

0150-11767-0001

TRANSMITTAL

TO The Council	DATE 06/13/2022	COUNCIL FILE NO. --
FROM The Mayor	COUNCIL DISTRICT Various	

**Proposed agreement with Axon Enterprise, Inc., and
the Los Angeles Police Department for the installation and replacement
of the Digital In-Car Video System**

The proposed agreement between the Los Angeles Police Department and Axon Enterprise, Inc., is transmitted for further processing. After receipt, the Council has 60 days to act, otherwise the matter will be deemed approved, pursuant to Los Angeles Administrative Code Section 10.5(a). See the attached City Administrative Officer report.



MAYOR
(Andre Herndon for)

MWS:DP: 04220152c

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 6-10-22	C.D. No. Various	CAO File No.: 0150-11767-0001
Contracting Department/Bureau: Los Angeles Police Department		Contact: James Acheron (213) 486-0112	
Reference: Transmittal from the Board of Police Commissioners to the Office of the Mayor dated May 11, 2022; referred by the Mayor to the City Administrative Officer on May 13, 2022; supplemental information received from the Department on June 8, 2022.			
Purpose of Contract: For the installation and replacement of the Digital In-Car Video recording system in police vehicles.			
Type of Contract: (X) New contract () Amendment, Contract No.		Contract Term Dates: Five years from the date of execution, with one option to extend for an additional five years.	
Contract/Amendment Amount: \$6,875,890			
Proposed amount \$ 6,875,890+ Prior award(s) \$ 0= Total \$ \$6,875,890			
Source of funds: Los Angeles Police Department 003040 Contractual Services Account			
Name of Contractor: Axon Enterprise, Inc.			
Address: 17800 N. 85 th Street, Scottsdale, AZ 85255			
	Yes	No	N/A
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed		X	
4. Proposals have been requested			X
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: 0 %			
8. Business Inclusion Program			X
9. Equal Benefits & First Source Hiring Ordinances	X		
10. Contractor Responsibility Ordinance	X		
11. Disclosure Ordinances	X		
12. Bidder Certification CEC Form 50	X		
13. Prohibited Contributors (Bidders) CEC Form 55	X		
14. California Iran Contracting Act of 2010			X

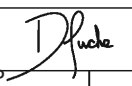
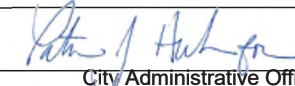
RECOMMENDATION

That the Council, subject to the approval of the Mayor, authorize the Los Angeles Police Department to execute the proposed agreement with Axon Enterprise, Inc., for the replacement of the Digital In-Car Video System. The term of the agreement is five years from the date of execution, with one option to extend for an additional five years, with a maximum allowable compensation amount not to exceed \$6,875,890, subject to the review and approval of the City Attorney as to form.

SUMMARY

In accordance with Executive Directive No. 3, the Los Angeles Police Department (Department) requests approval to execute the proposed agreement with Axon Enterprise, Inc., to replace the existing Digital In-Car Video System (DICVS). The term of the agreement is five years, commencing upon the date of execution, with one option to extend for an additional five years. The maximum allowable compensation shall not exceed \$6,875,890 over the five year term.

The Department has utilized a DICVS system for the past 11 years from a prior vendor. However, the equipment has reached the end of its useful life and the existing storage is close to reaching full capacity

 DP Analyst 04220152	 City Administrative Officer
--	---

thereby becoming unsustainable. On June 14, 2016, the Department and the Contractor entered into a separate agreement (C-127706) for the purchase of Body Worn Cameras (BWCs), which also included a cloud-based unlimited storage platform. Currently, the two devices are unable to synchronize and requires officers to manually activate two separate recording systems. The new DICVS equipment will immediately integrate with the existing BWC system and incorporate files into the same format, repository, and cloud-based platform in compliance with the Criminal Justice Information Systems standards and stored into one system for case sharing investigations for the City Attorney and District Attorney. This agreement was referred for approval to the Board of Police Commissioners on May 5, 2022.

Under the terms of the proposed agreement, the Contractor will configure and install the equipment for a DICVS on approximately 1,500 vehicles for the Department. The Contractor will also provide a cloud-connected evidence management system video storage solution. The Contractor will assign a Project Manager with the expertise to execute a successful fleet camera deployment and implementation. Training for the end-user on the device use, storage solution, and dashboard are included at no additional cost. The Contractor agrees to comply with the Federal Bureau of Investigation Criminal Justice Information Systems Security Policy included as Attachment C of the proposed agreement. The Contractor will require all employees, agents, and subcontractors to execute a confidentiality agreement. Funding for the proposed agreement is provided within the Department's Contractual Services Account.

Per review and approval by the City Attorney, and in accordance with Charter Section 372 - Competitive Proposals Preferred, the competitive bidding process is not practicable and compatible with the City's interests. Consistent with the City Attorney, this Office finds that these services are for the performance of professional, scientific, expert and technical services for which the contracting authority finds that competitive bidding is not practicable or advantageous, as stated in Charter Section 371(e)(2), and would be considered "sole source". A Notice of Intent to Contract was submitted to the Employee Relations Division on May 4, 2022.

In accordance with Charter Section 1022, the Personnel Department determined that City employees do not have the expertise to perform the work proposed since these services are only available from a sole source provider.

The proposed agreement is in compliance with Ordinance 187134, which incorporates the updated Standard Provisions that includes language requiring employees of City contractors and subcontractors to be fully vaccinated against the COVID-19 virus.

In accordance with Los Angeles Administrative Code Section 10.5(a), Council approval of the proposed agreement is required because the proposed contract term exceeds three years. To the best of our knowledge, the Contractor has complied with all standard provisions for City contracts, as well as City contracting requirements.

FISCAL IMPACT STATEMENT

Approval of the recommendation stated in this report will authorize the Los Angeles Police Department (Department) to enter into an agreement with Axon Enterprise, Inc., for the replacement of a Digital In-Car Video System. The term of the agreement is five years from the date of execution, with one option to extend for an additional five years, with a maximum allowable compensation not to exceed

\$6,875,890. Funding is provided within the Department's 003040 Contractual Services Account previously encumbered for these purposes. There is no additional impact to the General Fund.

FINANCIAL POLICIES STATEMENT

The recommendation stated in this report is in compliance with the City's Financial Policies in that one-time revenues will be used to support one-time expenditures.

MWS:DP:04220152c

Attachments

LOS ANGELES POLICE COMMISSION

BOARD OF POLICE COMMISSIONERS

WILLIAM J. BRIGGS, II
PRESIDENT

EILEEN M. DECKER
VICE PRESIDENT

DALE BONNER
MARIA LOU CALANCHE
STEVE SOBOROFF

MARIA SILVA
COMMISSION EXECUTIVE ASSISTANT II



ERIC GARCETTI
MAYOR

RICHARD M. TEFANK
EXECUTIVE DIRECTOR

MARK P. SMITH
INSPECTOR GENERAL

EXECUTIVE OFFICE
POLICE ADMINISTRATION BUILDING
100 WEST FIRST STREET, SUITE 184
LOS ANGELES, CA 90012-4117

(213) 236-1400 PHONE
(213) 236-1410 FAX
(213) 236-1440 TDD

May 11, 2022

BPC #22-093

The Honorable Eric Garcetti
Mayor, City of Los Angeles
City Hall, Room 303
Los Angeles, CA 90012

Attention: Heleen Ramirez

Dear Honorable Mayor:

RE: AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND AXON ENTERPRISE
INC. FOR FLEET IN-CAR RECORDING PLATFORM.

At the regular meeting of the Board of Police Commissioners held Tuesday, May 10, 2022 the Board APPROVED the Department's report relative to the above matter.

This matter is being forwarded to you for approval.

Respectfully,

BOARD OF POLICE COMMISSIONERS

MARIA SILVA
Commission Executive Assistant

Attachment

c: Chief of Police

INTRADEPARTMENTAL CORRESPONDENCE

RECEIVED

MAY 05 2022

POLICE COMMISSION

May 6, 2022
3.5

TO: The Honorable Board of Police Commissioners

FROM: Chief of Police

SUBJECT: REQUEST FOR APPROVAL OF THE PROFESSIONAL SERVICES
AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND AXON
ENTERPRISE, INC. FOR A FLEET IN-CAR RECORDING PLATFORM

RECOMMENDED ACTIONS

1. That the Board of Police Commissioners (Board) REVIEW and APPROVE the attached sole source Agreement between the City and Axon Enterprise, Inc.
2. That the Board TRANSMIT the attached sole source Agreement to the Office of the Mayor for review, approval, and transmission to the City Council.
3. That the Board AUTHORIZE the Chief of Police to execute the attached sole source Agreement upon Mayoral approval.

DISCUSSION

On June 24, 2016, the City and Axon Enterprise, Inc. entered into Agreement Number C-127706 under which the City paid Axon for certain services and equipment, including body worn cameras (BWC), conducted electrical weapons, and unlimited data storage through Evidence.com, a cloud-based data management storage platform for the Los Angeles Police Department (LAPD or Department). Since the inception of the body worn video (BWV) program, Department personnel and partner agencies have become increasingly reliant on Evidence.com to review and share digital media.

The Department's Safe Fleet Coban Digital In-Car Video (DICV) system has been utilized for the past 11 years, and although DICV continues to provide valuable video to the Department's investigations, the Safe Fleet Coban system is incompatible with the Axon recording and storage system. The LAPD's DICV and BWV cannot be synchronized, and officers are tasked with operating two separate recording systems, which can potentially distract officers at critical times when officer awareness is needed. Also, the LAPD, the City Attorney's Office (CA) and District Attorney's Office (DA) have struggled to effectively and efficiently file and prosecute cases involving evidence from separate BWV and DICV systems.

Currently, the Department is on pace to exceed its on-site tape storage capacity for DICV in the short term and is unsustainable in the long term due to the increased video recording rates of LAPD officers in the field. The LAPD requires a solution to store the increasing amount of data in a secure Criminal Justice Information Systems (CJIS)-compliant government cloud location and permit it to migrate from its current on-premises tape storage system to a cloud-based storage system, as well as streamline the investigative workflow and collaboration with the criminal justice system.

The LAPD's Information Technology Bureau (ITB) conducted preliminary testing of three DICV systems from three vendors. Of the DICV systems tested by ITB, only Axon's Fleet 3 was able to meet all the Department's requirements. Axon is the only vendor that offers LAPD unlimited storage in a secure government cloud solution that stores all evidentiary files (BWV, DICV, photos, audio files, documents). The Fleet 3 system creates in-car video in the same format as body worn video (BWV) and uploads all files into the same repository -- Evidence.com. Axon's Evidence.com is the only platform that can currently meet this requirement *without* disruption to existing court proceedings, workflows and procedures and in the most efficient way possible for the Department. Fleet 3 also allows both BWV and DICV to be immediately integrated into one system from which case sharing to the CA and DA can be facilitated. The Axon Signal system, included with Fleet 3, allows for wireless activation of officers' body cameras upon activation of the DICV system, synchronizing the two devices and relieving officers of the need to separately activate two systems. Additionally, the integrated nature of Axon and its BWC will allow the Department to eliminate the use of a separate on-body wireless microphone. Instead, Fleet 3 leverages the officers' existing Axon BWC as the system's wireless microphone.

The justification for this non-competitive procurement is based solely on the best interests of the Department and the City of Los Angeles. The Department believes it to be operationally and financially advantageous to approve this sole-source agreement with Axon, and such action will be consistent with all state and local procurement regulations.

