, state or other governmental legislation or rules or regulations thereof.

COMNETIX INC.
MAINTENANCE TERMS AND CONDITIONS
HELP-DESK
Software Products

I. GENERAL SCOPE OF COVERAGE

Subject to payment in full of the applicable support fees for the software ("**Software**") described in ComnetiX Inc.'s ("**ComnetiX**") current Help-Desk Maintenance Terms and Conditions Addendum ("**Addendum**") with customer ("**Customer**"), ComnetiX, or its authorized agents or subcontractors, shall provide the Software support services ("**Services**") set forth and in accordance with the terms herein (this "**Agreement**") and the Addendum. The terms of the Addendum are hereby Inc. into this Agreement by this reference.

II. HELP DESK SUPPORT SERVICES

The Services provided by ComnetiX are as follows:

A. Unlimited telephone and email support for reporting Software issues to the ComnetiX TouchCare Support Center (the "**Help Desk**") via telephone or email (see Section IV herein). ComnetiX' Help Desk is available on a 24/7 basis for the reporting of Software issues. ComnetiX' Help Desk is staffed with trained Software support specialists during ComnetiX' standard business hours of 6:00 AM to 6:00 PM CST, five days per week (Monday through Friday), excluding ComnetiX' recognized holidays. Customer will receive a telephone or e-mail response, as appropriate, within four (4) business hours from the time the Customer's request for support was logged by the ComnetiX Help Desk during ComnetiX' standard business hours. [By way of illustration only, a Customer call placed at 7:00 a.m. CST on an ComnetiX work day would be returned by no later than 11:00 a.m. CST that same day. By way of further illustration, a Customer call placed at 5:30 p.m. Central on a weekday would be returned no later than 9:30 a.m. Central the next ComnetiX work day.]

B. ComnetiX shall provide Customer with reasonable technical assistance concerning the following via telephone, e-mail or facsimile:

- (i) ComnetiX will determine if the problems the Customer is encountering are attributable to errors in the Software;
- (ii) ComnetiX will answer questions concerning installation of the Software in the form originally delivered and installed, if applicable, by ComnetiX; and
- (iii) ComnetiX will seek to resolve Customer's problems that occur during normal usage of the Software.

Notwithstanding the foregoing, if ComnetiX determines that Customer requires ongoing help with a particular problem which is not caused by errors in the Software, or is outside the scope of the original Statement of Work, ComnetiX may, in its sole discretion, refer Customer to ComnetiX' professional services support group for which ComnetiX requires an additional fee.

C. ComnetiX will use reasonable commercial efforts to remedy any programming error in the Software covered hereunder which is solely attributable to ComnetiX and prevents the Software from substantially conforming to ComnetiX' specifications for the Software. Such remedy may consist of correcting portions of the Software, or communication to Customer of a workaround which gives Customer the ability to achieve substantially the same functionality as would be obtained without the programming error, as determined by ComnetiX.

D. ComnetiX shall make available to Customer one (1) copy of any Software Updates in object code and one (1) set of user manual Updates (if applicable) for each copy of the Software licensed by Customer, as the Updates become available for general release and to the extent such Updates apply to Software covered by this Agreement. The term "Updates" means modifications, corrections, bug fixes, or additions to the Software or documentation (which is generally denoted by ComnetiX as a change to one or more numbers to the right of the decimal point) for which ComnetiX does not charge an additional fee to licensees who are similarly situated to Customer. The term "Updates" does not include any upgrades to the Software (which is generally denoted by ComnetiX as a change to one or more numbers to the left of the decimal point).

E. The Customer shall have the following responsibilities under this Agreement:

(1) Customer's request for support shall describe the problem with the Software in sufficient detail to enable ComnetiX to understand and duplicate or recreate the problem. Customer shall provide the following information to ComnetiX when submitting its request for support:

- (a) Customer installed address, account number, product and serial number (as may be shown on the front page of the Addendum), product registration number, license number or incident number, if applicable;
- (b) name and version number of Software;
- (c) exact wording of error messages;
- (d) recital of steps taken by Customer before the problem occurred;
- (e) a list of steps taken by Customer in attempting to resolve the problem; and
- (f) appropriate log files as may be requested by ComnetiX.

ComnetiX reserves the right to request such further information as ComnetiX reasonably deems necessary

(2) Customer agrees to incorporate the Updates as soon as practicable and acknowledges that failure to incorporate such Updates may make subsequent Updates unusable.

(3) Customer shall designate a named contact person per installation who will receive all corrections, Updates, correspondence, and other communications concerning the Software, and will notify ComnetiX in writing of any change in the contact person.

III. EXCLUSIONS FROM SERVICES

The Services consist of those services that are expressly described herein. In no event shall the Services include any of the following:

- ComnetiX' obligations of support are limited to the current and two (2) previous updated versions of the Software.
- ComnetiX' obligations of support shall only apply for one (1) year after ComnetiX' notification of its intent to obsolete or end-of-life the Software.
- ComnetiX' obligations are dependent upon Customer providing ComnetiX with sufficient information to enable ComnetiX to reproduce the reported errors with the Software
- ComnetiX shall have no obligation for the correction of errors that are due to a breach by Customer of the terms of Customer's Software license, or which cannot be remedied due to either the operational characteristics of the computer equipment on which the Software is used or to any modifications to the Software made by Customer.
- In the event ComnetiX agrees to correct any errors not covered by this Agreement, Customer shall pay ComnetiX for all such work at ComnetiX' then-current standard time and materials charges and terms and conditions.
- ComnetiX shall have no obligation of supporting Customer with errors that are reported with items other than the Software itself.
- Additional services beyond the level of Service originally ordered by Customer.
- Support or troubleshooting for Customer provided communication networks.
- Support required due to failures caused by Customer or Customer's software or other software, hardware or products not licensed by ComnetiX to Customer.
- Providing or installing updates or upgrades to any third party (i.e., Microsoft, Oracle, etc.) software.
- Support required due to failures resulting from software viruses, worms, Trojans, and any other forms of destructive or interruptive means.

IV. SERVICE CALLS

Customer may contact ComnetiX' TouchCare Support Center by calling 1-888-HELP-IDX (888-435-7439) in the U.S. and Canada, or outside the U.S. and Canada at 952-945-5512, e-mailing idxsupport@L1id.com or faxing ComnetiX' Help Desk at 952-945-5500. ComnetiX' Help Desk will place the Customer's call in the escalated support queue for response by the appropriate ComnetiX support personnel during ComnetiX' normal business hours.

VI. TERM AND TERMINATION

This term of this Agreement shall commence upon ComnetiX' receipt of the annual support fee reflected in the Addendum and shall continue for a period of one (1) year. This Agreement may be renewed for additional one (1) year terms upon the parties' mutual agreement and Customer's execution of an updated Addendum and ComnetiX' receipt of the applicable annual support fee reflected in the updated Addendum. Either party may terminate this Agreement in the event of a material breach by the other party

that remains uncured for a period of thirty (30) days from the date the non-breaching party provided the other with written notice of such breach.

VI. FEES FOR SERVICES

A. The initial fee for Services under this Agreement shall be the amount set forth in the Addendum. The annual support fee during any renewal term will be ComnetiX' current rates in effect at the time of renewal. Customer agrees to pay the total of all charges for Services annually in advance within thirty (30) days of the date of ComnetiX' invoice for such charges. Customer shall pay any municipal, state or federal taxes, however designated, levied or based on the charges payable under this Agreement that may be paid or be payable by ComnetiX, excluding taxes on ComnetiX' income.

B. If Customer does not pay ComnetiX' fees for Services provided hereunder when due: (i) ComnetiX may suspend performance of its obligation to provide Services until the account is brought current; and (ii) ComnetiX may, at its discretion, provide the Services at current "non contract/per call" rates on a COD basis. Customer agrees to pay ComnetiX' costs and expenses of collection including the maximum attorneys' fee permitted by law (said fee not to exceed 25% of the amount due hereunder).

VII. LIMITED WARRANTY / DISCLAIMER / LIMITATION OF LIABILITY

ComnetiX shall provide the Services hereunder in a professional and workmanlike manner by duly qualified personnel. EXCEPT FOR THIS LIMITED WARRANTY, COMNETIX HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE IN REGARD TO THE SERVICES, SOFTWARE, UPDATES AND ANY OTHER GOODS PROVIDED HEREUNDER. IN NO EVENT SHALL COMNETIX' AGGREGATE LIABILITY TO CUSTOMER ARISING OUT OF, OR RELATED TO, THIS AGREEMENT, UNDER ANY CAUSE OF ACTION OR THEORY OF RECOVERY, EXCEED THE NET FEES FOR COMNETIX' SERVICES ACTUALLY PAID BY CUSTOMER TO COMNETIX UNDER THE APPLICABLE ADDENDUM TO THIS AGREEMENT DURING THE TWELVE (12) MONTHS PRIOR TO THE DATE THE CUSTOMER'S CAUSE OF ACTION AROSE. IN NO EVENT SHALL COMNETIX BE LIABLE TO CUSTOMER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUE; LOSS, INACCURACY, OR CORRUPTION OF DATA OR LOSS OR INTERRUPTION OF USE; OR FOR ANY MATTER BEYOND COMNETIX' REASONABLE CONTROL, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NO ACTION, REGARDLESS OF FORM, MAY BE BROUGHT BY CUSTOMER MORE THAN TWO (2) YEARS AFTER THE DATE THE CAUSE OF ACTION AROSE.

VIII. LIMITED LICENSE TO UPDATES

The terms of the license agreement between ComnetiX and Customer for the Software shall govern Customer's use of any Updates.

IX. MISCELLANEOUS

In no event shall ComnetiX be responsible for delays in the performance of Services when the same are the result of any cause beyond ComnetiX' control, including but not limited to fires, floods, strikes or other labor disputes, acts of sabotage, riots, precedents



or priorities granted at the request or for the benefit, directly or indirectly, of the federal or any state government or any subdivision or agency thereof, delay in transportation or lack of transportation, facilities, restrictions imposed by federal, state or other governmental legislation or rules or regulations thereof.

END-USER LICENSE AGREEMENT FOR ABIS® SYSTEM SOFTWARE

IMPORTANT - READ CAREFULLY: This End-User License Agreement ("EULA") is a legal agreement between you (either an individual or a single entity) and ComnetiX Inc. ("ComnetiX") for the software identified above which includes any associated media (collectively the "SOFTWARE") and the printed, online or electronic documentation ("DOCUMENTATION"). By commencing use of the ABIS system (the "SYSTEM"), you agree to be bound by the terms of this EULA.

The SOFTWARE and DOCUMENTATION are protected by United States Copyright Laws and international Copyright treaties, as well as other intellectual property laws. The SOFTWARE is licensed, not sold.

1. GRANT OF LICENSE. In consideration of payment in full of the applicable purchase price for the SYSTEM or other fees due ComnetiX, as well as other consideration recited herein, ComnetiX hereby grants to you a nonexclusive limited license to use the SOFTWARE on the SYSTEM within which the SOFTWARE is installed and to use the DOCUMENTATION solely in connection with such use of the SYSTEM. ComnetiX reserves all rights to the SOFTWARE and DOCUMENTATION that have not been expressly granted to you in this EULA.

2. LICENSE LIMITATIONS. Your use of the SOFTWARE is strictly limited to using the SOFTWARE on no greater than the number of SYSTEM components and within the database size limitations for which ComnetiX has been paid all applicable license fees by you or ComnetiX' authorized licensed systems integrator or value added reseller. Except for making one (1) archival copy of the SOFTWARE and DOCUMENTATION for disaster recovery purposes only, you may not copy, distribute copies, modify or prepare derivative works based on the SOFTWARE or DOCUMENTATION. You may not reverse engineer, decompile, or disassemble the SOFTWARE except and only to the extent that such activity is expressly permitted by applicable law. You may not sublicense, rent or lease the SOFTWARE. You may permanently transfer all of your rights under this EULA by transferring the SYSTEM to a third party; provided, however, that you notify ComnetiX in writing at the time of the transfer and retain no copies of the SOFTWARE and DOCUMENTATION (including all component parts, the media and printed materials, any upgrades and this EULA), and the recipient agrees to the terms of this EULA. If the SOFTWARE is an upgrade, any transfer must include all prior versions of the SOFTWARE. Without prejudice to any other rights of ComnetiX, this EULA and the license granted herein shall automatically terminate if you fail to comply with the terms and conditions of this EULA. In such event, in addition to ComnetiX' other remedies, you shall destroy any and all copies of the SOFTWARE and DOCUMENTATION in your possession or control.

3. OWNERSHIP RIGHTS. All right, title and interest in and to the SOFTWARE and DOCUMENTATION, including all rights in Copyright, and any copies of the SOFTWARE



and DOCUMENTATION, are owned exclusively by ComnetiX or its suppliers. Any third party software provided by ComnetiX in connection with the SYSTEM or SOFTWARE is licensed to you under the terms of the third party's software license agreement and other documentation that accompanies the SOFTWARE and/or the SYSTEM.

4. U.S. GOVERNMENT RESTRICTED RIGHTS. The SOFTWARE PRODUCT and DOCUMENTATION provided therewith are provided with RESTRICTED RIGHTS. Use, duplication or disclosure by the United States Government is subject to the restrictions as set forth in Federal Acquisition Regulation 12.212 for civilian agencies and Defense Federal Acquisition Regulation 227.7202 for military agencies.

5. LIMITED WARRANTY. ComnetiX hereby warrants that the SOFTWARE will perform substantially in accordance with ComnetiX' written specifications for a period of one (1) year from the date of ComnetiX' delivery of the SOFTWARE to you or the authorized party in ComnetiX' distribution channel. Some states and jurisdictions do not allow limitations on duration of an implied warranty, so the above limitation may not apply to you. To the extent allowed by applicable law, all other implied warranties on the SOFTWARE, if any, are limited to ninety (90) days. This limited warranty does not apply to any hardware components of the SYSTEM.

6. DISCLAIMER OF WARRANTIES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, COMNETIX DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND THEIR EQUIVALENTS UNDER LAWS OF ANY JURISDICTION, WITH REGARD TO THE SOFTWARE AND DOCUMENTATION.

7. CUSTOMER REMEDIES. ComnetiX' and its suppliers' entire liability and your exclusive remedy shall be, at ComnetiX' option, either (a) return of the price paid to ComnetiX for the SOFTWARE, or (b) repair or replacement of the SOFTWARE that does not meet ComnetiX' limited warranty. This limited warranty is void if failure of the SOFTWARE has resulted from accident, abuse, modification or misapplication. Any replacement SOFTWARE will be warranted for the remainder of the original warranty period. Outside the United States, neither these remedies nor any product support services offered by COMNETIX are available without proof of purchase from ComnetiX.

8. LIMITATION OF LIABILITY. COMNETIX' MAXIMUM LIABILITY TO YOU OR TO ANY THIRD PARTY ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE PRICE ACTUALLY PAID TO COMNETIX FOR THE SOFTWARE AS A COMPONENT OF THE SYSTEM. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL COMNETIX BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS REVENUES OR PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, OR ANY OTHER PECUNIARY LOSS) ARISING OUT OF THE USE OF OR INABILITY TO USE THE SOFTWARE PRODUCT, EVEN IF COMNETIX HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BECAUSE SOME STATES AND JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

9. SOFTWARE SUPPORT SERVICES. Comnetix may offer post-warranty maintenance and/or support services for the SOFTWARE. The terms of any Comnetix' maintenance and/or support services for the SOFTWARE will be contained in a separate SOFTWARE maintenance and support agreement

END-USER LICENSE AGREEMENT FOR LIVE SCAN SYSTEM SOFTWARE

IMPORTANT - READ CAREFULLY: This End-User License Agreement ("EULA") is a legal agreement between you (either an individual or a single entity) and Comnetix Inc. ("COMNETIX") for the software identified above which includes any associated media (collectively the "SOFTWARE") and the printed, online or electronic documentation ("DOCUMENTATION"). By commencing use of the Live Scan system (the "SYSTEM"), you agree to be bound by the terms of this EULA.

The SOFTWARE and DOCUMENTATION are protected by United States Copyright Laws and International Copyright treaties, as well as other intellectual property laws. The SOFTWARE is licensed, not sold.

1. GRANT OF LICENSE. In consideration of payment in full of the applicable purchase price for the SYSTEM or other fees due COMNETIX or a party in COMNETIX' channel of distribution, as well as other consideration recited herein, COMNETIX hereby grants to you a revocable nonexclusive license to use the SOFTWARE on the SYSTEM within which the SOFTWARE is installed and to use the DOCUMENTATION solely in connection with such use of the SYSTEM. COMNETIX reserves all rights to the SOFTWARE and DOCUMENTATION that have not been expressly granted to you in this EULA.