The term of the Agreement is for five years with a total compensation of \$6,875,889.27, and an option for the LAPD to renew the term for another five-year period, subject to the LAPD's needs, availability of funds, and satisfactory performance by Axon.

Should you have any questions concerning this request, please contact Police Administrator II Thom Brennan, Commanding Officer, Fiscal Group, at (213) 486-8590.

Respectfully,


MICHEL R. MOORE
Chief of Police

BOARD OF
POLICE COMMISSIONERS
Approved *May 10, 2022*
Secretary *Rebecca Murray*

Attachment

INTRADEPARTMENTAL CORRESPONDENCE

May 4, 2022
3.5

TO: Chief of Police

FROM: Commanding Officer, Fiscal Group

SUBJECT: REQUEST FOR APPROVAL OF THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND AXON ENTERPRISE, INC. A FOR A FLEET IN-CAR RECORDING PLATFORM

It is requested that the Chief of Police review, approve, and transmit to the Board of Police Commissioners for review and approval the attached sole source Agreement (Agreement) between the City of Los Angeles (City) and Axon Enterprise, Inc. (Axon), for a fleet in-car recording platform. The Office of the City Attorney has approved the Agreement as to form.

On June 24, 2016, the City and Axon Enterprise, Inc. entered into Agreement Number C-127706 under which the City paid Axon for certain services and equipment, including body worn cameras (BWC), conducted electrical weapons, and unlimited data storage through Evidence.com, a cloud-based data management storage platform for the Los Angeles Police Department (LAPD or Department). Since the inception of the body worn video (BWV) program, Department personnel and partner agencies have become increasingly reliant on Evidence.com to review and share digital media.

The Department's Safe Fleet Coban Digital In-Car Video (DICV) system has been utilized for the past 11 years, and although DICV continues to provide valuable video to the Department's investigations, the Safe Fleet Coban system is incompatible with the Axon recording and storage system. The LAPD's DICV and BWV cannot be synchronized, and officers are tasked with operating two separate recording systems, which can potentially distract officers at critical times when officer awareness is needed. Also, the LAPD, the City Attorney's Office (CA) and District Attorney's Office (DA) have struggled to effectively and efficiently file and prosecute cases involving evidence from separate BWV and DICV systems.

Currently, the Department is on pace to exceed its on-site tape storage capacity for DICV in the short term and is unsustainable in the long term due to the increased video recording rates of LAPD officers in the field. The LAPD requires a solution to store the increasing amount of data in a secure Criminal Justice Information Systems (CJIS)-compliant government cloud location and permit it to migrate from its current on-premises tape storage system to a cloud-based storage system, as well as streamline the investigative workflow and collaboration with the criminal justice system.

The LAPD's Information Technology Bureau (ITB) conducted preliminary testing of three DICV systems from three vendors. Of the DICV systems tested by ITB, only Axon's Fleet 3 was able to meet all the Department's requirements. Axon is the only vendor that offers LAPD unlimited storage in a secure government cloud solution that stores all evidentiary files (BWV, DICV, photos, audio files, documents). The Fleet 3 system creates in-car video in the same format as body worn video (BWV) and uploads all files into the same repository – Evidence.com. Axon's Evidence.com is the only platform that can currently meet this requirement *without* disruption to existing court proceedings, workflows and procedures and in the most efficient way possible for the Department. Fleet 3 also allows both BWV and DICV to be immediately integrated into one system from which case sharing to the CA and DA can be facilitated. The Axon Signal system, included with Fleet 3, allows for wireless activation of officers' body cameras upon activation of the DICV system, synchronizing the two devices and relieving officers of the need to separately activate two systems. Additionally, the integrated nature of Axon and its BWC will allow the Department to eliminate the use of a separate on-body wireless microphone. Instead, Fleet 3 leverages the officers' existing Axon BWC as the system's wireless microphone.

The justification for this non-competitive procurement is based solely on the best interests of the Department and the City of Los Angeles. The Department believes it to be operationally and financially advantageous to approve this sole-source agreement with Axon, and such action will be consistent with all state and local procurement regulations.

The term of the Agreement is for five years with a total compensation of \$6,875,889.27, and an option for the LAPD to renew the term for another five-year period, subject to the LAPD's needs, availability of funds, and satisfactory performance by Axon.

Should you have any questions concerning this request, please contact
Senior Management Analyst II James T. Aceron, Officer in Charge, Contracts Section,
Fiscal Group, at (213) 486-0112.



THOM BRENNAN, Police Administrator II
Commanding Officer
Fiscal Group

Attachment

PROFESSIONAL SERVICES AGREEMENT

CONTRACTOR: AXON ENTERPRISE, INC.

REGARDING: AXON FLEET IN-CAR RECORDING PLATFORM

Agreement Number _____

**AGREEMENT NUMBER _____
BETWEEN THE CITY OF LOS ANGELES
AND
AXON ENTERPRISE, INC.**

THIS AGREEMENT is made and entered into by and between the City of Los Angeles, California, a municipal corporation (hereinafter referred to as the "City"), acting by and through the Los Angeles Police Department (hereinafter referred to as the "LAPD" or the "Department"), and Axon Enterprise, Inc., a Delaware Corporation (hereinafter referred to as the "Contractor"),

RECITALS

WHEREAS, the LAPD requires a digital in-car video system (DICVS) to replace its current DICVS equipment, which is approximately 11 years old and began to reach its End-of-Life approximately six years ago;

WHEREAS, the video recording rates of LAPD officers has made on-premise storage unsustainable and the Department requires a solution to store the increasing amount of data in a secure Criminal Justice Information Systems (CJIS)-compliant government cloud location; and

WHEREAS, on June 24, 2016, the City and Contractor entered into Agreement Number C-127706, whereby Contractor provided to City, and City paid Contractor for certain services and equipment, including body worn cameras, conducted electrical weapons, and unlimited data storage through Evidence.com, a cloud-based data management storage platform; and

WHEREAS, the LAPD's current DICVS and Axon body cameras cannot be synchronized and officers are tasked with operating two separate recording systems, which can potential distract officers at critical times when officer awareness is needed; and

WHEREAS, since 2015, the LAPD has become more reliant on the Contractor's Evidence.com platform to improve workload management and efficiency by storing, sharing, reviewing, investigating, case filing and auditing evidence within the application; and

WHEREAS, the LAPD's Information Technology Bureau (ITB) conducted preliminary testing of three DICV systems from three vendors, and of the in-car video systems tested by ITB, only Axon's Fleet 3 was able to meet all the Department's requirements; and

WHEREAS, the Contractor offers Fleet 3, an integrated DICVS solution that is part of the Contractor's larger ecosystem, which incorporates the Contractor's body worn video cameras and a cloud-based video storage solution, both of which are currently used by the Department under Agreement Number C-127706; and

WHEREAS, Fleet 3 immediately integrates with the LAPD's current body worn video system and evidence management application from the moment it is installed, incorporates all files (BWV, DICV, photos, audio files, documents) into one repository for efficient searching and sharing, offers numerous add-on products and features for enhanced productivity and policy compliance, causes no disruption in current workflows or procedures, and resolves the LAPD's on-premise storage issue with a cloud storage solution; and

WHEREAS, the services to be provided herein are of a professional, expert, temporary, or occasional nature and it is not reasonably practicable or compatible with the City's interest for LAPD to obtain additional competitive proposals; and

WHEREAS, the parties hereto wish to enter into an Agreement pursuant to which the Contractor will perform the work and furnish the deliverables as described herein for consideration and upon the terms and conditions as hereinafter provided,

NOW, THEREFORE, in consideration of the above promises and of the terms, covenants and considerations set forth herein, the parties do agree as follows:

SECTION 1.0 PARTIES TO THE AGREEMENT AND REPRESENTATIVES

1.1 Parties to Agreement

The parties to this Agreement are:

- A. City – The City of Los Angeles, a municipal corporation, acting by and through the LAPD, having its principal office at 100 West First Street, Los Angeles, California, 90012.
- B. Contractor – Axon Enterprise, Inc., a Delaware corporation, having its principal office at 17800 North 85th Street, Scottsdale, Arizona 85255.

1.2 Representatives of the Parties

- A. The representatives of the parties who are authorized to administer this Agreement and to whom formal notices, demands and communications will be given are as follows:

- 1) The City's representative is, unless otherwise stated in the Agreement:

Chief of Police
Los Angeles Police Department
100 West First Street, Tenth Floor
Los Angeles, California 90012

With copies to:

Commanding Officer
Information Technology Bureau
Los Angeles Police Department
100 West First Street, Suite 842
Los Angeles, California 90012

- 2) The Contractor's representative is, unless otherwise stated in the Agreement:

Isaiah Fields
17800 N 85th Street
Scottsdale, AZ 85255
800-978-2737
legal@axon.com

And:

Contracts
17800 N 85th Street
Scottsdale, AZ 85255
800-978-2737
contracts@axon.com

- B. Formal notices, demands and communications to be given hereunder by either party must be made in writing and may be affected by electronic mail (e-mail), personal delivery or by registered or certified mail, postage prepaid, return receipt requested and will be deemed communicated as of the date of mailing.
- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice will be given in accordance with this Section, within five (5) working days of said change.

SECTION 2.0 TERM OF THE AGREEMENT

- 2.1** The term of this Agreement will commence upon execution by all parties and will terminate five (5) years thereafter, unless otherwise terminated pursuant to PSC-9 (Termination) of the Standard Provisions for City Contracts (Rev. 10/21) [v.4] attached hereto as Attachment A.
- 2.2** At the discretion of the LAPD, the Chief of Police may extend the term of this Agreement for one additional five-year period (the "Renewal Term"), subject to LAPD needs, availability of funds, and satisfactory performance by the Contractor. Performance will not begin until the Contractor has obtained approval of insurance and has an approved Agreement with the City as required herein.
- 2.3** The Renewal Term will include Fleet licensing, Unlimited Fleet Storage, and the TAP warranty for Fleet 3 at a price of \$90.15 per month, per vehicle. This monthly amount is the average of an annual 10% increase that will be applied upon the commencement of the Renewal Term. If the US Bureau of Labor Statistics Consumer Price Index ("CPI") is higher than 10%, then the monthly rate above will be adjusted commensurate to CPI at the time the option is exercised. The City will be responsible for providing the in-car routers for use with Fleet 3. During the Renewal Term, Contractor shall provide installation services for Fleet 3 at a rate of \$750 per vehicle.
- 2.4 Ratification**
- Due to the need for the Contractor's services to be provided expeditiously, Contractor may have provided services prior to the execution of this Agreement. To the extent that Contractor's services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.

SECTION 3.0 PERSONNEL

3.1 Project Manager

Contractor shall assign a project manager with full authority to administer the Agreement for Contractor and with relevant experience in implementing the Statement of Work to be performed.

3.2 Subcontractors

A. Subcontracts/Joint Participation Agreements

With prior written approval of Department, Contractor may enter into subcontracts with other vendors for the performance of portions of this Agreement. Contractor shall at all times be responsible for the acts and errors or omissions of its subcontractors in the performance of this Agreement. Nothing in this Agreement shall constitute any contractual relationship between any subcontractors and Department or any obligation on the part of Department to pay, or to be responsible for the payment of, any sums to any subcontractors.

B. Provisions Bind on Subcontracts

The provisions of this Agreement, which by their nature are required to be imposed upon subcontractors, shall apply to all subcontractors in the same manner as to Contractor. In particular, Department will not pay, even indirectly, the fees and expenses of a subcontractor that do not conform to the terms of this Agreement.

SECTION 4.0 STATEMENT OF WORK

4.1 Statement of Work to be Performed

- A.** During the term of this Agreement, Contractor shall provide the Services, implement the tasks, and provide the deliverables identified herein and in Attachment B, Statement of Work ("SOW").
- B.** All work, tasks, and deliverables are subject to City approval in accordance with the SOW. Failure to receive approval may result in the withholding of compensation for such Deliverable(s) pursuant to Section 6, Compensation and Method of Payment, of this Agreement.
- C.** Contractor shall provide LAPD access and use to Contractor's Axon Cloud Services (Evidence.com) for use with Axon Fleet 3 pursuant to City's subscription to the Axon Cloud Services in Contract C-127706-2. Should Contract C-127706-2 terminate or expire prior to termination or expiration of this Agreement, City will be required to purchase a new subscription to Axon Cloud Services for the continued use of Axon Cloud Services with Axon Fleet 3.
- D.** Notwithstanding any other provision of this Agreement, the Contractor shall perform such other work and deliver such other items within the scope of services as are necessary to ensure that the deliverables provided under this Agreement meet the requirements set forth in this Agreement and all Attachments.

- E. In the event that City requires Services in addition to those specified in this Agreement, Contractor agrees to provide such services in accordance with Section 10.1, Amendments, of this Agreement. Prior to performance of additional work, this Agreement will be amended to include the additional work and payment.
- F. Contractor's performance of the work under this Agreement must not interfere unnecessarily with the operation of LAPD or any other City Department. If City, as a result of its own operations, delays, disrupts, or otherwise interferes with and materially affects Contractor's performance hereunder, adjustments will be determined by mutual agreement of the parties and may be accomplished in accordance with Section 10.1, Amendments, of this Agreement. Contractor shall notify City immediately if delays, regardless of the cause, begin to put the implementation schedule in jeopardy.

4.2 Final Report Acceptance and Approval

- A. Upon completion of all tasks, Services and Deliverables set forth in this Agreement, including Attachment B, Statement of Work, all amounts withheld for the Digital In-Car Video System ("System") Deliverables shall be paid to Contractor within thirty (30) calendar days after City's written approval of Contractor's Notice of System Completion. The City's approval of the Notice of System Completion shall be issued by the City in accordance with this Section and after the Contractor has met the requirements for System completion established in this Section. City's review of the System's acceptability shall include, but is not limited to testing and accepting or rejecting the system, and confirming that the system meets the requirements as specified in Attachment B, Statement of Work, of this Agreement.
- B. Upon completion of the System, Contractor must provide City with the Final System Sign-Off Report and Notice of System Completion for the System, certifying that:
 - 1. Contractor has completed all work as set forth in this Agreement, including all Attachments, related to the completed System, with the exception of System equipment warranty and System maintenance and support services required pursuant to this Agreement.
 - 2. Contractor has provided Deliverables to City that meet the requirements set forth in this Agreement and Attachment B, Statement of Work, for the System which Contractor seeks Final System Acceptance; and

3. Contractor has complied with all of the terms and conditions of this Agreement applicable to the completed System.

- C. City shall either approve/sign or reject Contractor's Notice of System Completion for each division installation as defined in Attachment B, Statement of Work, within fifteen (15) business days of submittal. If City approves Contractor's Notice of System Completion, it shall constitute formal acceptance of all of Contractor's tasks, services, and Deliverables related to the completed System for which the Final System Acceptance was provided.

If City rejects Contractor's Notice of System Completion, City shall issue within fifteen (15) business days, a Notice of System Rejection specifying requirement(s) within the Agreement that the Contractor has failed to satisfy. City and Contractor shall meet immediately, but in no event later than ten (10) business days after City issues the Notice of System Rejection, to discuss the reasons for rejecting the system. Contractor shall develop and have available at this meeting, a detailed plan identifying the specific actions to be taken by Contractor to address the issue(s) identified in the Notice of System Rejection.

If the City and the Contractor cannot agree on the resolution of issues necessary for City's approval of Contractor's Notice of System Completion, such differences shall be resolved in accordance with Section 11, Disputes, of this Agreement.

The City must approve Contractor's Notice of System Completion to begin the equipment warranty and system maintenance period as described in Attachment B, Statement of Work.

If City fails to respond to Contractor's Notice of System Completion within fifteen (15) business days after submittal, Contractor shall submit an additional written notice to the City requiring the City to respond within an additional fifteen (15) business days. Failure of the City to provide a response within the total thirty (30) business day period shall be considered a deemed approval of the Contractor's Notice of System Completion (unless an alternate agreement method has been mutually agreed upon by the parties).

- D. The Contractor shall have fulfilled its obligations under this Agreement, when the Contractor accomplishes all the tasks described in Attachment B, Statement of Work; the City has issued final acceptance and approval in writing; and Contractor has completed its five (5) year maintenance of the system.

4.3 City of Use of Deliverables

Subject to Section 4.2 of this Agreement, if City determines that a Deliverable, or any part thereof, requires correction prior to Acceptance of that Deliverable, City has the absolute right to use the Deliverable until such time as Contractor can remedy the identified deficiency.

4.4 Survival of Provisions

The provisions of Section 4 shall survive termination of this Agreement.

4.5 Time of Performance

- A. Normal Business Hours – The Contractor will be available to the LAPD, during normal business hours, upon receiving at least twenty-four (24) hours advance notice. Normal business hours will mean the hours between 8:00 a.m. and 5:00 p.m., Monday through Friday, Pacific Time, excluding City holidays.
- B. Outside Normal Business Hours—Upon receiving at least twenty-four (24) hours advance notice, the Contractor will be available to the LAPD as needed during weekends, City holidays, and after normal business hours.
- C. Emergencies – The Contractor will be available for emergency calls on an as-needed, twenty-four (24) hours a day, seven (7) days a week basis when requested to respond with less than twenty-four (24) hours' notice.

SECTION 5.0

ACCESS TO CITY FACILITIES AND RESOURCES SUPPLIED BY CITY

The City will provide the Contractor access to City facilities and personnel as necessary to perform the services under this Agreement.

SECTION 6.0

COMPENSATION AND METHOD OF PAYMENT

6.1 Compensation

- A. For complete and satisfactory performance of the services and delivery of the deliverables of this Agreement, City shall pay Contractor an amount not to exceed Six Million Eight Hundred Seventy Five Thousand Eight

Hundred Eighty-Nine Dollars and Twenty-Seven Cents (\$6,875,889.27), including state and local taxes.

- B. Contractor shall invoice City, and City shall pay Contractor, in accordance with Attachment B, Statement of Work.
- C. The Contractor further understands and agrees that execution of this Agreement does not guarantee that any or all of these funds will be expended.
- D. Notwithstanding any other provision of this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in said Agreement. Contractor agrees that services provided by Contractor, purchases made by Contractor, or expenses incurred by Contractor in excess of said appropriation(s) shall be free and without charge to City and City shall have no obligation to pay for said services, purchases or expenses. Contractor shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until City appropriates additional funds for this Agreement.

6.2 Taxes

To the extent that any of the Services or Deliverables to be provided by Contractor hereunder are subject to any California sales and use taxes, City and Contractor acknowledge and agree that such taxes shall be collected from the City. Contractor acknowledges and agrees to remit the same to the appropriate tax collection authorities in the manner set forth under applicable law. Contractor shall be solely responsible for any uncollected and unremitted taxes due and owing to the appropriate tax collection authorities and shall indemnify the City for any losses in connection with any uncollected and unremitted taxes due.

6.3 Method of Payment

- A. Invoices. The City shall pay the Contractor pursuant to the requirements of this Section 6.0 after receipt and approval of the Contractor's invoices by the City. To ensure that services provided under personal services contracts are measured against services as detailed in this Contract, the Controller of the City of Los Angeles has developed a policy requiring the following supporting documentation to be submitted with all invoices:

Billing and Invoicing Requirements

The contractor is required to submit invoices that conform to City standards and include, at a minimum, the following information:

- 1) Name and address of contractor
 - 2) Division and Department name and address where services were provided
 - 3) Date of invoice and period covered
 - 4) Contract number or authority (purchase order) number
 - 5) Description of completed task and amount due for task, including:
 - a. Name of personnel working on task
 - b. Hours spent on task and timesheet supporting charges (if applicable)
 - c. Rate per hour and total due
 - 6) Certification by a duly authorized officer
 - 7) Taxes (indicate taxable and non-taxable items on invoice)
 - 8) Discount and terms (if applicable)
 - 9) Remittance Address (if different from company address)
- B. All invoices must be submitted on Contractor's letterhead, contain Contractor's official logo, or other unique and identifying information such as the name and address of the Contractor. Evidence that tasks have been completed, in the form of detailed description of tasks performed per hours billed, shall be attached to all invoices. Invoices shall be submitted as per Section 6.3 and shall be payable to the Contractor no later than 30 days after City determination that the invoice is complete. Invoices are considered complete when appropriate documentation or services provided are signed off as satisfactory by the Commanding Officer, Information Technology Bureau, which approval shall not be unreasonably withheld, and which approval shall be provided within a reasonable amount of time. Notwithstanding the foregoing, and subject to any rules or regulations necessitated by the Office of the Los Angeles City Controller or as otherwise required by law, there shall exist a rebuttable presumption that invoices are complete upon submission by Contractor. Should there be any reason for which the invoices should not be deemed complete upon delivery, and for which reason payment should not occur upon 30 days of delivery of the invoices, City shall immediately notify Contractor and the parties shall work together in good faith to immediately rectify any deficiencies.
- C. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of the Contractor. The City will not compensate the Contractor for costs incurred in invoice preparation. The City may request, in writing, changes to the content and format of the

invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time.

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

- E. Invoices must be sent to:

Commanding Officer
Information Technology Bureau
Los Angeles Police Department
100 West 1st Street, Eighth Floor
Los Angeles, CA 90012

SECTION 7.0 REPRESENTATIONS AND WARRANTIES

7.1 General

The warranties in this section are nonexclusive and are cumulative of any other representations and warranties from Contractor in this Agreement or otherwise available to City under law.

7.2 Warranties of Function

- A. Contractor represents and warrants that for one year following the final acceptance of any deliverable provided by Contractor, the deliverable will perform materially as described in the technical specifications set forth in this Agreement.
- B. Contractor represents and warrants that no deliverable, when installed, will impair or degrade the performance of any existing system, during the period from installation until Final System Acceptance.

7.3 Warranty of Originality

Contractor represents and warrants that any deliverable will be its own original work, without incorporation of software, text, images, or other assets created by

third parties, except to the extent that City consents to such incorporation in writing.

7.4 Warranty of Authority

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

7.5 Deliverables

Contractor represents and warrants that any and all deliverables shall at the time of delivery and acceptance conform to the applicable specifications; shall be free from any error, malfunction, or defect; shall be fit for the particular purpose for which the Deliverable is developed and of which City advises Contractor; and if intended to serve as one or more components of an associated system, program, device, network or data, such Deliverable shall comply with the warranties and other requirements of this Agreement when integrated or used with the System.