2. LICENSE LIMITATIONS. Except for making one (1) archival copy of the DOCUMENTATION for disaster recovery purposes only, you may not copy, distribute copies, modify or prepare derivative works based on the SOFTWARE or DOCUMENTATION. You may not reverse engineer, decompile, or disassemble the SOFTWARE except and only to the extent that such activity is expressly permitted by applicable law. You may not sublicense, rent or lease the SOFTWARE. You may permanently transfer all of your rights under this EULA by transferring the SYSTEM to a third party, provided that you retain no copies of the SOFTWARE and DOCUMENTATION (including all component parts, the media and printed materials, any upgrades and this EULA), and the recipient agrees to the terms of this EULA. If the SOFTWARE is an upgrade, any transfer must include all prior versions of the SOFTWARE. Without prejudice to any other rights of COMNETIX, this EULA and the license granted herein shall automatically terminate if you fail to comply with the terms and conditions of this EULA. In such event, in addition to COMNETIX' other remedies, you shall destroy any and all copies of the SOFTWARE and DOCUMENTATION in your possession or control.

3. OWNERSHIP RIGHTS. All right, title and interest in and to the SOFTWARE and DOCUMENTATION, including all rights in Copyright, and any copies of the SOFTWARE and DOCUMENTATION, are owned exclusively by COMNETIX or its suppliers. Any third party software provided by COMNETIX in connection with the SYSTEM is licensed to you under the terms of the third party's software license agreement and other documentation that accompanies the SYSTEM.

4. LIMITED WARRANTY / DISCLAIMER OF WARRANTIES / LIMITATION OF LIABILITY. COMNETIX hereby warrants that the SOFTWARE will perform substantially in accordance with COMNETIX' written specifications for a period of one (1) year from



one (1) year from the date of COMNETIX' installation of the SYSTEM or one (1) year from the date of COMNETIX' shipment of the SYSTEM if a party other than COMNETIX installs the SYSTEM. COMNETIX' sole obligations and your exclusive remedy under this warranty are limited to, at COMNETIX' option, repairing (at COMNETIX' factory), replacing, providing credit for or refunding the net purchase price of any SYSTEM which shall be returned to the factory of origin prior to expiration of the warranty period, transportation charges prepaid, and which are determined by COMNETIX in its reasonable judgment to be non-compliant with the foregoing warranty. COMNETIX DOES NOT WARRANT THAT THE SOFTWARE EMBEDDED, INSTALLED IN OR USED IN CONNECTION WITH THE SYSTEM IS ERROR FREE OR THAT USE OF SUCH SOFTWARE WILL BE UNINTERRUPTED. FURTHERMORE, COMNETIX SPECIFICALLY DISCLAIMS ANY AND ALL OTHER EXPRESS AND IMPLIED WARRANTIES CONCERNING THE SOFTWARE EMBEDDED OR INSTALLED THEREIN OR USED IN CONNECTION THEREWITH, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND THEIR EQUIVALENTS UNDER THE LAWS OF ANY JURISDICTION. IN NO EVENT SHALL COMNETIX BE LIABLE TO YOU OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUE; LOSS, INACCURACY, OR CORRUPTION OF DATA OR LOSS OR INTERRUPTION OF USE) ARISING OUT OF, OR RELATED TO, THIS EULA, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. This limited warranty is in lieu of all other COMNETIX obligations and liabilities. This warranty shall not apply to any SOFTWARE which has been installed, repaired, modified or altered in any way, except by COMNETIX, or which shall have been subjected to misuse, negligence, or accident. The aforementioned provisions do not extend the original warranty period of any SYSTEM that has either been repaired or replaced by COMNETIX.

5. WARRANTY SERVICE CALLS. You may contact COMNETIX TouchCare Support Center by calling 1-888-HELP-IDX (888-435-7439).

6. U.S. GOVERNMENT RESTRICTED RIGHTS. The SOFTWARE PRODUCT and DOCUMENTATION provided therewith are provided with RESTRICTED RIGHTS Use, duplication or disclosure by the United States Government is subject to the restrictions as set forth in Federal Acquisition Regulation 12.212 for civilian agencies and Defense Federal Acquisition Regulation 227.7202 for military agencies.

6 Appendix

6.1 M. Legal Contract

M. Legal Contract.

The applicant affirms and declares:

a. The said applicant is of lawful age and the only one interested in this solicitation; and that no person, firm or corporation other than here-in-above named has any interest in this solicitation, or in the Contract proposed to be taken.
b. By submission of this application, each applicant and each person signing on behalf of any applicant organization certifies, and in the case of a joint application, each party thereto certifies as to its own organization under penalty of perjury, that to the best of knowledge and belief:

(i) The prices in this application have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other applicant or with any competitor or potential competitor;

(ii) Unless otherwise required by law, the prices which have been quoted in this application have not been knowingly disclosed by the applicant and will not knowingly be disclosed by the applicant directly or indirectly to any other applicant or to any competitor or potential competitor, and;

(iii) No attempt has been made or will be made by the applicant to induce any other person, partnership or corporation to submit or not to submit an application for the purpose of restricting competition.

(iv) That no councilman or other officer or employee or person whose salary is payable in whole or in part from the City Treasury is directly or indirectly interested in this application/solicitation, or in the supplies, materials, equipment, work or labor to which it relates, or in any of the profits.



Agency Chief Contracting Officer

October 22, 2009

Date

6.2 Addenda

APPENDIX D- ACKNOWLEDGMENT OF ADDENDA PIN 056100000684: Forensic Imaging Systems

Instructions: The respondent is to complete Part I or Part II of this form, whichever is applicable, and sign and date this form. This form serves as the respondent's acknowledgment of the receipt of the Addenda to this Solicitation Document which may have been issued by the NYPD prior to the Proposal Due Date and Time.

Part I: Check Box if Applicable: ☒

Listed below are the dates of issue for each Addendum received concerning this Solicitation Document:

Addendum # 1, dated: 10 /21/2009 Addendum # 2, dated: / /

Addendum # 3, dated: / / Addendum # 4, dated: / /

Addendum # 5, dated: / / Addendum # 6, dated: / /

Addendum # 7, dated: / / Addendum # 8, dated: / /

Addendum # 9, dated: / / Addendum # 10, dated: / /

Addendum # 11, dated: / / Addendum # 12, dated: / /

Part II: Check Box if Applicable: ☐

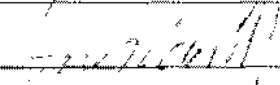
No addendum was received in connection with this Solicitation Document.

Respondent's Company Name: Comnetix, Inc., an L-1 Identity Solutions Company

Respondent's Authorized Representative:

Name: Jerry Cahill

Title: VP of Finance and Administration

Signature: 

Date: October 22, 2009



OFFICE OF ASSISTANT COMMISSIONER
CONTRACT ADMINISTRATION UNIT
51 CHAMBERS STREET – ROOM 310
NEW YORK, N.Y. 10038
TEL. NO. 646-610-5753
FAX NO. 646-610-5129

Date: October 21, 2009

TO: All Prospective Proposers

FROM: Frank Bello, Assistant Commissioner, NYPD-Contract Administration

RE: PIN 056100000884- Addendum 1

Please sign below and return this addendum with your proposal

The NYPD received several questions regarding this project. This addendum answers all the questions received by the deadline date (October 17, 2009). The answers to these questions shall be deemed an integral part of the requirements of this RFP. Please read each answer carefully. In your proposal please make sure you address the issues and requirements raised in this addendum.

With the exception of changes made in this addendum, all other terms and conditions of the RFP shall remain in effect.

NOTE: TO REITERATE WHAT IS STATED THROUGHOUT THE RFP--DO NOT INCLUDE PRICE INFORMATION WITHIN YOUR TECHNICAL PROPOSAL.

A. VENDOR QUESTIONS

1. Based on **Other Requirement 1a (Appendix B, page 3)**, would the NYPD be amenable to lowering the operational capacity of a previously deployed face recognition system from 20MLN? If so, what would the minimum allowed number be? Finally, if the operational capacity is lowered and a vendor submits a number less than 20MLN, would this negatively impact the application's evaluation?

Answer: The NYPD would consider an example with less than 20MLN images, however, only previously deployed face recognition systems with an operational capacity of 10 million + images will be seriously considered. The higher the capacity, the more favorable it will be judged.

2. Will NYPD be supplying the hardware for the system, servers, workstations?

Answer: Yes, the NYPD will supply workstations, servers and peripherals (e.g. printers and scanners). In addition to the image capturing hardware specified in the Application

PIN 056100000884 –Addendum 1–Page 1 of 4

for Negotiation, the NYPD will require the vendor to supply a data wall for its Forensic Imaging Unit. The purchase, customization and implementation of this wall may be performed by a sub-contractor.

3. Will NYPD require hosting services? If so should this be listed as optional in the pricing proposal or should there be 2 pricing proposals, one with hosting and one without?

Answer: The Forensic Imaging Unit will most likely be located at 1 Police Plaza at the point of FIS implementation. If the 1 Police Plaza space is not ready by that time, the NYPD will rely on the chosen vendor to host the Forensic Imaging Unit at a location within reasonable distance to 1 Police Plaza. The hosted space shall look and function just as the permanent space would, with accommodation for the proper number of workstations, peripherals and a data wall. NYPD reserves the right to lease the hosted space as needed or not at all. As such, please submit two pricing proposals, one with hosting and one without. Please see the revised price sheet that reflects these options.

4. Will NYPD supplying Microsoft SQL ?

Answer: Yes, the NYPD will supply MS SQL Server, Windows and any other workstation/server software that is not the core competency of the chosen vendor.

5. Will the Seal/ Delete feed be coming from OCA or the mug shot database?

Answer: Seal/Delete feeds will come directly from OCA.

6. Where will the disaster recovery site be located?

Answer: The primary Forensic Imaging System (FIS) servers will be located in the NYPD Data Center at 1 Police Plaza; the Disaster Recovery servers will be located at the [REDACTED]

7. What's the project schedule?

Answer: The NYPD expects all deliverables (i.e. "FIS Solution") as quickly as possible, with an expected implementation date as early as 3 months from Award Date, but no later than 6 months from Award Date. By "FIS Solution", the NYPD means a production-ready solution that can be utilized for its stated purposes.

8. Can the vendor supply suggested payment schedules based on contract start and milestone dates?

Answer: Yes, a suggested payment schedule will serve as the basis for discussion and negotiation between NYPD and the vendor until a mutually agreed upon schedule can be established.

9. What is the location of the server?

Answer: The primary Forensic Imaging System (FIS) servers will be located in the NYPD Data Center at 1 Police Plaza; the Disaster Recovery servers will be located at the [REDACTED]

10. How often will there be updates to the photo management system?

Answer: Updates/upgrades to the software will be performed periodically. Incoming photos and related information from arrests will be updated on a 24x7 basis.

11. How many new photos are anticipated per month?

Answer: Approximately 25,000-35,000 photos are added each month.

12. How many active photos does the NYPD currently have?

Answer: All historical NYPD mug shots will need to be enrolled in the FIS along with ongoing mug shots. The NYPD currently has 1.7-1.8 million active photos and approximately 3.5 million in total.

13. What types of information will be displayed on the data wall?

Answer: The FIS data wall shall be capable of simultaneously displaying input from various sources e.g. video, still images and input from the FIS and image enhancement software.

14. What NYPD systems must the FIS integrate with in order to receive Facial Recognition requests.

Answer: The FIS is required to integrate with three (3) NYPD case management systems. The majority of requests will be forwarded through the Detectives' Bureau Electronic Case Management System (E-CMS). The remaining requests will be forwarded manually, or through the other two (2) NYPD case management systems: NITRO (Narcotics Systems) and IDS (Intell System). Integration with the [REDACTED] is the first priority for getting the FIS operational.

15. Is providing a data wall part of this procurement? Should it be included as an option?

Answer: Proposals can include a reference to sub-contracting out the data wall if this is not (and probably isn't) part of the vendor's core competency. It is not an optional

component for our "vision" of the Forensic Imaging Unit so there needs to be some mention as to how this will be supplied.

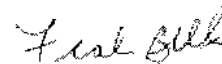
16. As a lower-cost alternative to the data wall, will NYPD consider the vendor supplying a display solution that uses two to four 55"-65" large-screen flat-panel monitors with the required wiring that would allow examiners to share their desktop screens for collaborative work?

Answer: Yes, the NYPD will consider alternative solutions to the data wall, as long as multiple sources (images, video and system displays) can be displayed simultaneously on the screen (s).

B. FURTHER QUESTIONS

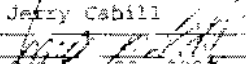
Due to the tight timeline, the NYPD will not accept any further questions regarding this RFP. Any additional issues or concerns should be included in the proposal.

Sincerely,

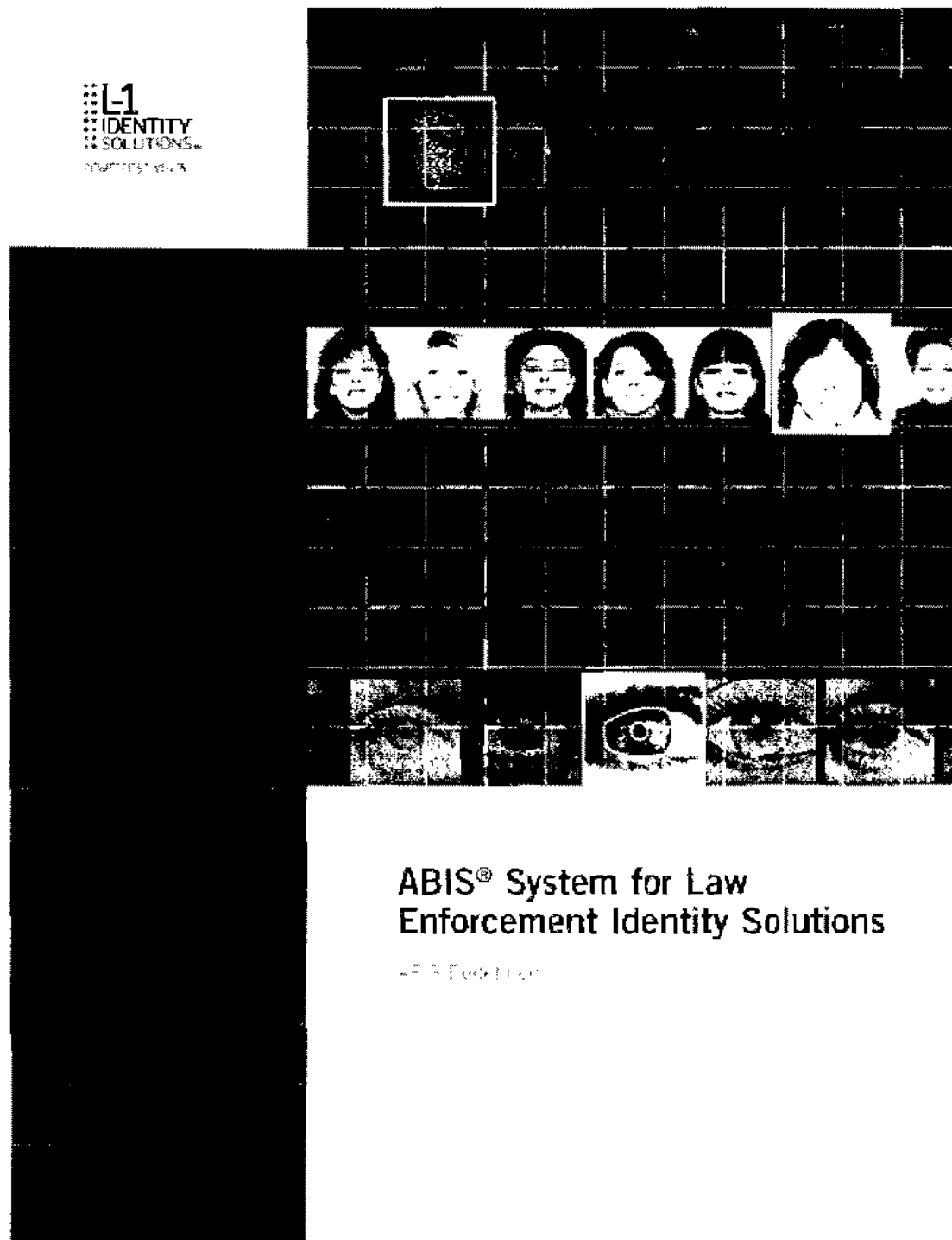


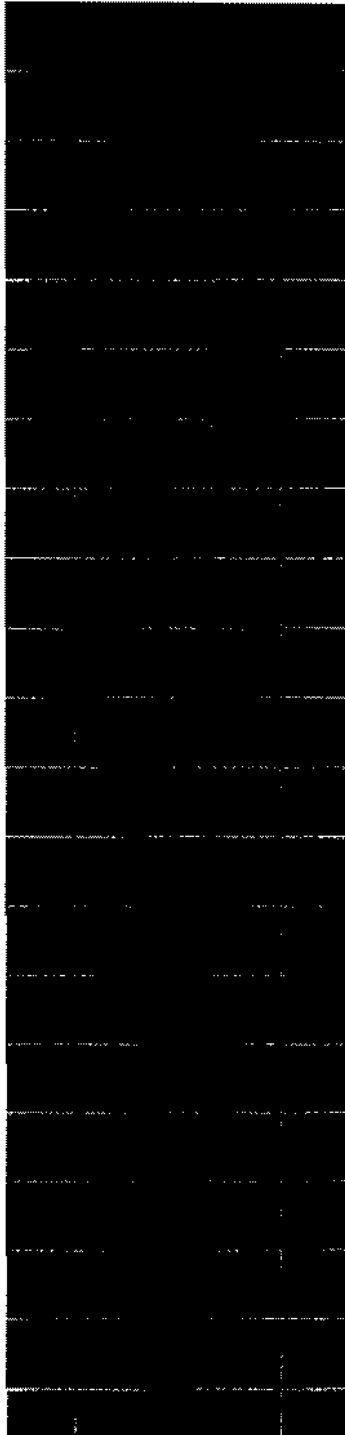
Frank Bello
Assistant Commissioner
Contract Administration Unit

PIN 056100000684--ADDENDUM 1--Acknowledged and Approved by:

Company Name	Connectix, Inc., an L-1 Identity Solutions Company
Authorized Representative (Print Name):	Jerry Cabili
Authorized Representative (Signature)	
Date Signed	October 22, 2009

6.3 Brochures





AFIS Redefined.