7.6 Pass through Warranties

Without limiting City's rights with respect to Contractor's warranties under this Agreement, if Contractor provides any deliverables covered by a third-party manufacturer's warranty or indemnity, or both, Contractor shall: (i) provide City with a copy of each such warranty or indemnity; and (ii) if such warranty or indemnity does not by its terms pass through to the end-user, then to the extent permitted, Contractor shall assign to City or otherwise cause the manufacturer to grant to City all warranties and indemnities provided by such manufacturer.

7.7 Compliance with Law

Contractor represents and warrants that the services provided under this Agreement will comply with all applicable laws, including without limitation federal, state, and local laws.

7.8 Software

Contractor represents and warrants that any software licensed or developed hereunder and any media used to distribute such software contain no viruses or other computer instructions or technological means intended to disrupt, damage, or interfere with the use of computers or related systems.

Contractor represents and warrants to City that all software developed or licensed hereunder does not contain any undisclosed disabling code (defined as

computer code designed to interfere with the normal operation of the software or City's hardware or software) or any program routine, device or other undisclosed feature, including but not limited to, a time bomb, virus, drop-dead device, malicious logic, worm, Trojan horse, or trap door which is designed to delete, disable, deactivate, interfere with or otherwise harm the software or City's hardware or software.

Contractor represents and warrants to City that: (a) Contractor has used its best efforts to scan for viruses within the any software developed or licensed hereunder, and (b) no malicious system, component of a system or work product will be supplied under this Agreement.

7.9 System Security

Contractor represents and warrants that it will employ industry standard or better protections to prevent unauthorized disclosure or exposure of sensitive or confidential information that City provides to any system developed or licensed hereunder or to any system for which a component or deliverable is developed or licensed hereunder.

SECTION 8.0 CONFIDENTIALITY, RESTRICTIONS ON DISCLOSURE, AND BACKGROUND CHECKS

8.1 Confidentiality and Restrictions on Disclosure

- A. All documents, records, and information provided by the City to the Contractor, or accessed or reviewed by the Contractor, during performance of this Agreement, including but not limited to Criminal Offender Records Information (CORI) will remain the property of the City. All documents, records and information provided by the City to the Contractor, or accessed or reviewed by the Contractor during the performance of this Agreement, are confidential (hereinafter collectively referred to as "Confidential Information"). The Contractor agrees not to provide Confidential Information, nor disclose their content or any information contained in them, either orally or in writing, to any other person or entity. The Contractor agrees that all Confidential Information used or reviewed in connection with the Contractor's work for the City will be used only for the purpose of carrying out City business and cannot be used for any other purpose. The Contractor will be responsible for protecting the confidentiality and maintaining the security of City documents and records in its possession.

- B. The Contractor will make the Confidential Information provided by the City to the Contractor, or accessed or reviewed by the Contractor during performance of this Agreement, available to its employees, agents and subcontractors, only on a need to know basis. Further, the Contractor will provide written instructions to all of its employees, agents and subcontractors, with access to the Confidential Information about the penalties for its unauthorized use or disclosure.
- C. The Contractor will store and process Confidential Information in an electronic format in such a way that unauthorized persons cannot retrieve the information by computer, remote terminal or other means.
- D. The Contractor must not remove Confidential Information or any other documents or information used or reviewed in connection with the Contractor's work for the City from City facilities without prior approval from the City. The Contractor will not use, other than in direct performance of work required pursuant to the Agreement, or make notes of any home address or home telephone numbers contained in Confidential Information provided by the City that are reviewed during work on this Agreement. The Contractor will, at the conclusion of this Agreement, or at the request of the City, promptly return any and all Confidential Information and all other written materials, notes, documents, or other information obtained by the Contractor during the course of work under this Agreement to the City. The Contractor will not make or retain copies of any such information, materials, or documents.
- E. Any reports, findings, deliverables, analyses, studies, notes, information, or data generated as a result of this Agreement are to be considered confidential. The Contractor will not make such information available to any individual, agency, or organization except as provided for in this Agreement or as required by law.
- F. The Contractor and its employees, agents, and subcontractors may have access to confidential criminal record and Department of Motor Vehicle record information, whose access is controlled by statute. Misuse of such information may adversely affect the subject individual's civil rights and violates the law. The Contractor will implement reasonable and prudent measures to keep secure and private criminal history information accessed by its employees, agents, and subcontractors during the performance of this Agreement. The Contractor will advise its employees, agents, and subcontractors of the confidentiality requirements of Title 42, United States Code, Section 3789(g) [42 U.S.C. 3789(g)], California Penal Code Sections 11075 through 11144, California Penal Code, Sections 13301 through 13305, and California Vehicle Code Section 1808.45.

- G. The Contractor will require that all its employees, agents, and subcontractors who will review, be provided, or have access to Confidential Information, during the performance of this Agreement, execute a confidentiality agreement that incorporates the provisions of this Section, prior to being able to access Confidential Information.

8.2 Document Control Procedure

The Contractor will develop and administer a mutually acceptable Document Control Procedure over documents flowing to and from the City, in such a manner as to ensure that the confidentiality requirements of this Section 8.0 are met. Each document will be controlled through the use of a Document Control Number.

8.3 Background Checks

To the extent permitted by applicable law, the City may conduct background checks at its expense on the Contractor, its employees, designated replacement employees, agents, and subcontractors who will have, or may have, access to City information and data during performance of this Agreement. The Contractor recognizes the highly sensitive nature of such information and data and agrees to cooperate with the City and provide, to the extent permitted by applicable law, whatever information, including verification of education and previous employment, the City requires in order to conduct background checks. The City may request changes to Contractor personnel in response to background check information, and the Contractor will accommodate such request for personnel changes. Both parties agree to keep the results of any background checks confidential in accordance with the provisions of Section 8.0, as permitted by applicable law.

8.4 Provisions Apply to Subcontracts

Any subcontract entered into pursuant to the terms of this Agreement will be subject to, and incorporate, the provisions of this Section 8.0.

8.5 Survival of Provisions

The provisions of this Section 8.0 will survive termination of this Agreement.

SECTION 9.0 DATA SECURITY

9.1 Data Ownership

As between the parties, City is the sole and exclusive owner of all data and information provided to Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other party under this Agreement. City Data is Confidential Information for the purposes of this Agreement. Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. Contractor shall not possess or assert any lien or other right against, or to City Data. City may request an export of City Data stored within the systems or held by Contractor in any form or format at no charge to City.

Subject to the restrictions articulated elsewhere in this Agreement, City grants Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

9.2 Data Protection

- A. Contractor shall use best efforts, but in no event less than information security industry standard protections, for the type of data at issue, to prevent unauthorized access to, or use, disclosure, or exposure of City Data. To this end, Contractor shall safeguard the confidentiality, integrity, and availability of City Data, including all information obtained by Contractor during the scope of conducting background investigations for City.
- B. Contractor shall implement and maintain appropriate administrative, technical, and organization security measures to safeguard against unauthorized access, disclosure, or theft of City Data or a candidate's personal information. Such security measures shall be in accordance with recognized industry best practices and the standard of care imposed by state and federal laws and regulations relating to the protection of such information. In the absence of any legally imposed or industry standard of care, Contractor shall safeguard City Data using measures no less stringent than the measures Contractor applies to Contractor's own personal data and non-public data of similar kind.

- C. Unless otherwise expressly agreed to by City in writing, Contractor shall encrypt all City Data at rest and in transit and limit access to only those individuals whose access is essential for performance of the services contemplated by this Agreement.
- D. At no time may any content or City processes be copied, disclosed, or retained by Contractor or any party related to Contractor for subsequent use in any transaction that does not include City.
- E. At any time during the term of this Agreement, at City's written request, Contractor shall, and shall instruct all of its employees and subcontractors to, promptly return to City all copies, whether in written, electronic, or other form of media, of City Data in its possession, or securely dispose of all such copies, and certify in writing to City that such City Data has been returned to City or disposed of securely. Contractor shall comply with all reasonable directions provided by City with respect to the return or disposal of City Data. Except as set forth in this provision, Contractor's obligations to retain City Data are governed by Attachment A, Standard Provisions for City Contracts (Rev. 10/21) [v.4]. After Contractor has retained City Data for the period(s) specified by Attachment A, Standard Provisions for City Contracts (Rev. 10/21) [v.4] ("Retention Period"), Contractor shall securely dispose of all City Data, and certify in writing to City, within 30 days of the expiration of Retention Period, that City Data has been securely disposed of.

9.3 Compliance with Privacy Laws

Contractor shall ensure that Contractor's performance of Contractor's obligations under this Agreement complies with all applicable local, state, and federal privacy laws and regulations, including, but not limited to, laws relating to consent to make visual and audio recordings of individuals and consent to collect information from individuals. If this Agreement or any practices which could be, or are, employed in performance of this Agreement are inconsistent with or do not satisfy the requirements of any of these privacy laws and regulations, City and Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and Contractor shall complete and deliver any documents necessary to compliance.

9.4 Provision of Data

Upon termination of this Agreement for any cause or reason (including City's breach), Contractor shall provide City with a copy of all City Data in Contractor's possession in a mutually agreeable machine-readable format.

9.5 Data, Development, and Access Point Location

Storage of City Data shall be located in the continental United States of America. Contractor shall not allow its personnel or contractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at Contractor's continental United States of America headquarters or data centers. Contractor shall neither access, nor allow a third party to access systems housing City Data from any location outside of the continental United States of America. Notwithstanding anything to the contrary in this Agreement, and only after obtaining prior written approval of City, Contractor may grant personnel and contractors located outside the continental United States remote read-only access to City Data only as required to provide proctoring and other technical support in relation to the services contemplated herein. Contractor shall obtain the City's prior written approval for each of its employees, contractors, officers, partners, consultants, principals, agents, affiliates, or subsidiaries who are essential for the purpose of providing the services under this Agreement ("Authorized Persons"). When Contractor submits a request for City's prior written approval, it shall describe the proposed Authorized Person's role and the necessity for the proposed Authorized Person to access City Data. Contractor shall at all times cause such Authorized Persons to abide strictly by Contractor's obligations under this Agreement and the industry standards for information security. Contractor hereby agrees that only Authorized Persons who are bound in writing by confidentiality and other obligations sufficient to protect City Data in accordance with the terms and conditions of this Agreement will access City Data, and will do so only for the purpose of enabling Contractor to perform its obligations under this Agreement.

9.6 Data Breach

Contractor shall protect City Data using the most secure means and technology that is consistent with industry standards for the type of data at issue. Contractor shall notify City as soon as reasonably feasible, but in any event, within twenty-four (24) hours in writing and telephonically of Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. Contractor shall begin remediation immediately. Contractor shall provide daily updates, or more frequently if required by City, regarding findings and actions performed by Contractor until the Data Breach or Security Incident has been effectively resolved to City's satisfaction. Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with City. If directed by City, Contractor shall retain an independent third party to conduct the investigation at Contractor's sole cost. At City's sole discretion, City and/or its authorized agents shall have the right to lead

or participate in the investigation. Contractor shall cooperate fully with City, its agents and law enforcement. Contractor is responsible for all costs associated with a Data Breach or Security Incident, including, if directed by City, the provision of identity theft protection and/or credit monitoring services to individuals affected by the Security Incident. If required by law or directed by City, Contractor will be responsible for notifying individuals impacted by the Security Incident or Data Breach, with City having final approval of the content of the notification. In the event City incurs any costs related to the breach referenced above, City will seek reimbursement from Contractor or reduce Contractor's invoice for costs associated with breach of security.