TOP-RATED MULTI-
BIOMETRIC ALGORITHMS

UNENCUMBERED
UPGRADES

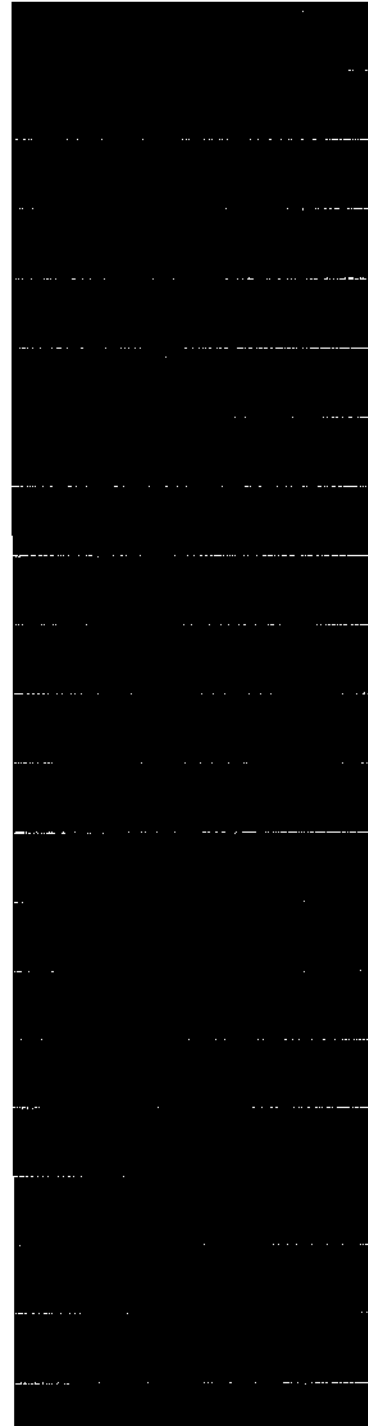
EASILY MODIFIABLE
WORKFLOWS

Proven Biometric Performance

High Quality Biometric Data Capture Devices

Scalable Search Engine Platform

Examination and Verification Tools to Solve More Crimes





L1
IDENTITY
SOLUTIONS
CORPORATION

Support Options

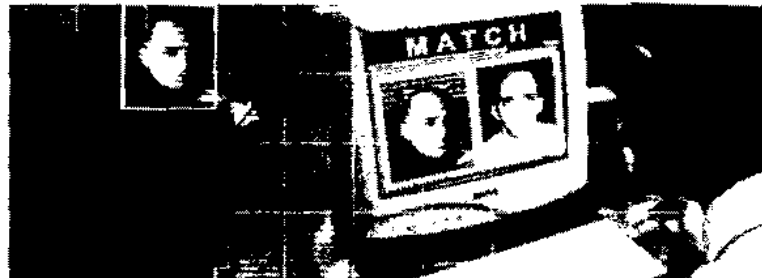
-
-
-

Professional Services

-
-
-
-

5785 W. Old Stoughton Rd.
Suite 100
Hillsborough, MA 01032
Telephone: 617-442-0000
Fax: 617-442-0001

www.l1id.com



FaceExaminer Workstation

FACE EXAMINER WORKSTATION

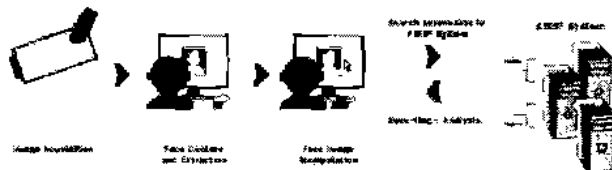
HIGHER HIT RATES TO
SOLVE MORE CRIMES

• **Advanced Search Tools**
• **Advanced Search Tools**
• **Advanced Search Tools**

EASY-TO-USE TOOLS TO
INCREASE SEARCH
EFFICIENCY

• **Advanced Search Tools**
• **Advanced Search Tools**
• **Advanced Search Tools**

FaceExaminer Workstation Process



How It Works

FaceExaminer Workstation Specifications

Recommended Hardware

Software

13200 R. 1000 Block Ave. Rd.
Suite 100
Hickoryville, OH 44130
Telephone: (440) 942-1100
Fax: (440) 942-1101

www.L1id.com

6.4 L-1 Financial Information

The 2007 and 2008 L-1 Identity Solutions Annual Reports can be found on the following pages.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20540

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the Fiscal Year Ended December 31, 2007

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the Transition Period from _____ to _____

Commission File Number 001-33002

L-1 IDENTITY SOLUTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

02-0807887

(I.R.S. Employer
Identification No.)

177 Broad Street,
12th Floor, Stamford, CT
(Address of principal executive offices)

06901
(Zip Code)

Registrant's telephone number, including area code: (203)-504-1100

Securities registered pursuant to Section 12(b) of the Act: Common Stock \$001 par value NYSE

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by a check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the
Securities Act. ☒ Yes ☐ No

Indicate by a check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d)
of the Exchange Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 12 or
15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such filing requirements for the past
90 days. ☒ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained
herein and will not be contained to the best of the registrant's knowledge, in definitive proxy or information
statements incorporated by reference into Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by a check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated
filer, or a smaller reporting company. See definitions of "accelerated filer", "large accelerated filer" and "smaller
reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☐

Indicate by a check mark whether the Registrant is a shell company (as defined in Rule 12b-2). ☐ Yes ☒ No

The aggregate market value of the voting stock held by nonaffiliates of the registrant as of June 30, 2007, was
approximately \$1,098.0 million.

As of February 27, 2008, the registrant had 15,382,127 shares of Common Stock outstanding. NYSD-Reg

NYSD-Production Page No. 000422



POLICE DEPARTMENT

Contract Administration Unit
51 Chambers Street, 3rd Floor
New York, New York 10007
Tel. No. 646-610-5753
Fax No. 646-610-5224

June 26, 2014

Brad Bylenga
DataWorks Plus LLC
728 N. Pleasantburg Drive
Greenville, SC 29607

RE: Notice of Award and to Commence Work

Contract: CT 056
PIN: 056090000361

670₁₄

Dear Mr. Bylenga:

This is to inform you that your company is awarded the renewal for contract PIN 056090000670 - for the provision of **Maintenance of NYPD Photo Imaging Management System**, more fully described in the original agreement. The Office of the Comptroller has registered the contract on 06/25/14 in the amount of \$807,408.00 and has assigned the **Contract Number CT 056 20150000046**.

This contract was registered with a start date of **July 1, 2014 through June 30, 2016**, which is in accordance with the contract term of the agreement. In the event that the work is not completed by the complete work date, you must request an extension of contract time to the NYPD Agency Chief Contracting Officer (ACCO). Contract work disputes and/or complaints should also be reported to the ACCO.

The Contract Manager is **Computer Systems Manager, Terri Kearney** at NYPD. The Project Manager can be reached at (646) 610-7651, cell number 646-739-4045 and the e-mail address is terri.kearney@nypd.org.

Submit your itemized and detailed payment requests referencing the above Contract Number, in accordance with the Agreement, to:

NYPD-Director, Audits and Accounts
1 Police Plaza, 10th Floor
New York, New York 10007.

Should you require additional information, or have any questions, please call me at the number above.

Sincerely,

Frank Bello
Agency Chief Contracting Officer

- c. V. Grippo, DCMB
N. Wong, Dir., Audits & Accounts
Contract File

RENEWAL AGREEMENT

DataWorks Plus LLC

PIN # - 056090000670

This Agreement, dated as of May 20, 2014, by and between The City of New York ("the City"), acting by and through the **Police Department of the City of New York** ("the Department") having its principal office at One Police Plaza, New York, New York 10038 and **DataWorks Plus LLC**, in the City of NY, having offices at 728 N. Pleasantburg Drive, Greenville, SC 29607 (hereinafter referred to as the "Contractor").

Whereas, by an Agreement ("the Original Agreement"), Number CT 056 20100014513 entered into between the above parties as of November 18, 2009, the City agreed to purchase and the Contractor agreed to furnish the City with **Maintenance of NYPD Photo Imaging Management System (PIMS)** more fully described in the Original Agreement; and

Whereas, the term of the Original Agreement was from May 16, 2009 to June 30, 2014, with an option to renew from July 1, 2014 to June 30, 2016.

Whereas, the City estimated that the total contract amount of \$2,028,000.00 payable for said services described in said Original Agreement would be sufficient to cover its anticipated requirements; and

Whereas, The Contractor agrees to exercise the renewal option by the City as provided for in the Original Agreement; and

NOW, THEREFORE, in consideration of the promises hereinafter contained, the parties hereto agree that in accordance with the Original Contract Number CT 056 20100014513, the Contractor agrees to provide **Maintenance of NYPD Photo Imaging Management System (PIMS)** for the period of July 1, 2014 to June 30, 2016, for an amount not to exceed \$807,408.00.

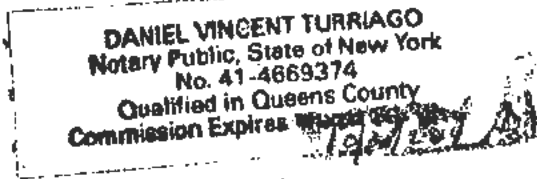
It is anticipated that Contractor will continue to provide **Maintenance of NYPD Photo Imaging Management System (PIMS)** at the conclusion of renewal the Contractor will be due \$807,408.

All other terms and conditions of the Original Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this agreement on this day of May 20, 2014.

Sworn to me this 20th day of May, 2014.

[Signature]
NOTARY PUBLIC



Sworn to me this 14th day of May, 2014.

[Signature]
NOTARY PUBLIC
My Commission Expires 10-3-23

CITY OF NEW YORK
POLICE DEPARTMENT

By: [Signature]
Vincent Grippo
Deputy Commissioner
Management & Budget

DataWorks Plus LLC

By: [Signature]
(Signature)

BRAD BYLONSA - PRES
(Print Name and Title)

Corporate Seal:

June 16, 2014

Terri Kearney
New York City Police Department
1 Police Plaza
New York, NY 10038

Ms. Kearney,

The following is a Yearly Maintenance Agreement for the onsite maintenance of the Mugshot and other various systems using your current DataWorks Plus Photo Imaging Management System (PIMS) CONTRACT #: CTC 056 20100014513.

Sole Source Justification –

DataWorks Plus is the only vendor capable of maintaining these proprietary systems for the following reasons:

- DataWorks Plus developed, updates, and supports the proprietary software source code that is used in all the core systems.

-

-

Scope of Work –

DataWorks Plus Responsibilities:

General

- 24 x 7 Maintenance and Hotline Service

-

- Support over 10,000 users including NYPD, NYC Law Department and DA's Office
- Maintain over 250 capture stations
- Maintain 336 camera systems
- Maintain 130 NIST compliant lighting systems
- Coordinate with NYPD and Hardware suppliers to repair/replace/reconfigure NYPD provided Hardware utilized with the DataWorks Plus systems
- Help NYPD identify, isolate, and repair NYPD Network issues

Detail by Module

- 1) Administration Module
 - Maintain PIMS Mugshot Application Server Licenses
 - Maintain PIMS Mugshot Web Server Licenses
 - Maintain LDAP based security system
- 2) Interface Module
 - Maintain all interfaces (i.e. [REDACTED])
- 3) Central Booking – Adult Database system
 - Maintain Central Booking Mugshot systems
 - Maintain camera systems
 - Maintain NIST compliant lighting systems
- 4) Comprehensive Investigative Web Retrieval Module
 - Maintain Photo Array Application
 - Maintain Mugview Investigative Application
 - Maintain Witness View Application
 - Maintain Mugshot Retrieval Application
 - Maintain DAT Record Retrieval Application
 - Maintain Image Retrieval for GOMU, SOMU, DV, Gang, DCC
 - Interface to Facial Recognition Case Management system
- 5) Domestic Violence System
 - Maintain Domestic Violence System
 - Monitor daily DV Capture Stations for connectivity to Server
 - Maintain cameras
- 6) Miscellaneous/Gang System
 - Maintain Gang/Misc. Database
 - Maintain RMP Accident Database
- 7) Pistol Permits
 - Maintain Pistol Permit System
 - Maintain PVC Card Printers
 - Maintain Scanners, Fingerprint readers and Cameras

8) DCC

- Maintain DCC Mugshot (Adult and Juvenile) database
- Monitor daily DCC Capture Stations for connectivity to Server
- Maintain camera systems
- Maintain NIST compliant lighting systems

9) Sex Offender System

- Maintain Sex Offender System
- Maintain camera system
- Maintain NIST compliant lighting system

10) Gun Offender System

- Maintain Gun Offender System
- Maintain camera system
- Maintain NIST compliant lighting system

11) Auto Pound System

- Maintain Archived Auto Pound System

12) Employee System

- Maintain Investigative Employee System
- Maintain Blackberry Application

NYPD Responsibilities:

- Maintain all NYPD provided Networking, Hardware (Servers, Workstations, Cameras, and Printers), and Software (Operating Systems)

PRICING:

Item or Service Description	Qty	Unit Price	Total Price
Technician Salary	2	\$ 100,637.00	\$ 201,274.00
Module Maintenance	12	\$ 12,500.00	\$ 150,000.00
24 Hour Support	365	\$ 130.00	\$ 47,450.00
Total (Maintenance Term 7/14 – 6/15)			\$ 398,724.00

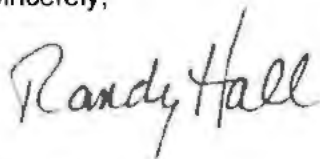
Maintenance Term 7/15 – 6/16 \$408,692 per year (2.5% Cost of Living Increase)

TERMS:

- Price does not include local, county, state or federal taxes, if applicable.
- Net 30
- Please fax purchase order to 864-672-██████████ or email ██████████@dataworksplus.com

If you have any questions regarding this statement of work, please call 610.322 [REDACTED] or email to [REDACTED]@dataworksplus.com.

Sincerely,

A handwritten signature in cursive script that reads "Randy Hall".

Randy Hall
Senior Account Executive

August 19, 2015

Terri Kearney
New York City Police Department
1 Police Plaza
New York, NY 10038

Ms. Kearney,

The following is a Yearly Maintenance Agreement for the onsite maintenance of the Mugshot and other various systems using your current DataWorks Plus Photo Imaging Management System (PIMS) CONTRACT #: CTC 056 20100014513.

Sole Source Justification –

DataWorks Plus is the only vendor capable of maintaining these proprietary systems for the following reasons:

- DataWorks Plus developed, updates, and supports the proprietary software source code that is used in all the core systems. DataWorks Plus is the only vendor with access to the proprietary source code and knowledge to make the necessary changes to repair software failures and make changes necessary to support upgrades to our systems.
- DataWorks Plus developed, updates, and support the proprietary software source code for the interfaces between our systems and a number of non-DataWorks Plus systems used by NYPD. DataWorks Plus is the only vendor with access to the source code and knowledge to make the necessary changes to repair software failures and make changes necessary to support upgrades to other systems.
- DataWorks Plus customized the Databases, Screens, Reports, User Management, Security Management, Peripheral Integration, and overall configuration of these systems. DataWorks Plus is the only vendor qualified to make changes to the proprietary system, move the system to new Server and Workstation platforms, repair database corruption, and all other system changes and repairs.

Scope of Work –**DataWorks Plus Responsibilities:****General**

- 24 X 7 Maintenance and Hotline Service
- Rob Vitale and Kevin Coyle are dedicated NYPD Local Service Technicians
- Support over 10,000 users including NYPD, NYC Law Department and DA's Office
- Maintain over 250 capture stations
- Maintain 336 camera systems
- Maintain 130 NIST compliant lighting systems
- Coordinate with NYPD and Hardware suppliers to repair/replace/reconfigure NYPD provided Hardware utilized with the DataWorks Plus systems
- Help NYPD identify, isolate, and repair NYPD Network issues

Detail by Module

- 1) Administration Module
 - o Maintain PIMS Mugshot Application Server Licenses
 - o Maintain PIMS Mugshot Web Server Licenses
 - o Maintain LDAP based security system
- 2) Interface Module
 - o Maintain all interfaces (i.e. [REDACTED])
- 3) Central Booking – Adult Database system
 - o Maintain Central Booking Mugshot systems
 - o Maintain camera systems
 - o Maintain NIST compliant lighting systems
- 4) Comprehensive Investigative Web Retrieval Module
 - o Maintain Photo Array Application
 - o Maintain Mugview Investigative Application
 - o Maintain Witness View Application
 - o Maintain Mugshot Retrieval Application
 - o Maintain DAT Record Retrieval Application
 - o Maintain Image Retrieval for GOMU, SOMU, DV, Gang, DCC
 - o Interface to Facial Recognition Case Management system
- 5) Domestic Violence System
 - o Maintain Domestic Violence System
 - o Monitor daily DV Capture Stations for connectivity to Server
 - o Maintain cameras
- 6) Miscellaneous/Gang System
 - o Maintain Gang/Misc. Database
 - o Maintain RMP Accident Database

7) ~~Pistol Permits~~

- o Maintain Pistol Permit System
- o Maintain 15 PVC Card Printers
- o Maintain 10 Scanners
- o Maintain 5 Signature Pad, Fingerprint readers and Cameras
- o

8) DCC

- o Maintain DCC Mugshot (Adult and Juvenile) database
- o Monitor daily DCC Capture Stations for connectivity to Server
- o Maintain camera systems
- o Maintain NIST compliant lighting systems

9) Sex Offender System

- o Maintain Sex Offender System
- o Maintain camera system
- o Maintain NIST compliant lighting system

10) Gun Offender System

- o Maintain Gun Offender System
- o Maintain camera system
- o Maintain NIST compliant lighting system

11) Auto Pound System

- o Maintain Archived Auto Pound System

12) Employee System

- o Maintain Investigative Employee System
- o Maintain Blackberry Application

NYPD Responsibilities:

- Maintain all NYPD provided Networking, Hardware (Servers, Workstations, Cameras, and Printers), and Software (Operating Systems)

PRICING:

Item or Service Description	Qty	Unit Price	Total Price
Technician Salary	2	\$ 105,731.75	\$ 211,463.50
Module Maintenance	12	\$ 13,132.81	\$ 157,593.75
24 Hour Support	365	\$ 136.58	\$ 49,852.16
Total 7/01/16-6/30/17			\$ 418,909.40
Total 7/01/17-6/30/18*			\$ 429,382.14
Total 7/01/18-6/30/19*			\$ 440,116.69

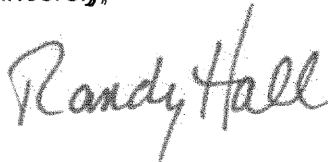
* Includes 2.5% Cost of Living Increase

TERMS:

- Price does not include local, county, state or federal taxes, if applicable.
- Net 30
- Please fax purchase order to 864-672-2787 or email rhall@dataworksplus.com

If you have any questions regarding this statement of work, please call 610.322.9559 or email to rhall@dataworksplus.com.

Sincerely,



Randy Hall
Senior Account Executive



September 8, 2016

Christian G.W. Schnedler
Director of Technology Programs
New York City Police Department – Information Technology Bureau
One Police Plaza - Room 900D
New York, NY 10038

Ref: 00-000914-F, sent by e-mail
Christian.schnedler@nypd.org

Dear Mr. Schnedler:

This proposal, 00-000914-F, supersedes proposal 00-000914-E, which was dated August 29, 2016. This revised proposal includes changes that were requested in your email dated September 2nd.

MorphoTrak is pleased to present the New York Police Department (NYPD) with the following quotation to provide a biometric identity system upgrade that will be implemented in multiple phases.

MorphoTrak has provided a proposed solution, firm-fixed pricing, terms and conditions, and maintenance plans with this proposal. Also, MorphoTrak is in the process of adding the priced line items on to the New York State Office of General Services (OGS) schedule. The final OGS price provided in this quote will be the same as or greater than the price NYPD would pay for each item.

MorphoTrak appreciates the opportunity to present this proposal, which will remain valid through January 30, 2017, after which availability and / or prices are subject to change. Should you require additional assistance, please contact Paul Tselepis, Director of Strategic Accounts, at (703) 509-4694 or paul.tselepis@morpho.com. Alternatively, you may contact Andree Gilmore, Senior Director, at (714) 632-2131 or andree.gilmore@morpho.com. We look forward to speaking with you further.

Sincerely,

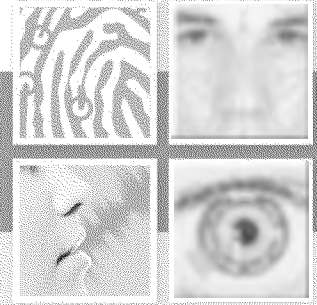
A handwritten signature in black ink, appearing to read 'Celeste'.

Celeste Thomasson
President and CEO
MorphoTrak, LLC

MorphoTrak, LLC
HEADQUARTERS
5515 East La Palma Avenue, Suite 100
Anaheim, CA 92807

Tel: (714) 238-2000
Fax: (714) 238-2049
www.morpho.com/usa

MORPHOTRAK: LEADING THE WAY WITH 40+ YEARS OF INNOVATION



New York Police Department

Biometric Identity System Upgrade

00A000914-F
September 8, 2016

MorphoTrak, LLC
5515 E. La Palma Ave., Suite 100
Anaheim, CA 92807
(714) 238-2000





Contents

1 INTRODUCTION.....	1
2 MORPHOBIS UPGRADE - SOLUTION OVERVIEW.....	2
2.1 FIS WORK STREAM.....	2
2.1.1 WP F1 – FACIAL IDENTIFICATION / INVESTIGATION SYSTEM.....	2
2.2 IRIS WORK STREAM.....	3
2.2.1 WP I1 – IRIS IDENTIFICATION SYSTEM.....	3
2.3 PRINTS WORK STREAM.....	4
2.3.1 WP P1 – FINGERPRINT, PALM PRINT, AND LATENT PRINT IDENTIFICATION SYSTEM.....	4
2.3.2 WP P2 - OPTIMIZE NUMBER OF LIVESCAN BOOKINGS PER INDIVIDUAL.....	6
3 SYSTEM UPGRADE PRICING.....	7
4 ADDITIONAL TERMS.....	13
5 ADVANTAGE SOLUTION SUPPORT.....	14
6 BIOMETRIC PRODUCTS AND SYSTEMS SALES AGREEMENT.....	15

List of Tables

Table 1: System and 3 Yr / 24x7 Maintenance Upgrade Pricing.....	77
Table 2: Cost Breakout - Labor and SW, HW, 3rd Party Licenses.....	88
Table 3: Advantage Solution Support.....	114



CONFIDENTIAL and PROPRIETARY

This information is confidential and proprietary and shall not be voluntarily or involuntarily disclosed or otherwise shared. This information is the intellectual property of MorphoTrak, LLC.

Disclosure Is Strictly Prohibited. Transmitting, reviewing, disclosing, copying, distributing, or taking any action in reliance on the content of the information contained herein in any form whatsoever (which shall include, but shall not be limited to disclosure through oral communication, computer network, telephone, informational or photographic slides, photographs, videotape, or electronic transmission with publicly accessible records or databases) to any person or entity not directly concerned or connected with the information, use, or purpose as stated and contained herein is strictly prohibited.

Reproduction Is Strictly Prohibited. Neither this document nor any of its parts shall be reproduced by any means, including but not limited to, photocopy or photographs, without the prior and formal written permission of MorphoTrak, LLC.

Any infringement of MorphoTrak's rights will result in legal action against the infringing person or persons to the fullest extent of the law.

© 2016 MorphoTrak, LLC



1 Introduction

The **MorphoBIS** upgrade solution proposed to the **New York Police Department (NYPD)** provides a single biometric identity system that includes facial, iris, fingerprint, palm print, and latent print. The proposed system can easily be expanded by adding additional work packages to include future biometrics, such as scars, marks, and tattoos (SMT), and DNA. **MorphoTrak** recommends an incremental approach to create a system that will include all the biometric modalities.

We propose that the **NYPD** start with facial, then complete the system by incorporating fingerprints, palm prints, and latent prints. Iris can be added to either the facial or prints work package. There are various enhancements that can be added to the system during the upgrade, independent of the particular work package.



2 MorphoTrak Upgrade – Solution Overview

This section describes the following work streams:

- ♦ Facial Identification / Investigation System (FIS)
- ♦ Iris
- ♦ Prints (Tenprint, Palm Print, Latent Print)

2.1 FIS Work Stream

The following section defines the work package (WP) related to the facial modality.

2.1.1 WP F1 – Facial Identification / Investigation System

This work package starts the consolidation of the three stand-alone systems (finger, facial, and iris) into one integrated system. This phase will provide the NYPD with an upgraded and enhanced facial recognition and identification system provided by MorphoTrak, a Safran Identity & Security company. The upgraded facial system will be based upon the existing Morpho facial system previously supported by MorphoTrust, a separate Safran Identity & Security company. The system will be used primarily by the Real Time Crime Center (RTCC). This system will:

- ♦ Provide NYPD with Safran Identity & Security's latest matching algorithms.
- ♦ Provide the ability to run facial images through facial recognition software and provide identification leads.
- ♦ Include a facial imaging system with the ability to import, enhance (for example, aspect ratio and 3D imaging), and process facial images.
- ♦ Import facial images from the existing MorphoTrust system.
- ♦ Process and add facial images from the DataWorks Plus facial databases.
- ♦ Provide the ability to search against the known facial database and the unknown evidence database.
- ♦ Implement an interface to the High Intensity Drug Trafficking Areas (HIDTA) and FBI Next Generation Identification (NGI) systems.
- ♦ Provide the ability to ingest and automate processing of facial data from various media sources and data files.
- ♦ Provide the ability to automate the extraction of the best facial images from media sources and other data files.
- ♦ Incorporate the use of a universal identification (UID) number that links a person's data across all systems.
- ♦ Provide the ability to add unknown people to a gray list that is recursively searched.

The system will be configured for:

- ♦ Ten million facial images.



- ♦ Ten Morpho Face Expert (MFE) clients.
- ♦ Twenty concurrent Morpho Face Detective (MFD) users.

This WP has no dependencies and creates the baseline system.

2.2 This Work Stream





2.3 ~~Prints Work Stream~~

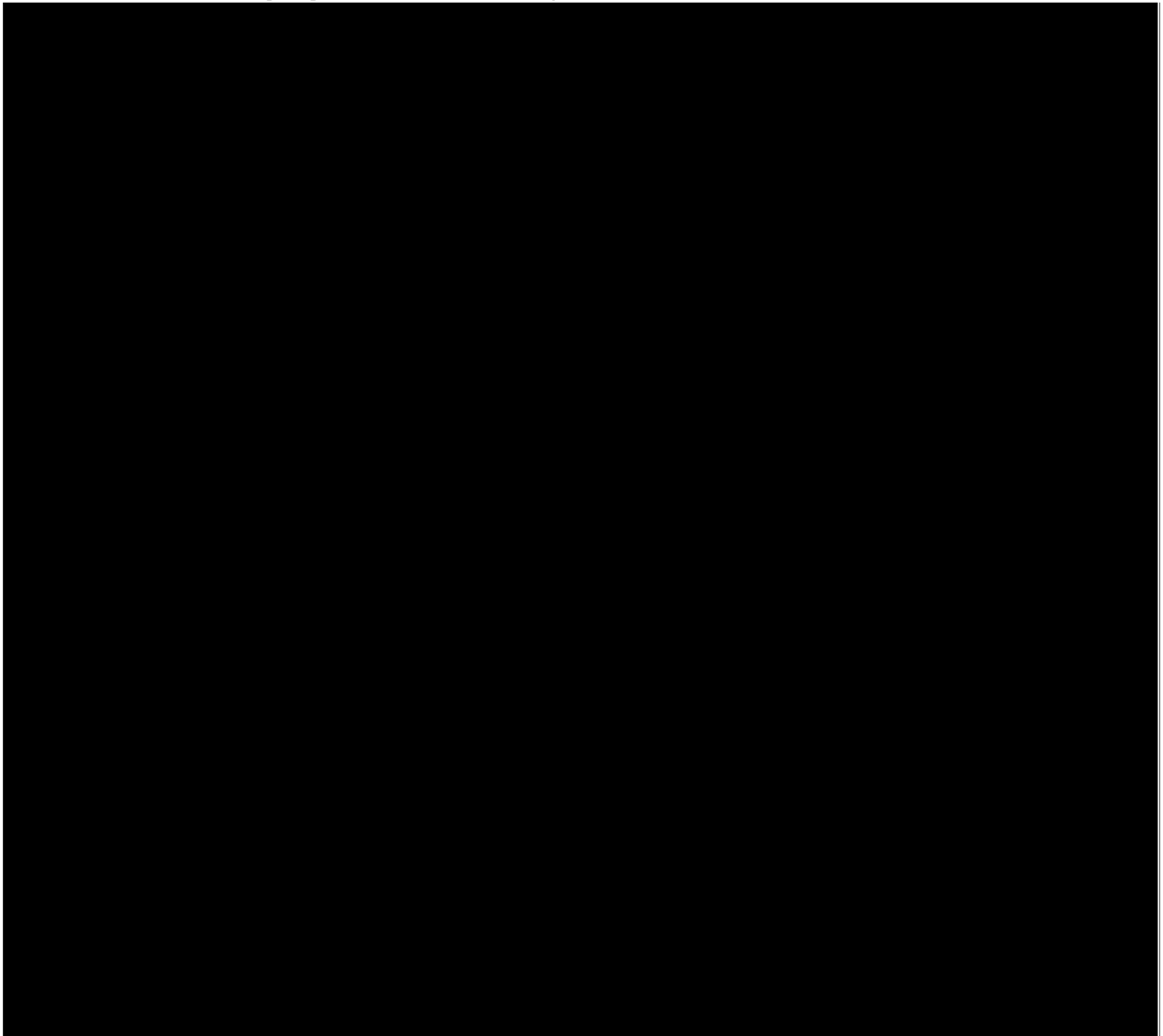
The following sections define the WPs related to the fingerprint, palm print, and latent print modalities. Also described is a WP to improve the LiveScan booking workflow for recidivists.

2.3.1 WP P1 – Fingerprint, Palm Print, and Latent Print Identification System

This scope of work will incorporate the fingerprint, palm print, and latent print records from the current MorphoBIS v1.3 into the upgraded MorphoBIS solution.

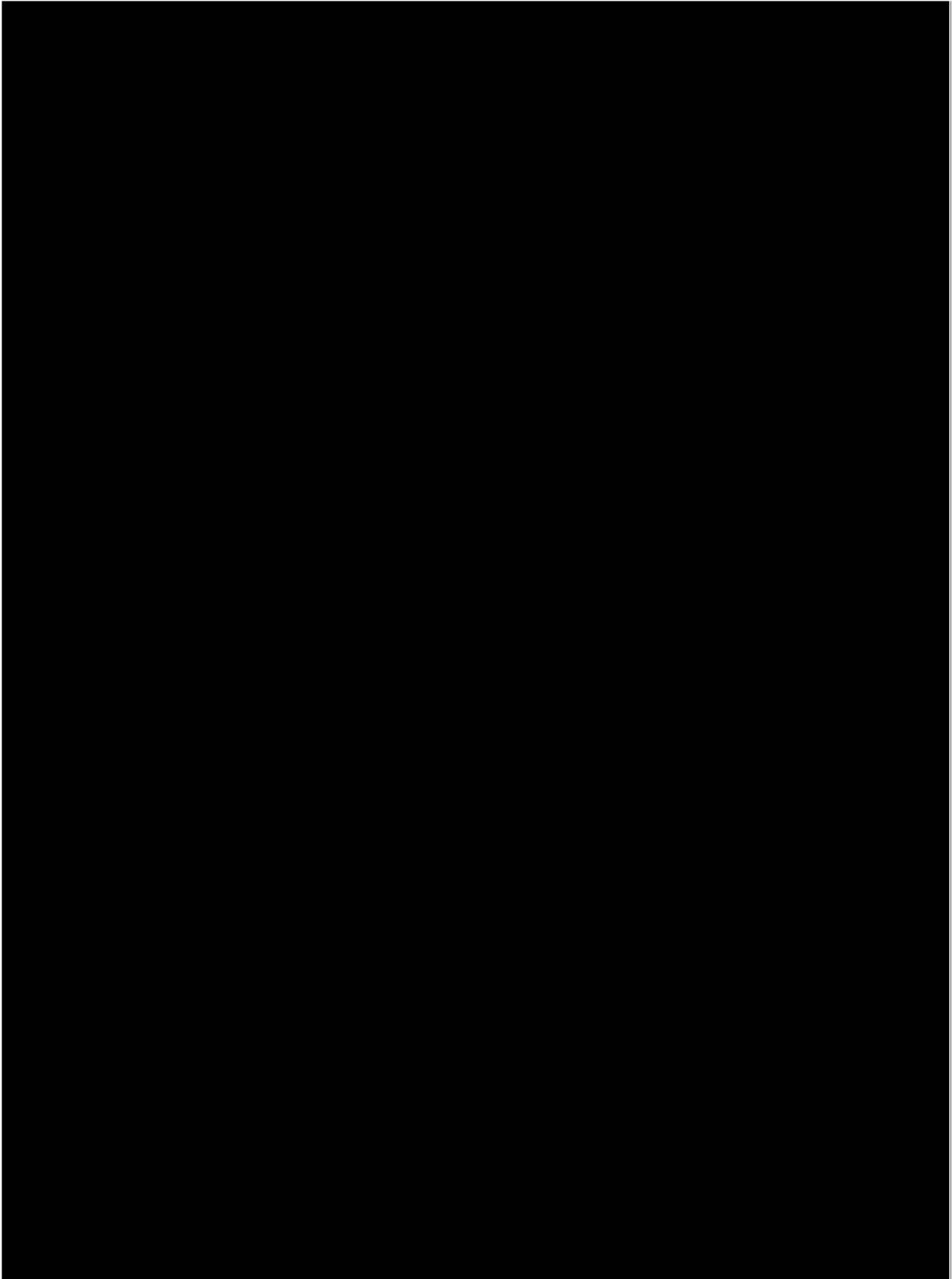
This WP includes the following major features not available in the current system:

- ♦ Latest matching algorithms that will help NYPD solve more crimes.