- A. **Data Breach Liability.** If City is subject to any claims relating to any Data Breach or Security Incident, Contractor shall fully indemnify and hold harmless City and defend City against any such claims, including reimbursement of any costs incurred by City relating to those claims. This obligation is in addition to any of Contractor's other indemnification obligations in this Agreement.

9.7 Firewalls and Access Controls

- A. **Access Precautions.** Contractor shall use precautions, including, but not limited to, physical software and network security measures, employee screening, training and supervision, and appropriate agreements with employees to:
 - 1) Prevent anyone other than City, Contractor, and authorized City or Contractor personnel from monitoring, using, gaining access to, or learning the import of City Data; and
 - 2) Protect appropriate copies of City Data from loss, corruption, or unauthorized alteration; and
 - 3) Prevent the disclosure of City and Contractor passwords and other access control information to anyone other than authorized City personnel.
- B. **Security Best Practices.** Contractor shall implement the following security best practices with respect to any service provided:
 - 1) Least Privilege: Contractor shall authorize access only to the minimum amount of resources required for a function.

- 2) Separation of Duties: Contractor shall divide functions among its staff members to reduce the risk of one person committing fraud undetected.
- 3) Role-Based Security: Contractor shall restrict access to authorized users and base access control on the role a user plays in an organization.

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

9.8 Vulnerability Management and Patching

At least annually, Contractor shall perform at Contractor's expense vulnerability tests and risk assessments of all systems that contain City Data. For Contractor's internet perimeter network, and any of Contractor's applications that process City Data, such testing must also include (i) penetration tests, including by use of intercept proxies to identify security vulnerabilities that cannot be discovered using automated tools, and (ii) code review or other manual verification. All tests must be performed by Contractor's compliance team using industry recommended network security tools to identify vulnerability information. Upon written request from City, Contractor shall provide to City a Vulnerability Testing & Risk Assessment Report at the organization level including an executive summary of the results.

9.9 Right of Audit by City

Without limiting any other audit rights of City, upon reasonable advance notice of at least thirty (30) days, and no more than once per calendar year, City may review Contractor's data privacy and data security program prior to the commencement of this Agreement and from time to time during the term of this

Agreement. During the performance of this Agreement, upon reasonable advance notice of at least thirty (30) days, and no more than once per calendar year, City, may, by itself or by retaining a certified public accounting firm or information security professional, perform, or have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, at City's discretion and upon request by City, Contractor agrees to complete, within fourteen (14) days of receipt, an audit questionnaire provided by City regarding Contractor's data privacy and information security program. These audit rights are in addition to any other audit rights set forth Attachment A, Standard Provisions for City Contracts (Rev. 10/21) [v.4].

9.10 Written Information Security Policy

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

9.11 Change In Service

Contractor shall notify City of any changes, enhancement, and upgrades to Contractor's systems, or changes in other related software services, as applicable, which could impact the security of the services.

9.12 Third Party Software

In the event Contractor provides any third-party software (the "Third-Party Software"), including Open Source Software, to City in connection with this Agreement for which City would be obligated to accept and be bound by any third-party terms and conditions, the following shall apply: (1) Contractor shall specifically identify in writing all Third-Party Software in the relevant Task Order; (2) Contractor shall attach to the relevant Task Order written copies of all third-party license agreements applicable to City; and (3) Contractor warrants that (i) it has the right to license any Third-Party Software licensed to City under this Agreement; (ii) to the best of Contractor's knowledge, the Third-Party Software does not, and the use of the Third-Party Software by City as contemplated by this

Agreement will not, infringe any intellectual property rights of any third party; and (iii) unless specifically provided otherwise herein, City shall have no obligation to pay any third party any fees, royalties, or other payments for City's use of any Third-Party Software in accordance with the terms of this Agreement. With regard to (i) Open Source Software, (ii) any Third-Party Software that Contractor fails to identify in the relevant Task Order, and (iii) any third-party software embedded in the Licensed Software for which City is not required to accept any third-party terms and conditions, all such software shall be considered, as appropriate, part of and included in the definition of "Licensed Software" and subject to all warranties, indemnities, and other requirements of this Agreement, including scope of license and maintenance and support, relating to the Licensed Software. To the extent permitted by law or contract, Contractor shall pass through to City the warranties for the Third-Party Software. For purposes of this provision, "Open Source Software" means any software, programming, or other intellectual property that is subject to (i) the GNU General Public License, GNU Library General Public License, Artistic License, BSD license, Mozilla Public License, or any similar license, including, but not limited to, those licenses listed at www.opensource.org/licenses or (ii) any agreement with terms requiring any intellectual property owned or licensed by City to be (a) disclosed or distributed in source code or object code form; (b) licensed for the purpose of making derivative works; or (c) redistributable.

9.13 Criminal Justice Information Systems

Contractor agrees to and shall comply with the Federal Bureau of Investigation Criminal Justice Information Systems Security Policy (the "Security Policy"), as amended from time to time, which document is incorporated into and made a part of this Agreement by reference. Contractor shall ensure that Contractor's security, technical, personnel, and administrative practices, meet no less than those standards articulated in the Security Policy.

9.14 Security Addendum

Contractor agrees to and shall comply with Attachment C, The Federal Bureau of Investigation Criminal Justice Information Systems Security Addendum, which document is incorporated into and made a part of this Agreement by reference.

9.15 Provisions Apply to Subcontracts

Any subcontract entered into pursuant to the terms of this Agreement will be subject to, and incorporate, the provisions of this Section 9.0.

9.16 Survival of Provisions

The provisions of this Section 9.0 will survive termination of this Agreement.

SECTION 10.0 AMENDMENTS AND CHANGE REQUESTS

10.1 Amendments

Any change in the terms of this Agreement, including changes in the services to be performed by Contractor, and any increase or decrease in the amount of compensation which are agreed to by City and Contractor shall be incorporated into this Agreement by a written amendment properly executed and signed by the person(s) authorized to bind the parties thereto.

Contractor agrees to comply with all future City directives, or any rules, amendments or requirements promulgated by City affecting this Contract; provided that if such compliance impacts Contractor's performance, schedule or cost to perform, such compliance is subject to an agreed upon Project Change Authorization negotiated in good faith by the parties. If the parties are unable to agree upon a change request, City may exercise its right to terminate for convenience in accordance with PSC-9 (Termination) of the Standard Provisions for City Contracts (Rev. 10/21) [v.4].

10.2 Change Requests

A. City Technical Change Requests

During the term of this Agreement, City shall have the right to request changes to the work within the general scope of work contemplated by this Agreement and consistent with Section 4.1, Statement of Work to be Performed, of this Agreement. A "change," as that term is used in this Section means technical or other adjustments made within the Statement of Work to be Performed, and consistent with Section 4.1 of this Agreement, which do not extend the term of the Agreement or increase the authorized amount set forth in Section 6.1(A) of this Agreement. City shall make a formal written request, per the procedure outlined, with respect to each change it desires to make.

B. Change Proposal

Within thirty(30) business days following Contractor's receipt of City's written Change Request, Contractor shall prepare and deliver to City a written statement that includes the following:

1. Total cost of the change;
2. Schedule impact of the change for current and subsequent Deliverables;

3. Impact of the change on any other part of this Agreement;
4. Estimated California Sales Tax impact, if any;
5. The period of time for which such statement is valid, but not less than sixty (60) days; and
6. City contract number and date of contract.

C. Method of Agreement to Changes

Upon approval of Contractor's written statement for a proposed change by City's authorized representatives as identified in Section 1.2(A) of this Agreement, or their designee established in writing, City shall deliver to Contractor a Project Change Authorization, Attachment D, specifying the change to be made and all of the particulars set forth in Section 10.2(B) of this Agreement as mutually agreed upon, and this Agreement and all pertinent Attachments hereto shall be deemed modified accordingly. City and Contractor agree to make a good faith effort to reach a mutually agreed upon fixed price or time and materials services for any Change Request. Failure to agree on the price of such changes shall be treated as a dispute and subject to the provisions of Section 11, Disputes, of this Agreement, but in no event shall the Contractor be required to start on the changed work without the mutually agreed upon Project Change Authorization.

**SECTION 11.0
DISPUTES**

Both parties shall undertake to reach an amicable settlement in cases of Dispute. If an amicable settlement cannot be reached, or in the event of default that could result in termination of this Agreement, City and Contractor shall schedule a meeting of their representatives in a good faith attempt to resolve the issues in Dispute. The meeting shall allow for a detailed presentation of each party's views on the issues and potential solutions to the Dispute or default. If possible, the meeting should result in an agreed upon course of action to resolve the Dispute or default.

Contractor and City shall continue to perform any obligations under this Agreement during any Dispute.

The provisions of Sections 5.169 and 5.170 (Div. 5, Ch. 10, Art. 1) of the Los Angeles Administrative Code and Section 350 of the City Charter shall govern the procedure and rights of the parties with regard to claims arising from this Agreement.

SECTION 12.0 MISCELLANEOUS

12.1 Standard Provisions for City Contracts

The Contractor shall comply with the applicable requirements of the Standard Provisions for City Contracts (Rev. 10/21) [v.4], attached hereto as Attachment A and incorporated herein by reference, with the exception of the following provisions, the subject matter of which are otherwise addressed in this Agreement: (PSC-44, COVID-19).

12.2 Border Wall Disclosure

Contractor shall comply with Los Angeles Administrative Code ("LAAC") Section 10.50 et seq., "Disclosure of Border Wall Contracting." City may terminate this Contract at any time if City determines that Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in LAAC Section 10.50.1. The required affidavit must be submitted online at www.ramplA.org.

12.3 COVID-19

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, "Contractor Personnel"), while performing services under this Agreement and prior to interacting in person with City employees, contractors, volunteers, or members of the public (collectively, "In-Person Services") must be fully vaccinated against the novel coronavirus 2019 ("COVID-19"). "Fully vaccinated" has the meaning as defined in Los Angeles Administrative Code, Article 12, Section 4.700, Eff. 8-25-21. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. Contractor shall retain such proof for the document retention period set forth in this Agreement. Contractor shall grant medical or religious exemptions ("Exemptions") to Contractor Personnel as required by law. If Contractor wishes to assign Contractor Personnel with Exemptions to perform In-Person Services, Contractor shall require such Contractor Personnel to undergo weekly COVID-19 testing, with the full cost of testing to be borne by Contractor. If Contractor Personnel test positive, they shall not be assigned to perform In-Person Services or, to the extent they have already been performing In-Person Services, shall be immediately removed from those assignments. Furthermore, Contractor shall immediately notify City if Contractor Personnel performing In-Person Services (1) have tested positive for or have been diagnosed with COVID-19, (2) have been informed by a medical professional that they are likely to have COVID-19, or (3) meet

the criteria for isolation under applicable government orders.

12.4 Severability/Ambiguity

In the event a court of competent jurisdiction holds any provision of this Agreement to be invalid, such holding shall have no effect on the remaining provisions of this Agreement, and they shall continue in full force and effect. No ambiguity in this Agreement may be interpreted against any one party by virtue of that party being drafter of the Agreement. The parties acknowledge that they have read and understood this Agreement and had the opportunity to consult with counsel of their choosing regarding this Agreement.

12.5 Use of Marks

Except as expressly provided in this Agreement, Contractor shall not use the City or LAPD's names, logos, seals, insignia or other words, names, symbols or devices that identify the City or LAPD, for any purpose except with the prior written consent of, and in accordance with restrictions required by the City.