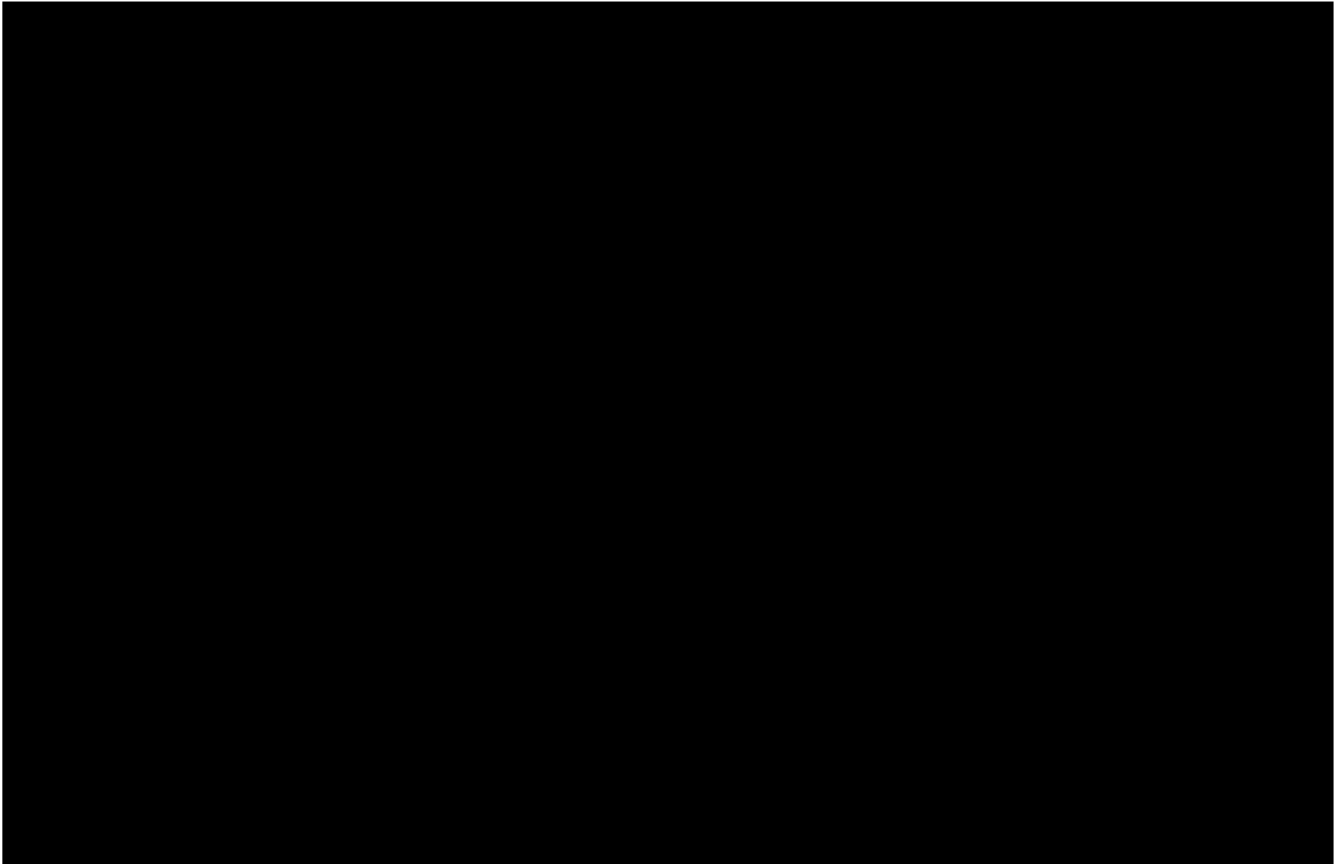


NYPD
Proposal #00-000914-F
September 8, 2016





NYPD
Proposal #00-000914-F
September 8, 2016





NYPD
 Proposal #00-000914-F
 September 8, 2016

3 System Upgrade Pricing

MorphoTrak proposes the hardware (HW), software (SW), and services described in Table 1.

Table 1: System and 3 Yr / 24x7 Maintenance Upgrade Pricing

Item	Description	System Breakout	OGS Price	NYPD Price	Maintenance Price 3 yr / 24x7
F1	WP F1 - Facial Identification / Investigation System	Services SW/HW/Licenses TOTAL	\$ 984,194 \$ 2,783,375 \$ 3,767,569	\$ 333,418 \$ 2,248,550 \$ 2,581,968	Yr 2 \$506,693 Yr 3 \$532,028 Yr 4 \$558,629 Total \$1,597,350
I1	WP I1 - Iris Identification System: Concurrent Implementation	Services SW/HW/Licenses TOTAL	\$ 260,522 \$ 343,830 \$ 604,352	\$ 260,522 \$ 283,900 \$ 544,422	Yr 2 \$60,443 Yr 3 \$63,465 Yr 4 \$66,638 Total \$190,546
P1	WP P1 - Fingerprint, Palm Print, and Latent Print Identification System	Services SW/HW/Licenses TOTAL	\$ 2,328,108 \$ 3,507,900 \$ 5,836,008	\$ 1,570,042 \$ 2,805,425 \$ 4,375,467	Yr 2 \$634,678 Yr 3 \$666,412 Yr 4 \$699,733 Total \$2,000,823
P2	WP P2 - Optimize Number of LiveScan Bookings per Individual	Services SW/HW/Licenses TOTAL	\$ 1161,403 \$ - \$ 1161,403	\$ 1161,403 \$ - \$ 1161,403	Included with current or P1 maintenance

TOTAL \$10,369,422 \$7,663,350 \$3,788,719



NYPD
Proposal #00-000914-F
September 8, 2016

The cost of the software (SW), hardware (HW), and licenses is described in Table 2.

Table 2: Cost Breakout - Labor and SW, HW, 3rd Party Licenses

	Description	Type	OGS Unit Price	NYPD Unit Price	Qty	OGS Price	NYPD Price
WP F1 – Facial	Services (Unit price is hourly; rate is blended accounting for different labor pools (e.g. management, development, deployment, integration, support))	Services	\$ 169.28	\$ 169.28	5,814	\$ 984,194	\$ 333,418
	Upgrade to MBIS 5.0 Face Matching Software License (Face) per system parameters: Database size, throughput, system availability	SW	\$ 196,000	\$ 156,650	7	\$ 1,372,000	\$ 1,096,550
	Upgrade to MBIS 5.0 license – Web Application Service (WAS) application module per server (Face)	SW	\$ 34,375	\$ 27,500	1	\$ 34,375	\$ 27,500
	Upgrade to MBIS 5.0 License – Advance Data Service (ADS) application module per server (Face)	SW	\$ 34,375	\$ 27,500	1	\$ 34,375	\$ 27,500
	Upgrade to MBIS 5.0 License – Data Exchange Service (DES) application module per server	SW	\$ 34,375	\$ 27,500	1	\$ 34,375	\$ 27,500
	Morpho Video Investigator (MVI) version 1.x per server	SW	\$ 218,750	\$ 175,000	5	\$ 1,093,750	\$ 875,000
	MBIS 5.x Workstation client license – Morpho Face Expert	SW	\$ 10,000	\$ 8,000	10	\$ 100,000	\$ 80,000
	3rd Party – Oracle Licensing (Production, Staging, Test), Partitioning, RAC, Diagnostics	3rd Party	n/a	n/a	n/a	\$ 114,500	\$ 114,500
SW / HW / Licenses TOTAL						\$ 2,783,375	\$ 2,248,550



NYPD
 Proposal #00-000914-F
 September 8, 2016

	Description	Type	OGS Unit Price	NYPD Unit Price	Qty	OGS Price	NYPD Price
WP 11 – Iris	Services (Unit price is hourly; rate is blended accounting for different labor pools (e.g. management, development, deployment, integration, support))	Services	\$ 169.28	\$ 169.28	1,539	\$ 260,522	\$ 260,522
	Upgrade to MBIS 5.0 Matching Software License (Iris) per system parameters: Database size, throughput, system availability	SW	\$ 206,000	\$ 164,820	1	\$ 206,000	\$ 164,820
	Upgrade to MBIS 5.0 License – Advance Data Service (ADS) application module per server (Iris)	SW	\$ 34,375	\$ 27,500	1	\$ 34,375	\$ 27,500
	MBIS 5.x Workstation client license – Iris capture and verification	SW	\$ 3,125	\$ 2,500	19	\$ 59,375	\$ 47,500
	Hardware – iCANT000	HW	\$ 2,320	\$ 2,320	19	\$ 44,080	\$ 44,080
SW / HW / Licenses TOTAL						\$ 343,830	\$ 283,900



NYPD
Proposal #00-000914-F
September 8, 2016

1		Description	Type	CGS Unit Price	NYPD Unit Price	Qty	OGS Price	NYPD Price
WP P1 - Prints		Services (Unit price is hourly; rate is blended accounting for different labor pools (e.g., management, development, deployment, integration, support))	Services	\$ 169.28	\$ 169.28	13,753	\$ 2,328,108	\$ 1,570,042
		Upgrade to MBIS 5.0 Matching Software License (Fingerprint/Palm Print/Latent Print) per system parameters: Database size, throughput, system availability	SW	\$ 189,000	\$ 150,995	15	\$ 2,835,000	\$ 2,264,925
		Upgrade to MBIS 5.0 Database ADS per server (Fingerprint/Palm Print/Latent Print)	SW	\$ 34,375	\$ 27,500	2	\$ 68,750	\$ 55,000
		Upgrade license to Mobile ID Gateway per server	SW	\$ 32,375	\$ 25,900	2	\$ 64,750	\$ 51,800
		Upgrade license to MBIS 5.0 – Data Exchange Service (DES) application module per server	SW	\$ 34,375	\$ 27,500	2	\$ 68,750	\$ 55,000
		Upgrade license to MBIS 5.0 – Data Process Service (DPS) application module per server	SW	\$ 34,375	\$ 27,500	2	\$ 68,750	\$ 55,000
		MBIS 5.x Workstation – Reviewer	SW	\$ 10,000	\$ 8,000	3	\$ 30,000	\$ 24,000
		MBIS 5.x Workstation – Card Capture	SW	\$ 12,500	\$ 10,000	6	\$ 75,000	\$ 60,000
		MBIS 5.x Workstation – Latent Expert	SW	\$ 23,100	\$ 18,500	7	\$ 161,700	\$ 129,500
		MBIS 5.x Workstation – Multimodal	SW	\$ 31,250	\$ 25,000	4	\$ 125,000	\$ 100,000
		Hardware – v700 Scanners - Card Capture, Latent Expert, Multimodal WS	HW	\$ 600	\$ 600	17	\$ 10,200	\$ 10,200
SW / HW / Licenses TOTAL							\$ 3,507,900	\$ 2,805,425



NYPD
 Proposal #00-000914-F
 September 8, 2016

	Description	Type	OGS Unit Price	NYPD Unit Price	Qty	OGS Price	NYPD Price
WP P2 - Optimize Livescan Bookings	Services (Unit price is hourly; rate is blended accounting for different labor pools (e.g. management, development, deployment, integration, support))	Services	\$ 169.28	\$ 169.28	954	\$ 161,493	\$ 161,493
SW / HW / Licenses TOTAL						\$ 161,493	\$ 161,493



Assumptions

In developing this proposal, MorphoTrak has made the following assumptions:

- ♦ The NYPD will provide and maintain the backend system environment for the biometrics system.
- ♦ The NYPD will provide the PCs for the frontend workstations.
- ♦ The NYPD will provide network support during all implementations
- ♦ Portions of the existing maintenance contracts may be prorated if components of the current operational system are upgraded as part of the biometric identity system.



4 Additional Terms

Additional engineering effort by MorphoTrak beyond the scope of the standard product will be quoted at a firm-fixed price based on our current service rates in effect at the time of the change, plus any related travel or administrative expenses. Assistance with training and questions for the agency's database or any programming, scripting, or review of programs beyond work quoted above are excluded from this offer. MorphoTrak assumes that organizations requesting these utilities have advanced programming expertise and will assume all responsibility for the deployment and support of the final application.

MorphoTrak shall own all right, title, and interest to any software developed under this contract. The New York Police Department (NYPD) shall have an unrestricted license to use said software internally but not for any commercial purposes. The licensed software is a commercially valuable, proprietary product of MorphoTrak. The NYPD understands that the licensed software will contain substantial trade secrets of MorphoTrak and agrees to employ reasonable security precautions to maintain the confidentiality of such trade secrets.

MorphoTrak reserves the right to substitute hardware of equal value with equal or better capability, based upon market availability. If, however, such equipment is unavailable, MorphoTrak will make its best effort to provide a suitable replacement.

Prior to the expiration of the warranty for the above-mentioned equipment, MorphoTrak's Customer Support Organization will contact you to review continued maintenance and support options available for the first year. This support will be created to meet your site's support needs and will be renewable annually thereafter in accordance with MorphoTrak's Maintenance and Support Agreement.

Purchase orders should be sent to MorphoTrak by facsimile or postal service. Please direct all order correspondence, including Purchase Order, to:

Paul Tselepis
 MorphoTrak, LLC
 5515 East La Palma Avenue, Suite 100
 Anaheim, California 92807
 Phone (703) 509-4694
 Fax: (714) 238-2049
 E-mail: paul.tselepis@morpho.com

MorphoTrak appreciates the opportunity to present this proposal. Product purchase will be governed by the MorphoTrak Biometric Product and System Sales Agreement, a draft of which is attached for your convenience. If applicable, firm delivery schedules will be provided and development will commence after the NYPD and MorphoTrak have signed the finalized Requirements Definition Document (RDD). Prices are exclusive of any and all state or local taxes, or other fees or levies. The NYPD payments are due to MorphoTrak within twenty days after receipt of invoice. No subsequent Purchase Order can override such terms. Nothing additional shall be binding upon MorphoTrak unless a subsequent agreement is signed by both parties.



5 ~~Advantage~~ Solution Support

Table 3 provides a summary of the maintenance services and support available during warranty, and following warranty expiration. As part of the future support agreement, the NYPD system will be regularly updated with the latest approved releases that include updates to the algorithms. Any new features or functionality part of a new release may require a separate purchasable license.