12.6 Media, Publicity, and Case Studies

Contractor shall refer all inquiries from the news media to LAPD, shall immediately contact LAPD to inform City of the inquiry, and shall comply with the procedures of LAPD's Public Affairs staff regarding statements to the media relating to this Agreement or Contractor's services under this Agreement. Contractor shall not use City as a reference or case study absent receipt of City's prior written approval. Contractor shall further provide City with the opportunity to review and approve any such reference or case study prior to publication, which approval City shall not unreasonably withhold.

12.7 No Third-Party Beneficiaries

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

SECTION 13.0 ENTIRE AGREEMENT

13.1 Complete Agreement

This Agreement contains the full and complete Agreement between the two parties. No verbal agreement or conversation with any officer or employee of either party will affect or modify any of the terms and conditions of this Agreement.

13.2 Counterparts/Electronic Signatures

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

13.3 Number of Originals and Attachments

This Agreement includes twenty nine (29) pages and five(5) attachments. Attachments A-E listed below are incorporated herein by this reference:

Attachment A – Standard Provisions for City Contracts (Rev. 10/21) [v.4]
Attachment B – Statement of Work
Attachment C – The Federal Bureau of Investigation Criminal Justice Information Systems Security Addendum
Attachment D – Project Change Authorization Form
Attachment E – Axon Master Services and Purchasing Agreement for Agency

13.4 Order of Precedence

In the event of any inconsistency between the terms, attachments, specifications or provisions which constitute this Agreement, the following order of precedence shall apply in the order listed herein:

- 1) This Agreement between the City of Los Angeles and Axon Enterprise, Inc.
- 2) Attachment A, Standard Provisions for City Contracts (Rev. 10/21) [v.4]
- 3) Attachment B, Statement of Work
- 5) Attachment C, The Federal Bureau of Investigation Criminal Justice Information Systems Security Addendum
- 6) Attachment D – Project Change Authorization Form

7) Attachment E – Axon Master Services and Purchasing Agreement for Agency

Notwithstanding any other language in this Agreement, this Agreement shall be enforced and interpreted under the laws of the State of California.

[Signature Page Follows]

[Remainder of the Page Intentionally Left Blank]

ATTACHMENT A

STANDARD PROVISIONS FOR CITY CONTRACTS (REVISED 10/21) [V.4]

STANDARD PROVISIONS FOR CITY CONTRACTS

TABLE OF CONTENTS

PSC-1	<u>Construction of Provisions and Titles Herein</u>	1
PSC-2	<u>Applicable Law, Interpretation and Enforcement</u>	1
PSC-3	<u>Time of Effectiveness</u>	1
PSC-4	<u>Integrated Contract</u>	2
PSC-5	<u>Amendment</u>	2
PSC-6	<u>Excusable Delays</u>	2
PSC-7	<u>Waiver</u>	2
PSC-8	<u>Suspension</u>	3
PSC-9	<u>Termination</u>	3
PSC-10	<u>Independent Contractor</u>	5
PSC-11	<u>Contractor's Personnel</u>	5
PSC-12	<u>Assignment and Delegation</u>	6
PSC-13	<u>Permits</u>	6
PSC-14	<u>Claims for Labor and Materials</u>	6
PSC-15	<u>Current Los Angeles City Business Tax Registration Certificate Required</u>	6
PSC-16	<u>Retention of Records, Audit and Reports</u>	6
PSC-17	<u>Bonds</u>	7
PSC-18	<u>Indemnification</u>	7
PSC-19	<u>Intellectual Property Indemnification</u>	7
PSC-20	<u>Intellectual Property Warranty</u>	8
PSC-21	<u>Ownership and License</u>	8
PSC-22	<u>Data Protection</u>	9

TABLE OF CONTENTS (Continued)

PSC-23	<u>Insurance</u>	9
PSC-24	<u>Best Terms</u>	9
PSC-25	<u>Warranty and Responsibility of Contractor</u>	10
PSC-26	<u>Mandatory Provisions Pertaining to Non-Discrimination in Employment</u>	10
PSC-27	<u>Child Support Assignment Orders</u>	10
PSC-28	<u>Living Wage Ordinance</u>	11
PSC-29	<u>Service Contractor Worker Retention Ordinance</u>	11
PSC-30	<u>Access and Accommodations</u>	11
PSC-31	<u>Contractor Responsibility Ordinance</u>	12
PSC-32	<u>Business Inclusion Program</u>	12
PSC-33	<u>Slavery Disclosure Ordinance</u>	12
PSC-34	<u>First Source Hiring Ordinance</u>	12
PSC-35	<u>Local Business Preference Ordinance</u>	12
PSC-36	<u>Iran Contracting Act</u>	12
PSC-37	<u>Restrictions on Campaign Contributions in City Elections</u>	12
PSC-38	<u>Contractors' Use of Criminal History for Consideration of Employment Applications</u>	13
PSC-39	<u>Limitation of City's Obligation to Make Payment to Contractor</u>	13
PSC-40	<u>Compliance with Identity Theft Laws and Payment Card Data Security Standards</u>	14
PSC-41	<u>Compliance with California Public Resources Code Section 5164</u>	14
PSC-42	<u>Possessory Interests Tax</u>	14
PSC-43	<u>Confidentiality</u>	15
PSC-44	<u>COVID-19</u>	15
Exhibit 1	<u>Insurance Contractual Requirements</u>	16

STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

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

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

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

PSC-3. Time of Effectiveness

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

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

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

PSC-8. Suspension

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

PSC-9. Termination

A. Termination for Convenience

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

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of

services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.

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

5. Acts of Moral Turpitude

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

b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.

c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.

d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

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

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-13. Permits

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

PSC-14. Claims for Labor and Materials

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

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

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

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

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

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

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

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

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

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

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

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR'S** discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY'S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY'S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

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

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR'S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

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

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

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

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

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

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

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

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network ("BAVN") at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of CITY.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with CITY for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected CITY office, **CONTRACTOR**, **CONTRACTOR'S** principals, and **CONTRACTOR'S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the "Restricted Persons")

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

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

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

PSC-38. Contractors' Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 et seq., as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City's Obligation to Make Payment to Contractor

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

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act ("FACTA"), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards ("PCI DSS"). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR'S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

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

PSC-43. Confidentiality

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively "Confidential Information") are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

PSC-44. COVID-19

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, "Contractor Personnel"), while performing services under this Agreement and prior to interacting in person with City employees, contractors, volunteers, or members of the public (collectively, "In-Person Services") must be fully vaccinated against the novel coronavirus 2019 ("COVID-19"). "Fully vaccinated" means that 14 or more days have passed since Contractor Personnel have received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. Contractor shall retain such proof for the document retention period set forth in this Agreement. Contractor shall grant medical or religious exemptions ("Exemptions") to Contractor Personnel as required by law. If Contractor wishes to assign Contractor Personnel with Exemptions to perform In-Person Services, Contractor shall require such Contractor Personnel to undergo weekly COVID-19 testing, with the full cost of testing to be borne by Contractor. If Contractor Personnel test positive, they shall not be assigned to perform In-Person Services or, to the extent they have already been performing In-Person Services, shall be immediately removed from those assignments. Furthermore, Contractor shall immediately notify City if Contractor Personnel performing In-Person Services (1) have tested positive for or have been diagnosed with COVID-19, (2) have been informed by a medical professional that they are likely to have COVID-19, or (3) meet the criteria for isolation under applicable government orders.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 et seq., of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: Axon Enterprise Services, Inc.Date: 05/02/2022Agreement/Reference: Axon Fleet In-Car Recording Platform

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per-occurrence equals or exceeds the CSL amount.

Limits

☒ **Workers' Compensation—Workers' Compensation (WC) and Employer's Liability (EL)**
WC StatutoryEL \$1,000,000
☐ Waiver of Subrogation in favor of City

☐ Longshore & Harbor Workers

☐ Jones Act

☒ **General Liability** City of Los Angeles must be named as an additional insured
\$1,000,000
☒ Products/Completed Operations

☐ Sexual Misconduct

☐ Fire Legal Liability

☐
☐ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

☒ **Professional Liability** (Errors and Omissions)
\$1,000,000Discovery Period 12 Months After Completion of Work or Date of Termination
☐ **Property Insurance** (to cover replacement cost of building - as determined by insurance company)

☐ All Risk Coverage

☐ Boiler and Machinery

☐ Flood

☐ Builder's Risk

☐ Earthquake

☐
☐ **Pollution Liability**
☐
☐ **Surety Bonds - Performance and Payment (Labor and Materials) Bonds**

100% of the contract price

☐ **Crime Insurance**
Other: Submitted to James Acheron @ LAPD, N5254@lapd online, (213) 486-0378, May 2, 2022
**Insurance certificates MUST be submitted on the City's KwikComply site: <https://kwikcomply.org/>
**For the Professional Liability Insurance, the stated requirement should be in the form of a Cyber Liability Policy
**No imposed automobile Insurance-- contractor must comply with California automobile liability laws.

ATTACHMENT B

STATEMENT OF WORK

STATEMENT OF WORK & CONFIGURATION DOCUMENT

Axon Fleet In-Car Recording Platform

This document details a proposed system design




Agency Created For: Los Angeles Police Department

Sold By: Megan Hardisty

Designed By: Uriel Halioua

Installed By: Axon Professional Services

VEHICLE OVERVIEW

SITE NAME	CUSTOMER NAME
Headquarters	Los Angeles
Total Configured Vehicles <ul style="list-style-type: none"> • 1500 Total Vehicles with this Configuration Video Capture Sources <ul style="list-style-type: none"> • 3000 Total Cameras Deployed • 1 Fleet Hub(s) Per Vehicle Mobile Data Terminal Per Vehicle <ul style="list-style-type: none"> • 1 Located In Each Vehicle Mobile Router Per Vehicle <ul style="list-style-type: none"> • 1 IBR1700-1200M-B Offload Mechanism <ul style="list-style-type: none"> • 4G LTE Cellular Evidence Management System <ul style="list-style-type: none"> • Evidence.com 	
 Axon Camera  Fleet Hub  In-Car Router	

SYSTEM CONFIGURATION DETAILS

The following sections detail the configuration of the Axon Fleet In-Car System

Vehicle Hardware

Vehicle Hardware	2	Axon Fleet Cameras will be installed in each vehicle
	1	Axon Fleet Hub will be installed in each vehicle
	1	5-in-1 Antenna will be installed in each vehicle
	1	3-In-1 Antenna will be installed in each vehicle
	1	IBR1700-1200M-B router already installed in each vehicle
Signal Activation Methods	2	Triggers will be configured per vehicle
	The following devices will be configured for Signal activation: crash, and light bar. When triggered, the Axon Signal technology in the Fleet 3 Hub will activate the recording mechanism for all configured Axon cameras within Bluetooth range of the vehicle.	
Mobile Data Computer	Each vehicle will be equipped with a Mobile Data Computer provided by the customer, which meets or exceeds the specifications provided by Axon.	
Mobile Data Computer Requirements	Operating System: Windows 7 SP1 or Windows 10 (version 1909 or higher) - x32 or x64 with the most current service packs and updates Hard Drive: Must have 25GB+ of free disk space RAM/Memory: for x32: 4GB for x64: 8GB or greater Ethernet Port: It is recommended that the MDC have one dedicated and available Ethernet port reserved for an Ethernet cable from router. The Ethernet port can be located on an electronic and stationary mobile docking station. If a docking station is used, it is the preferred location for the Ethernet port. Wi-Fi Card: If the MDC is not connected to the router via Ethernet LAN, a WiFi card is required in the MDC. In this case, the WiFi card should meet or exceed the router's minimum WiFi radio compatibility requirements.	