Table 3: *Advantage* Solution Support

Biometrics Support Features	Warranty Period	Post Warranty
Software Support M-F 8am-5pm Customer Local Time	Included in Warranty	Available for purchase
Unlimited Telephone Technical Support	√	√
Two Hour Telephone Response Time	√	√
Remote Dial-in Analysis	√	√
Software Standard Releases	√	√
Software Supplemental Releases	√	√
Automatic Call Escalation	√	√
Software Customer Alert Bulletins	√	√
Hardware Support-Onsite M-F 8am-5pm Customer Local Time	Included in Warranty	Available for purchase
On-Site Response	√	√
On-Site Corrective Maintenance	√	√
On-Site Parts Replacement	√	√
Preventive Maintenance	√	√
Escalation Support	√	√
Hardware Service Reporting	√	√
Hardware Customer Alert Bulletins	√	√
Parts Support	Included in Warranty	Available for purchase
Advanced Exchange Replacement Parts	√	√
Telephone Technical Support for Parts Replacement	√	√
Parts Customer Alert Bulletins	√	√
Software Uplifts		
Hours of Coverage Available up to 24 Hours Per Day, 7 Days / Week	√	√
One Hour Telephone Response	√	√
Hardware Uplifts		
Hours of Coverage Available up to 24 Hours Per Day, 7 Days / Week	√	√
Up to 4 Hours On-site Response	√	√



6 Biometric Products and System Sales Agreement

MorphoTrak, LLC, ("**MorphoTrak**" or "**Seller**") having a place of business at 5515 E. La Palma Ave., Suite 100, Anaheim, CA 92807 and New York Police Department, ("**Customer**"), having a place of business at One Police Plaza - Room 900D, New York, NY 10038, enter into this **Biometrics Products and System Sales Agreement ("Agreement")**, pursuant to which **Customer** will purchase and **Seller** will sell the System or Products, as described below. Seller and Customer may be referred to individually as "**party**" and collectively as "**parties**."

For good and valuable consideration, the parties agree as follows:

SECTION 1 EXHIBITS

The Exhibits listed below are incorporated into and made a part of this Agreement. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement will take precedence over the Exhibits and any inconsistency between Exhibits A through E will be resolved in the order in which they are listed.

Exhibit A - MorphoTrak "Software License Agreement"

Exhibit B - "Payment Schedule"

Exhibit C - "Technical and Implementation Documents"

Exhibit D - (optional) - "Maintenance and Support Agreement"

Exhibit E - (system sales only) - "System Acceptance Certificate"

SECTION 2 DEFINITIONS

Capitalized terms used in this Agreement shall have the following meanings:

2.1 "Acceptance Tests" means those tests described in the Acceptance Test Plan.

2.2 "Beneficial Use" means when Customer first uses the System or a Subsystem for operational purposes (excluding training or testing).

2.3 "Contract Price" means the price for the System or Products, exclusive of any applicable sales or similar taxes and freight charges.

2.4 "Effective Date" means that date upon which the last party to sign this Agreement has executed it.

2.5 "Equipment" means the equipment listed in the List of Deliverables or List of Products that Customer is purchasing from Seller under this Agreement.

2.6 "Infringement Claim" means a third party claim alleging that the Equipment manufactured by MorphoTrak or the MorphoTrak Software infringes upon the third party's United States patent or copyright.

2.7 "MorphoTrak" means MorphoTrak, LLC, a Delaware limited liability company.

2.8 "MorphoTrak Software" means Software that MorphoTrak or Seller owns.

2.9 "Non-MorphoTrak Software" means Software that a party other than MorphoTrak or Seller owns.

2.10 "Open Source Software" means software that has its underlying source code freely available to evaluate, copy, and modify. Open Source Software and the terms "freeware" or "shareware" are sometimes used interchangeably.



2.11 **"Products"** means the Equipment and Software provided by Seller under this Agreement.

2.12 **"Proprietary Rights"** means the patents, patent applications, inventions, copyrights, trade secrets, trademarks, trade names, mask works, know-how, and other intellectual property rights in and to the Equipment and Software, including those created or produced by MorphoTrak or Seller under this Agreement and any corrections, bug fixes, enhancements, updates or modifications to or derivative works from the Software whether made by MorphoTrak or another party.

2.13 **"Software"** means the MorphoTrak Software and Non-MorphoTrak Software in object code format that is furnished with the System or Equipment and which may be listed on the List of Deliverables or List of Products.

2.14 **"Specifications"** means the functionality and performance requirements described in the Technical and Implementation Documents.

2.15 **"Subsystem"** means a major portion of the entire System that performs specific functions or operations as described in the Technical and Implementation Documents.

2.16 **"System"** means the Equipment, Software, services, supplies, and incidental hardware and materials combined together into a system as more fully described in the Technical and Implementation Documents.

2.17 **"System Acceptance"** means the Acceptance Tests have been successfully completed.

SECTION 3 SCOPE OF AGREEMENT AND TERM

3.1 **SCOPE OF WORK.** For System sales, Seller will provide, ship, install and test the System, and perform its other contractual responsibilities, all in accordance with this Agreement. Customer will perform its contractual responsibilities in accordance with this Agreement. For Product sales, Seller will provide, ship, and install (if applicable) the Products, and perform its other contractual responsibilities, all in accordance with this Agreement. Customer will perform its contractual responsibilities in accordance with this Agreement.

3.2 **CHANGE ORDERS.** Either party may request changes within the general scope of this Agreement. If a requested change causes an increase or decrease in the cost or time required to perform this Agreement, Seller and Customer will agree to an equitable adjustment of the Contract Price, Performance Schedule, or both, and will reflect such adjustment in a change order. Neither party is obligated to perform requested changes unless both parties execute a written change order.

3.3 **TERM.** For System sales: Unless otherwise terminated in accordance with the provisions of this Agreement or extended by mutual agreement of the parties, the term of this Agreement shall begin on the Effective Date and shall continue until the date of System Acceptance or expiration of the warranty period as set forth in Section 9, whichever occurs last. For Product sales: Unless otherwise terminated in accordance with the provisions of this Agreement or extended by mutual agreement of the parties, the term of this Agreement shall begin on the Effective Date and shall continue until the expiration of the warranty period or three (3) years from the Effective Date, whichever occurs last.

3.4 **ADDITIONAL EQUIPMENT, SOFTWARE, OR SERVICES.** For three (3) years after the Effective Date of this Agreement, Customer may order additional Equipment, Software, or services provided they are then available. Each order must refer to this Agreement and must specify the pricing and delivery terms. Notwithstanding any additional or contrary terms in the order, the applicable provisions of this Agreement (except for pricing, delivery, passage of title and risk of loss to Equipment, warranty commencement, and payment terms) will govern the purchase and sale of the additional Equipment, Software, or services. Title and risk of loss to additional Equipment will pass at shipment; warranty will commence upon delivery; and payment is due within twenty (20) days after the invoice date. Seller will send Customer an invoice as the additional Equipment is shipped, Software is licensed, or services are performed.



3.5 MAINTENANCE SERVICE.

3.5.1 System Sales. After the warranty period, Customer may purchase maintenance and support services for the Equipment and MorphoTrak Software by executing the Maintenance and Support Agreement.

3.5.2 Product Sales. This Agreement does not cover maintenance or support of the Products except as provided under the warranty. If Customer wishes to purchase maintenance or support, Seller will provide a separate maintenance and support proposal upon request.

3.6 MORPHOTRAK SOFTWARE. Any MorphoTrak Software, including subsequent releases, is licensed to Customer solely in accordance with the Software License Agreement. Customer hereby accepts and agrees to abide by all of the terms and restrictions of the Software License Agreement.

3.7 NON-MORPHOTRAK SOFTWARE. Any Non-MorphoTrak Software is licensed to Customer in accordance with the standard license, terms, and restrictions of the copyright owner on the Effective Date unless the copyright owner has granted to MorphoTrak the right to sublicense the Non-MorphoTrak Software pursuant to the Software License Agreement, in which case it applies and the copyright owner will have all of Licensor's rights and protections under the Software License Agreement. MorphoTrak makes no representations or warranties of any kind regarding Non-MorphoTrak Software. Non-MorphoTrak Software may include Open Source Software. All Open Source Software is licensed to Customer in accordance with, and Customer agrees to abide by, the provisions of the standard license of the copyright owner and not the Software License Agreement. Upon request by Customer, MorphoTrak will use commercially reasonable efforts to (i) determine whether any Open Source Software will be provided under this Agreement; and if so, (ii) identify the Open Source Software and provide to Customer a copy of the applicable standard license (or specify where such license may be found); and (iii) provide to Customer a copy of the Open Source Software source code if it is publicly available without charge (although a distribution fee or a charge for related services may be applicable).

3.8 SUBSTITUTIONS. At no additional cost to Customer, Seller reserves the right to substitute any Equipment, Software, or services to be provided by Seller, provided that the substitute meets or exceeds the Specifications and is of equivalent or better quality to the Customer. Any such substitution will be reflected in a change order.

3.9 OPTIONAL EQUIPMENT OR SOFTWARE. This paragraph applies only if a "Priced Options" exhibit is shown in Section 1 of this Agreement, or if the Parties amend this Agreement to add a Priced Options exhibit. During the term of the option as stated in the Priced Options exhibit (or if no term is stated, then for one (1) year after the Effective Date), Customer shall have the right and option to purchase the equipment, software, and related services that are described and listed in the Priced Options exhibit. Customer may exercise this option by giving written notice to Seller which must designate what equipment, software, and related services Customer is selecting (including quantities, if applicable). To the extent they apply, the terms and conditions of this Agreement will govern the purchase of the selected equipment, software, and related services. However, the parties acknowledge that certain contractual provisions must be agreed upon, and they agree to negotiate those in good faith promptly after Customer delivers to Seller the option exercise notice. Examples of provisions that may need to be negotiated are: specific lists of deliverables, statements of work, acceptance test plans, delivery and implementation schedules, payment terms, maintenance and support provisions, additions to or modifications of the Software License Agreement, hosting terms, and modifications to the acceptance and warranty provisions.

SECTION 4 PERFORMANCE SCHEDULE

Seller and Customer agree that they will perform their respective responsibilities substantially in accordance with the Performance Schedule. By executing this Agreement, Customer authorizes Seller to proceed with performance of this Agreement.



SECTION 5 CONTRACT PRICE, PAYMENT, AND INVOICING

5.1 CONTRACT PRICE. The Contract Price in U.S. dollars is SPELL OUT PRICE (\$ _____), or if applicable, the Contract Price is as stated in the Payment Schedule. A pricing summary may be included with the Payment Schedule. If there is a reduction in the services, Software, and/or Equipment quantities, it may affect the overall Contract Price, including discounts if applicable.

5.2 INVOICING AND PAYMENT. Seller will submit invoices to Customer according to the Payment Schedule. Except for a payment that is due on the Effective Date, Customer will make payments to Seller within twenty (20) days after the date of each invoice. Customer will make payments when due in the form of a wire transfer, check, or cashier's check from a U.S. financial institution. Overdue invoices will bear simple interest at the rate of ten percent (10%) per annum, unless such rate exceeds the maximum allowed by law, in which case it will be reduced to the maximum allowable rate. For Customer's reference, the Federal Tax Identification Number for MorphoTrak, LLC is 33-0154789.

5.3 FREIGHT, TITLE, AND RISK OF LOSS. Unless otherwise stipulated with the Buyer when an Order is accepted, the Equipment will be delivered by Seller "FCA (Free Carrier), with named place being the Seller's premises where the Goods are being dispatched, (Incoterms 2010). Title to the Equipment will pass to Customer upon payment in full of the Contract Price as outlined in Section 5.1 above, except that title to Software will not pass to Customer at any time. Risk of loss will pass to Customer upon delivery of the Equipment to the Customer at the agreed named place of delivery in accordance with the Incoterm in the contract. Seller will pack and ship all Equipment in accordance with good commercial practices.

5.4 INVOICING AND SHIPPING ADDRESSES. Invoices will be sent to the Customer at the following address:

Christian Schnedler
New York Police Department
One Police Plaza - Room 900D
New York, NY 10038

The city which is the ultimate destination where the Equipment will be delivered to Customer is:

New York, NY

The Equipment will be shipped to the Customer at the following address (insert if this information is known):

Christian Schnedler
New York Police Department
One Police Plaza - Room 900D
New York, NY 10038

Customer may change this information by giving written notice to MorphoTrak.



SECTION 6 SITES AND SITE CONDITIONS

6.1 ACCESS TO SITES. In addition to its responsibilities described elsewhere in this Agreement, Customer will provide (i) a designated project manager; (ii) all necessary construction and building permits, zoning variances, licenses, and any other approvals that are necessary to develop or use the sites; and (iii) access to the work sites identified in the Technical and Implementation Documents as reasonably requested by Seller so that it may perform its duties in accordance with the Performance Schedule and Statement of Work.

6.2 SITE CONDITIONS. Customer will ensure that all work sites it provides will be safe, secure, and in compliance with all applicable industry and OSHA standards. To the extent applicable and unless the Statement of Work specifically states to the contrary, Customer will ensure that these work sites will have (i) adequate physical space for the installation, use and maintenance of the System; (ii) adequate air conditioning and other environmental conditions; (iii) adequate electrical power outlets, distribution and equipment for the installation, use and maintenance of the System; and (iv) adequate telephone or other communication lines for the installation, use and maintenance of the System, including modem access, and adequate interfacing networking capabilities. Before installing the Equipment or Software at a work site, Seller will inspect the work site and advise Customer of any apparent deficiencies or non-conformities with the requirements of this Section.

6.3 SITE ISSUES. If Seller or Customer determines that the sites identified in the Technical and Implementation Documents are no longer available or desired, or if subsurface, structural, adverse environmental or latent conditions at any site differ from those indicated in the Technical and Implementation Documents, Seller and Customer will promptly investigate the conditions and will select replacement sites or adjust the installation plans and Specifications as necessary. If such change in sites or adjustment to the installation plans and Specifications causes a change in the cost or time to perform, the parties will equitably amend the Contract Price or Performance Schedule, or both, by a change order.

SECTION 7 TRAINING

Any training to be provided by Seller to Customer under this Agreement will be described in a written training plan that is part of the Statement of Work. Customer will notify Seller immediately if a date change for a scheduled training program is required. If Seller incurs additional costs because Customer reschedules a training program less than thirty (30) days before its scheduled start date, Seller is entitled to recover these additional costs.

SECTION 8 ACCEPTANCE

8.1 SYSTEM ACCEPTANCE

8.1.1 COMMENCEMENT OF ACCEPTANCE TESTING. Seller will provide to Customer at least ten (10) days' notice before the Acceptance Tests commence. System testing will occur only in accordance with the Acceptance Test Plan.

8.1.2 SYSTEM ACCEPTANCE. System Acceptance will occur upon successful completion of the Acceptance Tests described in the Acceptance Test Plan. Upon System Acceptance, the parties will memorialize this event by promptly executing a System Acceptance Certificate. If the Acceptance Test Plan includes separate tests for individual Subsystems or phases of the System, acceptance of the individual Subsystem or phase will occur upon the successful completion of the Acceptance Tests for such Subsystem or phase, and the parties will promptly execute an acceptance certificate for the Subsystem or phase. If Customer believes that the System has failed the completed Acceptance Tests, Customer will provide to Seller a written notice that includes the specific details of such failure. If Customer does not provide to Seller such notice within ten (10) business days after completion of the Acceptance Tests, System Acceptance will be deemed to have occurred as of the completion of the Acceptance Tests. Minor omissions or variances in the System that do not materially impair the



operation of the System as a whole will not postpone System Acceptance or Subsystem acceptance, but will be corrected according to a mutually agreed schedule.

8.1.3 BENEFICIAL USE. Customer acknowledges that Seller's ability to perform its implementation and testing responsibilities under this Agreement may be impeded if Customer begins using the System before System Acceptance. Therefore, Customer will not commence Beneficial Use before System Acceptance without Seller's prior written authorization, which Seller will not unreasonably withhold. Seller is not responsible for System performance deficiencies that occur during unauthorized Beneficial Use. Upon commencement of Beneficial Use, Customer assumes responsibility for the use and operation of the System.

8.2 PRODUCT ACCEPTANCE

8.2.1 Acceptance of the Products will occur upon delivery to Customer unless the Statement of Work provides for acceptance verification or testing, in which case acceptance of the Products will occur upon successful completion of the acceptance verification or testing. Notwithstanding the preceding sentence, Customer's use of the Products for their operational purposes will constitute acceptance.

SECTION 9 REPRESENTATIONS AND WARRANTIES

9.1 SYSTEM FUNCTIONALITY (System sales only). Seller represents that the System will perform in accordance with the Specifications in all material respects. Upon System Acceptance or Beneficial Use, whichever occurs first, this System functionality representation is fulfilled. Seller is not responsible for System performance deficiencies that are caused by ancillary equipment not furnished by Seller attached to or used in connection with the System or for reasons beyond Seller's control, such as (i) an earthquake, adverse atmospheric conditions, or other natural causes; (ii) Customer changes to load usage or configuration outside the Specifications; or (iii) any acts of parties who are beyond Seller's control.

9.2 EQUIPMENT WARRANTY.

9.2.1 System Sales. For one (1) year from the date of System Acceptance or Beneficial Use, whichever occurs first, Seller warrants that the Equipment under normal use and service will be free from material defects in materials and workmanship. If System Acceptance is delayed beyond six (6) months after shipment of the Equipment by events or causes within Customer's control, this warranty expires eighteen (18) months after the shipment of the Equipment.

9.2.2 Product Sales. For one (1) year from the date of shipment, Seller warrants that the Equipment under normal use and service will be free from material defects in materials and workmanship.