Additional Considerations	For agencies that use a VPN, Axon traffic must be passed through; such that it does not use the VPN tunnel. Customer must provide IT and / or Admin resources at time of installation to ensure data routing is functional for Axon Fleet operation.	
	In the event an Agency is unable to support the IT requirements associated with the installation, Axon reserves the right to charge the Agency for additional time associated with on-site work completed by an Axon Personnel.	
Hardware Provisioning	The customer will provide the following router for all vehicles:	IBR1700-1200M-B
	The customer will provide an MDC for each vehicle.	
	If the customer chooses to provide their own SIM, they must be activated and available at time of installation.	
SIM Location	SIM will be installed in router and can be inserted in router by Cradlepoint if carrier is specified by agency.	

4G / Cellular Offload Considerations

Network Considerations	The IBR00-1700M-B will be the connection which allows 4G upload of recorded video.	
	The customer will ensure that their cellular contract does not allow for data throttling, or service denial, once a set data threshold is met. Throttling or denial of service will negatively affect Fleet upload capabilities.	

Network Consideration Agreement

Network Consideration Agreement	Customer acknowledges the minimum requirements for the network to support this Statement of Work.	
	Axon employees performing services under this SOW are CJIS certified.	
	If the network provided by Customer does not meet the minimum requirements, or in the event of a requested change in scope of the project, a Change Order will be required and additional fees may apply. Additional fees would also apply if Axon is required to extend the installation time for reasons caused by the customer or the customer network accessibility.	

Professional Services & Training

Project Management	<p>Axon will assign a Project Manager that will provide the expertise to execute a successful Fleet camera deployment and implementation. The Project Manager will have knowledge and experience with all phases of the project management lifecycle and with all application modules being implemented. He/she will work closely with the customer's project manager and project team members and will be responsible for completing the tasks required to meet all contract deliverables.</p>
Vehicle Installation	<p>Customer agrees to have the above mentioned number of intended vehicles available at the time of deployment.</p> <p>Axon will be performing the installation of all Axon Fleet vehicle hardware. Installation services included with Axon Fleet system include a "clip" and removal of existing in-car system hardware, if applicable. This does not include "full removal" of existing wiring. A "full removal" of all existing hardware and wiring is subject to additional fees. Axon provides basic Fleet operation overview to the customer lead and/or Admin at the time of install.</p> <ul style="list-style-type: none"> o It is necessary to differentiate between the type of equipment removal to be provided by Axon. Standard Fleet Installation includes hardware removal in a fashion considered "Clip" which means Axon cuts the wires from the old system without removing multiple panels, removing all wiring and parts from the old system. In the case Axon removes the hardware Axon is not responsible for the surplus of hardware or any devices that may have been physically integrated with the removed system. In some situations, radar systems are integrated with the in-car video system and have a cable that connects to the system, if Axon removes the old in car system then Axon is not responsible for the radar system as part of the removal. o A "Rip" removal should be contracted through ProLogic directly. The Rip would be similar to a complete and full removal, which is more common when they retire a vehicle from service. <p>Chosen installation site must have Internet access for the Hub, through the router, and MDC for configuration and testing of Fleet 3. Customer must have a resource onsite during installation with Axon Evidence Device Administration permissions to assist with logging into customer MDCs and configuring vehicle software.</p>
Custom Trigger Installation	<p>The Fleet 3 Hub has multiple trigger configuration options. Any trigger configurations that include a door or magnetic door switch are considered "custom" and may be subject to additional fees.</p> <p>An Axon representative has discussed with the Agency the standard triggers of the Fleet System. Those no-cost triggers include Light-bar, Siren, Speed, Motion Activation and Gun-lock activation. The light-bar must have a controller to allow Axon to interface for the desired position, gun-locks must be installed with existing hardware in the vehicle. Doors are considered "CUSTOM" since they required additional hardware and time for installation, typically requiring the door may need to be taken apart for the installation.</p>
Training	<p>End-user go-live training provides individual device set up and configuration assistance, training on device use, Evidence.com and AXON Fleet Dashboard. This is included at no additional cost.</p>



Axon Fleet 3 System Overview

Document Revision: A
June 2021

Microsoft and Windows are trademarks of Microsoft Corporation registered in the US and other countries.

Cradlepoint is a trademark of Cradlepoint, Inc. Airgain is a registered trademark of Airgain, Inc.

 Axon, Axon Evidence, Axon Fleet, and Axon Signal, and Axon Evidence are trademarks of Axon Enterprise, Inc., some of which are registered in the US and other countries. For more information, visit www.axon.com/legal.

All rights reserved. ©2021 Axon Enterprise, Inc.

Table of Contents

Introduction.....	4
Axon Fleet 3 Hardware Kit	4
Getting Started – Requirements	7
Axon Evidence	7
Axon Signal Vehicle.....	7
Mobile Data Computer (MDC).....	9
System Requirements	9
System Recommendations.....	9
MDC Alternatives	10
Additional Reading.....	10
Router/Network.....	11
Vehicle.....	11

Introduction

The Axon Fleet 3 solution is a purpose-built in-vehicle recording system capable of capturing audio and video, supplemented by artificial intelligence designed for use in high risk environments encountered by law enforcement, corrections, military, emergency medical services (EMS), and security activities. The Axon Fleet 3 system records events for secure storage, retrieval, and analysis leveraging Axon's Evidence services. The recorded events are transferred securely to Axon Evidence using LTE, Wi-Fi or manual operations.

Axon Fleet 3 Hardware Kit

<p><u>Dual-View Camera</u></p> <ul style="list-style-type: none"> • Evidence capture and ALPR • Wide Field of View (FOV) Sensor - 160° for Video Evidence Capture • Narrow FOV Sensor - 60° for Zoom and Automated License Plate Reader (ALPR) • Three integrated microphones for audio recording inside vehicle • Evidence capture in 16:9 or 5:2 aspect ratio. • Resolutions supported in 16:9 aspect ratio - 1080p (1920x1080), 720p (1280x720), 480p (854x480) • Resolutions supported in 5:2 aspect ratio - 2240x900, 1344x540, 896x360 	
<p><u>Interior Camera</u></p> <ul style="list-style-type: none"> • Color camera in light conditions • Infrared illumination in dark conditions • Two integrated microphones for audio recording inside vehicle • Resolutions supported (4:3 aspect ratio) - 1080p (1400x1050), 720p (1024x768), 480p (640x480) 	

Fleet Hub

- 240GB Solid State Drive
- Wi-Fi 6 & BLE
- GNSS with IMU and dead reckoning
- Controls recording of cameras and mics
- Stores all evidence securely
- Automatic wireless evidence upload using Ethernet connected WAN source
- Automatically starts recording of Ethernet connected cameras when an appropriate event occurs (such as the lightbar being activated)

**Fleet Dashboard**

- Interface for camera activation, evidence review, and evidence tagging.
- ALPR hotlist notification and response
- Windows 10 recommended, Windows 7 supported

**Cradlepoint IBR-900 Router**

- The router is connected to the Fleet Hub using an Ethernet cable. When the router has an active 2FF SIM in the primary modem, it can provide WAN via LTE. When the router connects to a Wireless Access Point network with direct Internet connectivity, the router can be configured to connect as a Client enabling WiFi as WAN.
- The MDC connects to the Hub through the router

FRONT**REAR****Airgain 5-in-1 Antenna**

- Mounted to the exterior of the vehicle
- Enables WAN connectivity and GNSS positioning for the vehicle Router
- Includes 2 elements for Wi-Fi, 2 elements for Cellular, and 1 element for GNSS communications



<p>3-in-1 Antenna</p> <ul style="list-style-type: none"> • Internally mounted in the vehicle on glass or flat surface with view of sky • Enables communication between Fleet Hub and Axon Body Worn cameras (BWCs) • Enables GNSS positioning data in evidence and Axon Respond. • Includes 2 elements for Wi-Fi and Bluetooth, and a GNSS antenna 	
<p>Wireless Mic (Optional)</p> <ul style="list-style-type: none"> • Includes Charging Base, lapel mic, and belt clip • Maximum of 2 per vehicle • 1,000ft range with 12-hour battery life • When inserted in the Charging Base, a Wireless Mic will recharge to 85% within 2 hours • RapidLock mount works seamlessly with existing Axon BWC mounting solutions 	
<p>Signal Vehicle</p> <ul style="list-style-type: none"> • Automatically starts recording of Axon body cameras in Bluetooth range when an appropriate event occurs (such as the lightbar being activated) • 30 foot range • 30 second broadcast maximizes the likelihood that nearby body cameras start recording 	

Getting Started – Requirements

This section provides Axon Fleet 3 system information, requirements, and recommendations.

Axon Evidence

The Axon Fleet 3 system leverages the Axon Evidence platform to provide a cloud-connected in-car video solution. Axon has developed the Axon Fleet 3 system and Axon Evidence solution for use by essential public service organizations. Depending on the customer's need, the solution can provide video capture, secure digital media storage and management, and paperless tracking and reporting. This unique system is suitable for both smaller agencies lacking in resources or large agencies trying to streamline and become more economical.

An administrator account is created for every agency on Axon Evidence during the initial implementation cycle of Axon Evidence. Typically, the person most responsible for your Axon Evidence agency owns the first administrator account. The first administrator usually defines security settings, creates custom roles and permissions, adds users, sets evidence retention policies, and configures other administrative features of your Axon Evidence agency account.

Your agency must have an Axon Evidence account for Axon Fleet 3 to operate. Appropriate device administration permissions must be enabled to allow vehicle configuration.

Licenses are required for Axon Evidence access. Each user must carry an active user license and appropriate administrative permission to log in to the Fleet Dashboard and operate the Axon Fleet 3 system.

Axon Signal Vehicle

Axon Signal is a technology that enables your Axon Body-Worn and Fleet Cameras to sense nearby events and start recording. The Fleet Hub and Axon Signal Vehicle, the in-vehicle products, detect certain trigger events, such as turning on a vehicle's light bar, and take actions to activate nearby Axon cameras. With Axon Signal helping to record events, officers can focus on critical situations rather than on their cameras. Axon Evidence administrators can configure which Axon Signal, Fleet Hub, and Weapon triggers will activate Body-Worn and vehicle cameras.

Axon Fleet 3 cameras are activated by their Ethernet connected Fleet Hub, while Axon Body-Worn Cameras are activated by Axon Signal Vehicle. Agencies that do not want to activate Axon Body-Worn Cameras using Fleet trigger events do not need Axon Signal Vehicle.

Example: An administrator configures the lightbar to activate Body Worn cameras and the Fleet 3 front camera. When vehicle A turns on its light bar, the Fleet 3 front camera and any Axon Body-Worn Cameras in range will begin recording. The front cameras in other vehicles are not activated.



Additionally, TASER 7, TASER X2, and X26P Smart Weapons that are equipped with a Signal Performance Power Magazine (SPPM) can alert Axon Body-Worn and Fleet cameras. Axon Evidence administrators can configure if the SPPM alerts cameras when the CEW is armed, when the trigger is pulled, and/or when the arc is engaged.