9.3 MORPHOTRAK SOFTWARE WARRANTY.

9.3.1 System Sales. Unless otherwise stated in the Software License Agreement, for one (1) year from the date of System Acceptance or Beneficial Use, whichever occurs first, Seller warrants the MorphoTrak Software in accordance with the terms of the Software License Agreement and the provisions of this Section 9 that are applicable to the MorphoTrak Software. If System Acceptance is delayed beyond six (6) months after shipment of the MorphoTrak Software by events or causes within Customer's control, this warranty expires eighteen (18) months after the shipment of the MorphoTrak Software.

9.3.2 Product Sales. Unless otherwise stated in the Software License Agreement, for one (1) year from the date of shipment, Seller warrants the MorphoTrak Software in accordance with the terms of the Software License Agreement and the provisions of this Section that are applicable to the MorphoTrak Software.

9.4 EXCLUSIONS TO EQUIPMENT AND MORPHOTRAK SOFTWARE WARRANTIES. These warranties do not apply to: (i) defects or damage resulting from use of the Equipment or MorphoTrak Software in other than its normal, customary, and authorized manner; (ii) defects or damage occurring



NYPD

Proposal #00-000914-F

September 8, 2016

from misuse, accident, liquids, neglect, or acts of God; (iii) defects or damage occurring from testing, maintenance, disassembly, repair, installation, alteration, modification, or adjustment not provided or authorized in writing by Seller; (iv) breakage of or damage to antennas unless caused directly by defects in material or workmanship; (v) defects or damage caused by Customer's failure to comply with all applicable industry and OSHA standards; (vi) Equipment that has had the serial number removed or made illegible; (vii) batteries (because they carry their own separate limited warranty); (viii) freight costs to ship Equipment to the repair depot; (ix) scratches or other cosmetic damage to Equipment surfaces that does not affect the operation of the Equipment; and (x) normal or customary wear and tear.

9.5 WARRANTY CLAIMS. For Customer to assert a claim that the Equipment or MorphoTrak Software does not conform to these warranties, Customer must notify Seller in writing of the claim before the expiration of the warranty period. Upon receipt of such notice, Seller will investigate the warranty claim. If this investigation confirms a valid warranty claim, Seller will (at its option and at no additional charge to Customer) repair the defective Equipment or MorphoTrak Software, replace it with the same or equivalent product, or refund the price of the defective Equipment or MorphoTrak Software. Such action will be the full extent of Seller's liability hereunder. If this investigation indicates the warranty claim is not valid, then Seller may invoice Customer for responding to the claim on a time and materials basis using Seller's current labor rates. Repaired or replaced product is warranted for the balance of the original applicable warranty period. All replaced products or parts will become the property of Seller.

9.6 ORIGINAL END USER IS COVERED. These express limited warranties are extended by Seller to the original user purchasing the System or Products for commercial, industrial, or governmental use only, and are not assignable or transferable.

9.7 DISCLAIMER OF OTHER WARRANTIES. THESE WARRANTIES ARE THE COMPLETE WARRANTIES FOR THE EQUIPMENT AND MORPHOTRAK SOFTWARE PROVIDED UNDER THIS AGREEMENT AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES. SELLER DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

SECTION 10 DELAYS

10.1 FORCE MAJEURE. Neither party will be liable for its non-performance or delayed performance if caused by a "Force Majeure" which means an event, circumstance, or act of a third party that is beyond a party's reasonable control, such as an act of God, an act of the public enemy, an act of a government entity, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, riots, or any other similar cause. Each party will notify the other if it becomes aware of any Force Majeure that will significantly delay performance. The notifying party will give such notice promptly (but in no event later than fifteen days) after it discovers the Force Majeure. If a Force Majeure occurs, the parties will execute a change order to extend the Performance Schedule for a time period that is reasonable under the circumstances.

10.2 PERFORMANCE SCHEDULE DELAYS CAUSED BY CUSTOMER (System Sales Only). If the Performance Schedule is delayed because of Customer (including any of its other contractors), (i) Customer will make the promised payments according to the Payment Schedule as if no delay occurred; and (ii) the parties will execute a change order to extend the Performance Schedule and, if requested by Seller, compensate Seller for all reasonable charges incurred because of such delay. Delay charges may include costs incurred by Seller or its subcontractors for additional freight, warehousing and handling of Equipment; extension of the warranties; travel; suspending and re-mobilizing the work; additional engineering, project management, and standby time calculated at then current rates; and preparing and implementing an alternative implementation plan.



SECTION 11 DISPUTES

11.1 SETTLEMENT PREFERRED. Seller and Customer, through their respective project managers, will attempt to settle any dispute arising from this Agreement (except for a claim relating to intellectual property or breach of confidentiality provisions) through consultation and negotiation in good faith and a spirit of mutual cooperation. The dispute will be escalated to appropriate higher-level managers of the parties, if necessary. If cooperative efforts fail, the dispute will be mediated by a mediator chosen jointly by Seller and Customer within thirty (30) days after notice by one of the parties demanding non-binding mediation. Seller and Customer will not unreasonably withhold consent to the selection of a mediator, and they will share the cost of the mediation equally. If the dispute is of technical nature, either party may request for the matter to be referred to a panel of subject matter experts, using as guidelines characteristics of similar systems or technology, as well as industry standards.

The parties may postpone mediation until they have completed some specified but limited discovery about the dispute. The parties may also replace mediation with some other form of non-binding alternative dispute resolution ("ADR").

11.2 LITIGATION. Any claim relating to intellectual property or breach of confidentiality provisions and any dispute that cannot be resolved between the parties through negotiation or mediation within two (2) months after the date of the initial demand for non-binding mediation as described above in Section 11.1 may be submitted by either party to a court of competent jurisdiction in the state in which the System or Product is installed. Each party consents to jurisdiction over it by such a court. The use of ADR procedures will not be considered under the doctrine of laches, waiver, or estoppel to affect adversely the rights of either party. Either party may resort to the judicial proceedings described in this section before the expiration of the two-month ADR period if (i) good faith efforts to resolve the dispute under these procedures have been unsuccessful; or (ii) interim relief from the court is necessary to prevent serious and irreparable injury to such party or any of its affiliates, agents, employees, customers, suppliers, or subcontractors.

SECTION 12 DEFAULT AND TERMINATION

12.1 DEFAULT BY A PARTY. If either party fails to perform a material obligation under this Agreement, the other party may consider the non-performing party to be in default (unless a Force Majeure causes such failure) and may assert a default claim by giving the non-performing party a written and detailed notice of default. Except for a default by Customer for failing to pay any amount when due under this Agreement which must be cured immediately, the defaulting party will have thirty (30) days after receipt of the notice of default to either (i) cure the default or (ii) if the default is not curable within thirty (30) days, to provide a written cure plan. The defaulting party will begin implementing the cure plan immediately after receipt of notice by the other party that it approves the plan. If Customer is the defaulting party, MorphoTrak may stop work on the project until it approves the Customer's cure plan. For technical matters, the determination of failure to perform a material obligation may be referred by either party to a panel of subject matter experts, using as guidelines characteristics of similar systems or technology, as well as industry standards.

12.2 FAILURE TO CURE. If a defaulting party fails to cure the default as provided above in Section

12.1, unless otherwise agreed in writing, the non-defaulting party may terminate any unfulfilled portion of this Agreement. In the event of such termination, the defaulting party will promptly return to the non-defaulting party any of its Confidential Information (as defined in Section 15.1).

For System sales: If Customer is the non-defaulting party, terminates this Agreement as permitted by this Section, and completes the System through a third party, Customer may as its exclusive remedy recover from Seller either (i) the diminution of value of the System due to the breach if it does not complete the System through a third party, or (ii) the reasonable costs incurred to complete the System to a capability level not exceeding that specified in this Agreement and consistent with similar existing systems in operation and industry standards, less the unpaid portion of the Contract Price if it



completes the System through a third party. In either case, Customer agrees to use its best efforts to mitigate damages and to provide Seller with detailed records substantiating the damages claim.

SECTION 13 INDEMNIFICATION

13.1 GENERAL INDEMNITY BY SELLER. Seller will indemnify and hold Customer harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the negligence of Seller, its subcontractors, or their employees or agents, while performing their duties under this Agreement, provided that Customer gives Seller prompt, written notice of any such claim or suit. Customer shall cooperate with Seller in its defense or settlement of such claim or suit. This section sets forth the full extent of Seller's general indemnification of Customer from liabilities that are in any way related to Seller's performance under this Agreement.

13.2 PATENT AND COPYRIGHT INFRINGEMENT.

13.2.1 Seller will defend at its expense any suit brought against Customer to the extent that it is based on an Infringement Claim, and Seller will indemnify Customer for those costs and damages finally awarded against Customer for an Infringement Claim. Seller's duties to defend and indemnify are conditioned upon: (i) Customer promptly notifying Seller in writing of such Infringement Claim; (ii) Seller having sole control of the defense of such suit and all negotiations for its settlement or compromise; (iii) Customer providing to Seller cooperation and, if requested by Seller, reasonable assistance in the defense of the Infringement Claim.

13.2.2 If an Infringement Claim occurs, or in Seller's opinion is likely to occur, Seller may at its option and expense procure for Customer the right to continue using the Equipment or MorphoTrak Software, replace or modify it so that it becomes non-infringing while providing functionally equivalent performance, or grant Customer a credit for such Equipment or MorphoTrak Software as depreciated and accept its return. The depreciation amount will be calculated based upon generally accepted accounting standards for such Equipment and MorphoTrak Software.

13.2.3 Seller will have no duty to defend or indemnify for any Infringement Claim that is based upon (i) the combination of the Equipment or MorphoTrak Software with any software, apparatus or device not furnished by Seller; (ii) the use of ancillary equipment or software not furnished by Seller and that is attached to or used in connection with the Equipment or MorphoTrak Software; (iii) any Equipment that is not Seller's design or formula; (iv) a modification of the MorphoTrak Software by a party other than Seller; or (v) the failure by Customer to install an enhancement release to the MorphoTrak Software that is intended to correct the claimed infringement. The foregoing states the entire liability of Seller with respect to infringement of patents and copyrights by the Equipment and MorphoTrak Software or any parts thereof.

SECTION 14 LIMITATION OF LIABILITY

This limitation of liability provision shall apply notwithstanding any contrary provision in this Agreement. Except for personal injury or death, Seller's total liability, whether for breach of contract, warranty, negligence, strict liability in tort, indemnification, or otherwise, will be limited to the direct damages recoverable under law, but not to exceed the price of the Equipment, Software, or services with respect to which losses or damages are claimed. ALTHOUGH THE PARTIES ACKNOWLEDGE THE POSSIBILITY OF SUCH LOSSES OR DAMAGES, THEY AGREE THAT SELLER WILL NOT be liable for any commercial loss; inconvenience; loss of use, time, data, goodwill, revenues, profits or savings; or other SPECIAL, incidental, INDIRECT, OR consequential damages IN ANY WAY RELATED TO OR ARISING FROM THIS AGREEMENT, THE SALE OR USE OF THE EQUIPMENT OR SOFTWARE, OR THE PERFORMANCE OF SERVICES BY SELLER PURSUANT TO THIS AGREEMENT. This limitation of liability will survive the expiration or termination of this Agreement. No action for breach of this Agreement or otherwise relating to the transactions contemplated by this Agreement may be brought more than one (1) year after the accrual of such cause of action, except for money due upon an open account.



SECTION 15 CONFIDENTIALITY AND PROPRIETARY RIGHTS

15.1 CONFIDENTIAL INFORMATION.

15.1.1 During the term of this Agreement, the parties may provide each other with Confidential Information. For the purposes of this Agreement, "Confidential Information" is any information disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, labeled or identified at the time of disclosure as being confidential or its equivalent; or if in verbal form is identified as confidential or proprietary at the time of disclosure and confirmed in writing within thirty (30) days of such disclosure. Notwithstanding any other provisions of this Agreement, Confidential Information shall not include any information that: (i) is or becomes publicly known through no wrongful act of the receiving party; (ii) is already known to the receiving party without restriction when it is disclosed; (iii) is, or subsequently becomes, rightfully and without breach of this Agreement, in the receiving party's possession without any obligation restricting disclosure; (iv) is independently developed by the receiving party without breach of this Agreement; or (v) is explicitly approved for release by written authorization of the disclosing party.

15.1.2 Each party will: (i) maintain the confidentiality of the other party's Confidential Information and not disclose it to any third party, except as authorized by the disclosing party in writing or as required by a court of competent jurisdiction; (ii) restrict disclosure of Confidential Information to its employees who have a "need to know" and not copy or reproduce such Confidential Information; (iii) take necessary and appropriate precautions to guard the confidentiality of Confidential Information, including informing its employees who handle such Confidential Information that it is confidential and not to be disclosed to others, but such precautions shall be at least the same degree of care that the receiving party applies to its own confidential information and shall not be less than reasonable care; and (iv) use such Confidential Information only in furtherance of the performance of this Agreement. Confidential Information is and shall at all times remain the property of the disclosing party, and no grant of any proprietary rights in the Confidential Information is hereby given or intended, including any express or implied license, other than the limited right of the recipient to use the Confidential Information in the manner and to the extent permitted by this Agreement.

15.2 PRESERVATION OF PROPRIETARY RIGHTS.

15.2.1 MorphoTrak, the third party manufacturer of any Equipment, and the copyright owner of any Non-MorphoTrak Software own and retain all of their respective Proprietary Rights in the Equipment and Software. Nothing in this Agreement is intended to restrict the Proprietary Rights of MorphoTrak, any copyright owner of Non-MorphoTrak Software, or any third party manufacturer of Equipment. All intellectual property developed, originated, or prepared by MorphoTrak in connection with providing to Customer the Equipment, Software, or related services remain vested exclusively in MorphoTrak, and this Agreement does not grant to Customer any shared development rights of intellectual property.

15.2.2 Except as explicitly provided in the Software License Agreement, nothing in this Agreement will be deemed to grant, either directly or by implication, estoppel, or otherwise, any right, title or interest in the Proprietary Rights of MorphoTrak or Seller. Customer agrees not to modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, or export the Software, or permit or encourage any third party to do so. The preceding sentence shall not apply to Open Source Software which is governed by the standard license of the copyright owner.



SECTION 16 MISCELLANEOUS

16.1 TAXES. The Contract Price does not include any amount for federal, state, or local excise, sales, lease, service, rental, use, property, occupation, or other taxes, assessments or duties (other than federal, state, and local taxes based on Seller's income or net worth), all of which will be paid by Customer except as exempt by law. If Seller is required to pay or bear the burden of any such taxes, it will send an invoice to Customer and Customer will pay to it the amount of such taxes (including any applicable interest and penalties) within twenty (20) days after the date of the invoice. Customer will be solely responsible for reporting the Equipment for personal property tax purposes.

16.2 ASSIGNABILITY. Neither party may assign this Agreement without the prior written consent of the other party, except that Seller may assign this Agreement to any successor of Seller's biometrics business or to any party acquiring the assets used by Seller in conducting such biometrics business or otherwise performing Seller's obligations under this Agreement.

16.3 SUBCONTRACTING. Seller may subcontract any portion of the work, but such subcontracting will not relieve Seller of its duties under this Agreement.

16.4 WAIVER. Failure or delay by either party to exercise any right or power under this Agreement will not operate as a waiver of such right or power. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (i) a future or continuing waiver of that same right or power, or (ii) the waiver of any other right or power.

16.5 SEVERABILITY. If a court of competent jurisdiction renders any provision of this Agreement (or portion of a provision) to be invalid or otherwise unenforceable, that provision or portion of the provision will be severed and the remainder of this Agreement will continue in full force and effect as if the invalid provision or portion of the provision were not part of this Agreement.

16.6 INDEPENDENT CONTRACTORS. Each party shall perform its activities and duties hereunder only as an independent contractor. The parties and their personnel shall not be considered to be employees or agents of the other party. Nothing in this Agreement shall be interpreted as granting either party the right or authority to make commitments of any kind for the other. This Agreement shall not constitute, create, or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

16.7 HEADINGS AND SECTION REFERENCES. The section headings in this Agreement are inserted only for convenience and are not to be construed as part of this Agreement or as a limitation of the scope of the particular section to which the heading refers. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either party.

16.8 GOVERNING LAW. This Agreement and the rights and duties of the parties will be governed by and interpreted in accordance with the laws of the State in which the System is installed or the State where the Product is delivered to the extent they do not conflict with the laws of the United States.

16.9 ENTIRE AGREEMENT. This Agreement, including all Exhibits, constitutes the entire agreement of the parties regarding the subject matter hereof and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to such subject matter. This Agreement may be altered, amended, or modified only by a written instrument signed by authorized representatives of both parties. The preprinted terms and conditions found on any Customer purchase order, acknowledgment or other form will not be considered an amendment or modification of this Agreement, even if a representative of each party signs such document.



NYPD
 Proposal #00-000914-F
 September 8, 2016

16.10 NOTICES. Notices required under this Agreement to be given by one party to the other must be in writing and either delivered in person or sent to the address shown below by certified mail, return receipt requested and postage prepaid (or by a recognized courier service with an asset tracking system, such as Federal Express, UPS, or DHL), or by facsimile with correct answerback received, and shall be effective upon receipt:

Customer	MorphoTrak
Christian Schnedler	MorphoTrak
New York Police Department	Legal Department
One Police Plaza - Room 700D	5515 E. La Palma Ave., Suite 100
New York NY 10038	Anaheim CA 92807

16.11 COMPLIANCE WITH APPLICABLE LAWS. Each party will comply with all applicable federal, state, and local laws, regulations and rules concerning the performance of this Agreement or use of the System or Product to the extent they do not conflict with the laws of the United States.

16.12 AUTHORITY TO EXECUTE AGREEMENT. Each party represents to the other that (i) it has obtained all necessary approvals, consents and authorizations to enter into this Agreement and to perform its duties under this Agreement; (ii) the person executing this Agreement on its behalf has the authority to do so; (iii) upon execution and delivery of this Agreement by the parties, it is a valid and binding contract, enforceable in accordance with its terms; and (iv) the execution, delivery, and performance of this Agreement does not violate any bylaw, charter, regulation, law or any governing authority of the party.

16.13 PREVAILING PARTY. In the event of any dispute arising out of the subject matter of this Agreement, the prevailing party shall recover, in addition to any other damages assessed, its reasonable attorneys' fees and court costs incurred in arbitrating, litigating, or otherwise settling or resolving such dispute.

16.14 SURVIVAL OF TERMS. The following provisions shall survive the expiration or termination of this Agreement for any reason: Section 3.6 (MorphoTrak Software); Section 3.7 (Non-MorphoTrak Software); if any payment obligations exist, Sections 5.1 and 5.2 (Contract Price and Invoicing and Payment); Section 11 (Disputes); Section 14 (Limitation of Liability); Section 15 (Confidentiality and Proprietary Rights); and all of the General provisions in Section 16.

SECTION 17 AGREEMENT EXECUTION

The parties hereby enter into this Agreement as of the Effective Date.

MorphoTrak, LLC ("Seller"):

New York Police Department ("Customer"):

Signed

Signed

Name

Name

Title

Title

Date

Date

Phone

Phone

E-mail

E-mail



Exhibit A Software License Agreement

In this Exhibit A, the term "Licensor" means MorphoTrak, LLC, ("MorphoTrak"); "Licensee," means the Customer; "Primary Agreement" means the agreement to which this exhibit is attached (Biometrics Products and System Sales Agreement); and "Agreement" means this Exhibit and the applicable terms and conditions contained in the Primary Agreement.

For good and valuable consideration, the parties agree as follows:

SECTION 1 DEFINITIONS

1.1 "Designated Products" means products provided by MorphoTrak to Licensee with which or for which the Software and Documentation is licensed for use.

1.2 "Documentation" means product and software documentation that specifies technical and performance features and capabilities, and the user, operation and training manuals for the Software (including all physical or electronic media upon which such information is provided).

1.3 "Open Source Software" means software with either freely obtainable source code, license for modification, or permission for free distribution.

1.4 "Open Source Software License" means the terms or conditions under which the Open Source Software is licensed.

1.5 "Primary Agreement" means the agreement to which this exhibit is attached (Biometrics Products and System Sales Agreement).

1.6 "Security Vulnerability" means a flaw or weakness in system security procedures, design, implementation, or internal controls that could be exercised (accidentally triggered or intentionally exploited) and result in a security breach such that data is compromised, manipulated or stolen or the system damaged.

1.7 "Software" (i) means proprietary software in object code format, and adaptations, translations, de-compilations, disassemblies, emulations, or derivative works of such software; (ii) means any modifications, enhancements, new versions and new releases of the software provided by MorphoTrak; and (iii) may contain one or more items of software owned by a third party supplier. The term "Software" does not include any third party software provided under separate license or third party software not licensable under the terms of this Agreement.

SECTION 2 SCOPE

MorphoTrak and Licensee enter into this Agreement in connection with MorphoTrak's delivery of certain proprietary Software or products containing embedded or pre-loaded proprietary Software, or both. This Agreement contains the terms and conditions of the license MorphoTrak is providing to Licensee, and Licensee's use of the Software and Documentation.

SECTION 3 GRANT OF LICENSE

3.1 Subject to the provisions of this Agreement and the payment of applicable license fees, MorphoTrak grants to Licensee a personal, limited, non-transferable (except as permitted in Section 7) and non-exclusive license under MorphoTrak's copyrights and Confidential Information (as defined in the Primary Agreement) embodied in the Software to use the Software, in object code form, and the Documentation solely in connection with Licensee's use of the Designated Products. This Agreement does not grant any rights to source code.

3.2 If the Software licensed under this Agreement contains or is derived from Open Source Software, the terms and conditions governing the use of such Open Source Software are in the Open Source



Software Licenses of the copyright owner and not this Agreement. If there is a conflict between the terms and conditions of this Agreement and the terms and conditions of the Open Source Software Licenses governing Licensee's use of the Open Source Software, the terms and conditions of the license grant of the applicable Open Source Software Licenses will take precedence over the license grants in this Agreement. If requested by Licensee, MorphoTrak will use commercially reasonable efforts to: (i) determine whether any Open Source Software is provided under this Agreement; (ii) identify the Open Source Software and provide Licensee a copy of the applicable Open Source Software License (or specify where that license may be found); and, (iii) provide Licensee a copy of the Open Source Software source code, without charge, if it is publicly available (although distribution fees may be applicable).

SECTION 4 LIMITATIONS ON USE

4.1 Licensee may use the Software only for Licensee's internal business purposes and only in accordance with the Documentation. Any other use of the Software is strictly prohibited. Without limiting the general nature of these restrictions, Licensee will not make the Software available for use by third parties on a "time sharing," "application service provider," or "service bureau" basis or for any other similar commercial rental or sharing arrangement.

4.2 Licensee will not, and will not allow or enable any third party to: (i) reverse engineer, disassemble, peel components, decompile, reprogram or otherwise reduce the Software or any portion to a human perceptible form or otherwise attempt to recreate the source code; (ii) modify, adapt, create derivative works of, or merge the Software; (iii) copy, reproduce, distribute, lend, or lease the Software or Documentation to any third party, grant any sublicense or other rights in the Software or Documentation to any third party, or take any action that would cause the Software or Documentation to be placed in the public domain; (iv) remove, or in any way alter or obscure, any copyright notice or other notice of MorphoTrak's proprietary rights; (v) provide, copy, transmit, disclose, divulge or make the Software or Documentation available to, or permit the use of the Software by any third party or on any machine except as expressly authorized by this Agreement; or (vi) use, or permit the use of, the Software in a manner that would result in the production of a copy of the Software solely by activating a machine containing the Software. Licensee may make one copy of Software to be used solely for archival, back-up, or disaster recovery purposes; provided that Licensee may not operate that copy of the Software at the same time as the original Software is being operated. Licensee may make as many copies of the Documentation as it may reasonably require for the internal use of the Software.

4.3 Unless otherwise authorized by MorphoTrak in writing, Licensee will not, and will not enable or allow any third party to: (i) install a licensed copy of the Software on more than one unit of a Designated Product; or (ii) copy onto or transfer Software installed in one unit of a Designated Product onto another device. Licensee may temporarily transfer Software installed on a Designated Product to another device if the Designated Product is inoperable or malfunctioning, if Licensee provides written notice to MorphoTrak of the temporary transfer and identifies the device on which the Software is transferred. Temporary transfer of the Software to another device must be discontinued when the original Designated Product is returned to operation and the Software must be removed from the other device. Licensee must provide prompt written notice to MorphoTrak at the time temporary transfer is discontinued.

SECTION 5 OWNERSHIP AND TITLE

MorphoTrak, its licensors, and its suppliers retain all of their proprietary rights in any form in and to the Software and Documentation, including, but not limited to, all rights in patents, patent applications, inventions, copyrights, trademarks, trade secrets, trade names, and other proprietary rights in or relating to the Software and Documentation (including any corrections, bug fixes, enhancements, updates, modifications, adaptations, translations, de-compilations, disassemblies, emulations to or derivative works from the Software or Documentation, whether made by MorphoTrak or another party, or any improvements that result from MorphoTrak's processes or, provision of information services). No rights are granted to Licensee under this Agreement by implication, estoppel or otherwise, except



for those rights which are expressly granted to Licensee in this Agreement. All intellectual property developed, originated, or prepared by MorphoTrak in connection with providing the Software, Designated Products, Documentation or related services, remains vested exclusively in MorphoTrak, and Licensee will not have any shared development or other intellectual property rights.

SECTION 6 LIMITED WARRANTY; DISCLAIMER OF WARRANTY

6.1 If Licensee is not in breach of any of its obligations under this Agreement, MorphoTrak warrants that the unmodified Software, when used properly and in accordance with the Documentation and this Agreement, will be free from a reproducible defect that eliminates the functionality or successful operation of a feature critical to the primary functionality or successful operation of the Software. Whether a defect occurs will be determined by MorphoTrak solely with reference to the Documentation. MorphoTrak does not warrant that Licensee's use of the Software or the Designated Products will be uninterrupted, error-free, completely free of Security Vulnerabilities, or that the Software or the Designated Products will meet Licensee's particular requirements. MorphoTrak makes no representations or warranties with respect to any third party software included in the Software.

6.2 MorphoTrak's sole obligation to Licensee and Licensee's exclusive remedy under this warranty is to use reasonable efforts to remedy any material Software defect covered by this warranty. These efforts will involve either replacing the media or attempting to correct significant, demonstrable program or documentation errors or Security Vulnerabilities. If MorphoTrak cannot correct the defect within a reasonable time, then at MorphoTrak's option, MorphoTrak will replace the defective Software with functionally-equivalent Software, license to Licensee substitute Software which will accomplish the same objective, or terminate the license and refund the Licensee's paid license fee.

6.3 Warranty claims are described in the Primary Agreement.

6.4 The express warranties set forth in this Section 6 are in lieu of, and MorphoTrak disclaims, any and all other warranties (express or implied, oral or written) with respect to the Software or Documentation, including, without limitation, any and all implied warranties of condition, title, non-infringement, merchantability, or fitness for a particular purpose or use by Licensee (whether or not MorphoTrak knows, has reason to know, has been advised, or is otherwise aware of any such purpose or use), whether arising by law, by reason of custom or usage of trade, or by course of dealing. In addition, MorphoTrak disclaims any warranty to any person other than Licensee with respect to the Software or Documentation.

SECTION 7 TRANSFERS

Licensee will not transfer the Software or Documentation to any third party without MorphoTrak's prior written consent. MorphoTrak's consent may be withheld at its discretion and may be conditioned upon transferee paying all applicable license fees and agreeing to be bound by this Agreement.

SECTION 8 TERM AND TERMINATION

8.1 Licensee's right to use the Software and Documentation will begin when the Primary Agreement is signed by both parties and will continue for the life of the Designated Products with which or for which the Software and Documentation have been provided by MorphoTrak, unless Licensee breaches this Agreement, in which case this Agreement and Licensee's right to use the Software and Documentation may be terminated immediately upon notice by MorphoTrak.

8.2 Within thirty (30) days after termination of this Agreement, Licensee must certify in writing to MorphoTrak that all copies of the Software have been removed or deleted from the Designated Products and that all copies of the Software and Documentation have been returned to MorphoTrak or destroyed by Licensee and are no longer in use by Licensee.

8.3 Licensee acknowledges that MorphoTrak made a considerable investment of resources in the development, marketing, and distribution of the Software and Documentation and that Licensee's breach of this Agreement will result in irreparable harm to MorphoTrak for which monetary damages



NYPD

Proposal #00-000914-F

September 8, 2016

would be inadequate. If Licensee breaches this Agreement, MorphoTrak may terminate this Agreement and be entitled to all available remedies at law or in equity (including immediate injunctive relief and repossession of all non-embedded Software and associated Documentation unless Licensee is a Federal agency of the United States Government).

SECTION 9 UNITED STATES GOVERNMENT LICENSING PROVISIONS & RESTRICTED RIGHTS LEGEND

This Section applies if Licensee is the United States Government or a United States Government agency. Licensee's use, duplication or disclosure of the Software and Documentation under MorphoTrak's copyrights or trade secret rights is subject to the restrictions set forth in subparagraphs (c)(1) and (2) of the Commercial Computer Software-Restricted Rights clause at FAR 52.227-19 (JUNE 1987), if applicable, unless they are being provided to the Department of Defense. If the Software and Documentation are being provided to the Department of Defense, Licensee's use, duplication, or disclosure of the Software and Documentation is subject to the restricted rights set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 (OCT 1988), if applicable. The Software and Documentation may or may not include a Restricted Rights notice, or other notice referring to this Agreement. The provisions of this Agreement will continue to apply, but only to the extent that they are consistent with the rights provided to the Licensee under the provisions of the FAR or DFARS mentioned above, as applicable to the particular procuring agency and procurement transaction.

SECTION 10 CONFIDENTIALITY

Licensee acknowledges that the Software and Documentation contain MorphoTrak's valuable proprietary and Confidential Information and are MorphoTrak's trade secrets, and that the provisions in the Primary Agreement concerning Confidential Information apply.

SECTION 11 GENERAL

11.1 COPYRIGHT NOTICES. The existence of a copyright notice on the Software will not be construed as an admission or presumption of publication of the Software or public disclosure of any trade secrets associated with the Software.

11.2 COMPLIANCE WITH LAWS. Licensee acknowledges that the Software is subject to the laws and regulations of the United States and Licensee will comply with all applicable laws and regulations, including export laws and regulations of the United States. Licensee will not, without the prior authorization of MorphoTrak and the appropriate governmental authority of the United States, in any form export or re-export, sell or resell, ship or reship, or divert, through direct or indirect means, any item or technical data or direct or indirect products sold or otherwise furnished to any person within any territory for which the United States Government or any of its agencies at the time of the action, requires an export license or other governmental approval. Violation of this provision is a material breach of this Agreement.

11.3 GOVERNING LAW. This Agreement is governed by the laws of the United States to the extent that they apply and otherwise by the internal substantive laws of the State to which the Software is shipped if Licensee is a sovereign government entity, or the internal substantive laws of the State of Delaware if Licensee is not a sovereign government entity. The terms of the U.N. Convention on Contracts for the International Sale of Goods do not apply. In the event that the Uniform Computer Information Transaction Act, any version of this Act, or a substantially similar law (collectively "UCITA") becomes applicable to a party's performance under this Agreement, UCITA does not govern any aspect of this Agreement or any license granted under this Agreement, or any of the parties' rights or obligations under this Agreement. The governing law will be that in effect prior to the applicability of UCITA.

11.4 THIRD PARTY BENEFICIARIES. This Agreement is entered into solely for the benefit of MorphoTrak and Licensee. No third party has the right to make any claim or assert any right under this



NYPD

Proposal #00-000914-F

September 8, 2016

Agreement, and no third party is deemed a beneficiary of this Agreement. Notwithstanding the foregoing, any licensor or supplier of third party software included in the Software will be a direct and intended third party beneficiary of this Agreement.

11.5 PREVAILING PARTY. In the event of any dispute arising out of the subject matter of this Agreement, the prevailing party shall recover, in addition to any other damages assessed, its reasonable attorneys' fees and court costs incurred in arbitrating, litigating, or otherwise settling or resolving such dispute.

11.6 SURVIVAL. Sections 4, 5, 6.3, 7, 8, 9, 10, and 11 survive the termination of this Agreement.



Exhibit B Payment Schedule

This quote is subject to the following terms:

1. Twenty-five percent (25%) of the purchase price is due at the time of contract signing.
2. Fifteen percent (15%) of the purchase price is due at the signature and approval of the Requirements Definition Document. (Only applicable to proposals with requirement documents as stated in Exhibit C.)
3. Twenty percent (20%) of the purchase price is due at hardware purchase. (35% if there is no Requirements Definition Document.)
4. Twenty percent (20%) of the purchase price is due at the Factory Acceptance Test (FAT), if contractually required.
5. Fifteen percent (15%) of the purchase price is due upon equipment shipment. (35% if a Factory Acceptance Test is not contractually required.)
6. Five percent (5%) of the purchase price is due upon system acceptance.
7. Payment is due net twenty (20) days from receipt of invoice.¹

¹ Customer's payment shall be due and payable no later than twenty (20) days after date of MorphoTrak's invoice. MorphoTrak will accept a check payable to MorphoTrak, LLC or a wire transfer drawn on a United States financial institution. Overdue invoices will bear simple interest at the rate of ten percent (10%) per annum, unless such rate exceeds the maximum allowed by law, in which case it will be reduced to the maximum allowable rate. Any collection or attorney's fees incurred by MorphoTrak seeking to enforce payment under this Agreement shall be reimbursed by Customer.



Exhibit C Technical and Implementation Documents

Technical and Implementation Documents are listed and attached in order of precedence:

- ◆ Requirements Definition Document (if applicable)
- ◆ Statement of Work
- ◆ Technical proposal