Mobile Data Computer (MDC)

Axon Fleet 3 leverages the vehicle's mobile data computer (MDC) to interface with the Fleet Hub through software that enables a verified user of the system to initiate and end recordings, review and tag videos, and modify user preferences.

System Requirements

- Operating System: Windows 7 or 10 required.
- Disk Space: 500 MB or more
- Memory (RAM): 4 GB on 32 bit or 8 GB on 64 bit.
- Dedicated Ethernet port

System Recommendations

- Do not allow Operating System to disable network interfaces to save power.

MDC Alternatives

- Without an MDC, the Axon Fleet 3 system may be configured to automatically upload evidence through the agency's selected upload method at the end of each recording.
- Without an MDC, your agency will not be able to use ALPR capabilities.
- The Axon Fleet 3 system must be able to transfer data via WAN, otherwise firmware updates, product registration/synchronization, livestreaming, and evidence upload will not occur.

Additional Reading

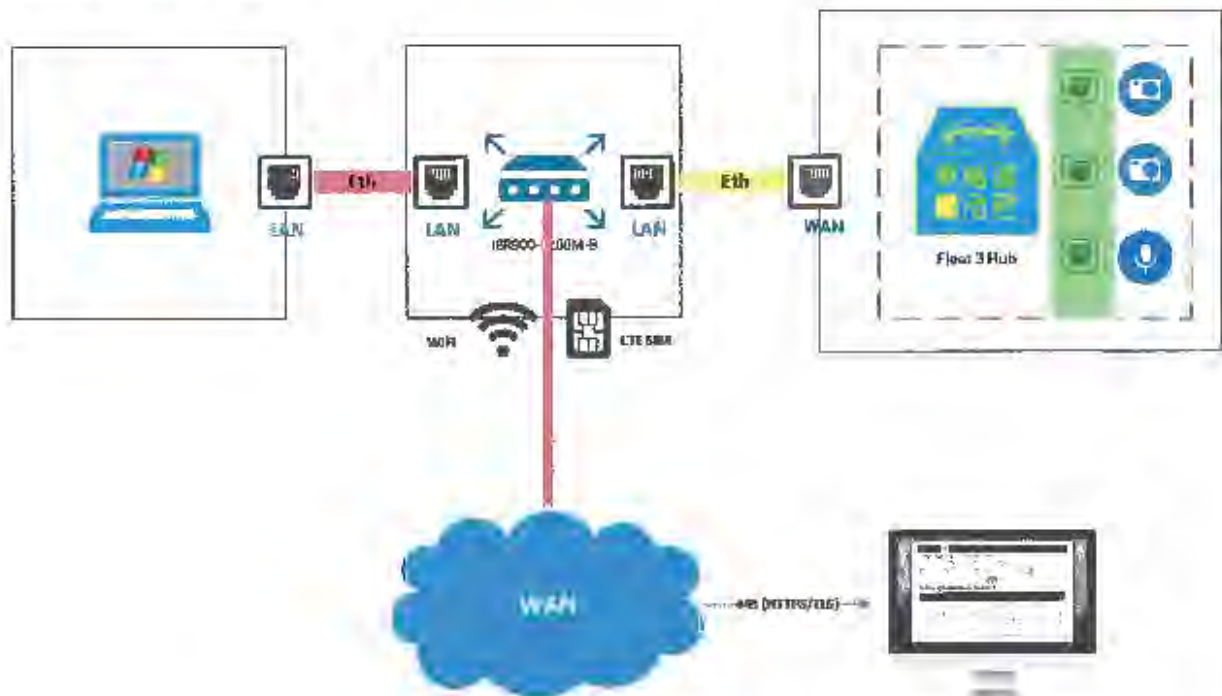
See the [Fleet 3 Product Guide](#) on My Axon for additional information and PDF guides for:

- *Axon Fleet Dashboard User Manual*
- *Axon Fleet 3 Camera System User Manual*
- *Axon Fleet 3 Camera System Quick Start Guide*
- *Axon Fleet 3 – Axon Evidence Setup Guide*
- *Axon Fleet 3 ALPR Guide*

Router/Network

Axon Fleet 3 requires an Ethernet connection to an in-vehicle mobile router to facilitate communications between the Fleet 3 Hub and Axon Evidence leveraging LTE, Wi-Fi, or both. At this time, LTE carrier service is not provided by Axon. Customers using an APN may require special configurations, including network firewall exemptions, to enable communication between Fleet Hub and Axon Evidence.

Configuration at Launch



- Eth = Ethernet
- LAN = Local Area Network
- WAN = Wide Area Network.

Vehicle

The Axon Fleet 3 system is designed for use in emergency vehicles of various types, including: SUVs, sedans, trucks, and some electric vehicles but excludes marine applications and motorcycles. All components of the system must be enclosed within the vehicle.

- Constant Power Voltage: 11.6V – 14.8V | Nominal 12V

- Key ON Voltage (Ignition Wire): 4V – 19.5V | Nominal 12V
- Key OFF Voltage: 30mA
- Chassis Ground: Impedance $0\Omega - 0.25\Omega$

Recommendation: Use dedicated ground bus bars or connect directly to the chassis.

- Do not use a floating ground.
 - Do not use a ground path that may be compromised by vehicle shock and vibration.
- Distance from System Ground to High Current Load: >12 in.

Examples of High Current Load: UHF/VHF radios or any device consuming more than 1A.

- Do not use ground path shared with UHF/VHF radios.



Axon Enterprise, Inc.
17800 N 85th St
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic: (800) 978-2737
International: +1.800.978.2737

Q-368528-44679.642MP

Issued: 04/28/2022

Quote Expiration: 06/30/2022

Estimated Contract Start Date: 07/01/2022

Account Number: 103302

Payment Terms: N30

Delivery Method: Fedex - Ground

SHIP TO	BILL TO
100 W 1st St 100 W 1st St Los Angeles, CA 90012-4112 USA	Los Angeles Police Dept - CA 100 W 1st St Los Angeles, CA 90012-4112 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Megan Hardisty Phone: +1 4802537854 Email: mhardisty@axon.com Fax:	Randall Goddard Phone: Email: rg2757@lapd.online Fax: (213) 473-4549

Quote Summary

Program Length	60 Months
TOTAL COST	\$6,364,800.00
ESTIMATED TOTAL W/ TAX	\$6,875,889.27

Discount Summary

Average Savings Per Year	\$1,072,987.18
TOTAL SAVINGS	\$5,364,935.88

Payment Summary

Date	Subtotal	Tax	Total
Jun 2022	\$2,001,015.28	\$171,224.11	\$2,172,239.39
Jun 2023	\$1,080,946.18	\$84,966.29	\$1,175,912.47
Jun 2024	\$1,080,946.18	\$84,966.29	\$1,175,912.47
Jun 2025	\$1,080,946.18	\$84,966.29	\$1,175,912.47
Jun 2026	\$1,080,946.18	\$84,966.29	\$1,175,912.47
Total	\$6,364,800.00	\$511,089.27	\$6,875,889.27

Quote Unbundled Price:	\$11,729,578.00
Quote List Price:	\$11,059,200.00
Quote Subtotal:	\$6,364,800.00

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Net Price	List Price	Initial	Subtotal	Tax	Total
Program				\$68.00		\$800.00			
80460	FLEET 3 BUNDLE TRUE UP	200	3		\$78.00	\$0.00	\$0.00	\$0.00	\$0.00
80460	FLEET 3 BUNDLE TRUE UP	200	6		\$78.00	\$0.00	\$0.00	\$0.00	\$0.00
80460	FLEET 3 BUNDLE TRUE UP	200	7		\$78.00	\$0.00	\$0.00	\$0.00	\$0.00
80460	FLEET 3 BUNDLE TRUE UP	200	8		\$78.00	\$0.00	\$0.00	\$0.00	\$0.00
80460	FLEET 3 BUNDLE TRUE UP	200	9		\$78.00	\$0.00	\$0.00	\$0.00	\$0.00
80460	FLEET 3 BUNDLE TRUE UP	200	10		\$78.00	\$0.00	\$0.00	\$0.00	\$0.00
80460	FLEET 3 BUNDLE TRUE UP	200	11		\$78.00	\$0.00	\$0.00	\$0.00	\$0.00
Fleet3B	Fleet 3 Basic	100	60	\$414,000.00	\$129.00	\$60,000.00	\$474,000.00	\$36,859.54	\$510,859.54
Fleet3B	Fleet 3 Basic	200	57	\$786,600.00	\$129.00	\$120,000.00	\$906,600.00	\$71,545.78	\$978,145.78
Fleet3B	Fleet 3 Basic	200	54	\$745,200.00	\$129.00	\$120,000.00	\$865,200.00	\$69,320.50	\$934,520.50
Fleet3B	Fleet 3 Basic	200	53	\$731,400.00	\$129.00	\$120,000.00	\$851,400.00	\$69,337.94	\$920,737.94
Fleet3B	Fleet 3 Basic	200	52	\$717,600.00	\$129.00	\$120,000.00	\$837,600.00	\$67,805.93	\$905,405.93
Fleet3B	Fleet 3 Basic	200	51	\$703,800.00	\$129.00	\$120,000.00	\$823,800.00	\$66,715.28	\$890,515.28
Fleet3B	Fleet 3 Basic	200	50	\$690,000.00	\$129.00	\$120,000.00	\$810,000.00	\$65,408.54	\$875,408.54
Fleet3B	Fleet 3 Basic	200	49	\$676,200.00	\$129.00	\$120,000.00	\$796,200.00	\$64,097.76	\$860,297.76
Total							\$6,364,800.00	\$511,089.27	\$6,875,889.27

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Estimated Delivery Date
Fleet 3 Basic	70112	AXON SIGNAL UNIT	200	01/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	6	01/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	200	01/01/2023
Fleet 3 Basic	70112	AXON SIGNAL UNIT	100	08/01/2022
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	100	06/01/2022
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	3	06/01/2022
Fleet 3 Basic	70112	AXON SIGNAL UNIT	200	09/01/2022
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	6	09/01/2022
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	200	08/01/2022
Fleet 3 Basic	70112	AXON SIGNAL UNIT	200	12/01/2022
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	6	12/01/2022
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	200	12/01/2022
Fleet 3 Basic	70112	AXON SIGNAL UNIT	200	02/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	8	02/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	200	02/01/2023
Fleet 3 Basic	70112	AXON SIGNAL UNIT	200	03/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	6	03/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	200	03/01/2023
Fleet 3 Basic	70112	AXON SIGNAL UNIT	200	04/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	6	04/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	200	04/01/2023
Fleet 3 Basic	70112	AXON SIGNAL UNIT	200	05/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	6	05/01/2023
Fleet 3 Basic	72036	FLEET 3 STANDARD 2 CAMERA KIT	200	05/01/2023

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	100	07/01/2022	06/30/2027
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	200	07/01/2022	06/30/2027
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	200	10/01/2022	06/30/2027
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	400	10/01/2022	06/30/2027
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	200	01/01/2023	06/30/2027
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	400	01/01/2023	06/30/2027
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	200	02/01/2023	06/30/2027
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	400	02/01/2023	06/30/2027
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	200	03/01/2023	06/30/2027
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	400	03/01/2023	06/30/2027
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	200	04/01/2023	06/30/2027
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	400	04/01/2023	06/30/2027
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	200	05/01/2023	06/30/2027
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	400	05/01/2023	06/30/2027
Fleet 3 Basic	80400	FLEET, VEHICLE LICENSE	200	06/01/2023	06/30/2027

Q-369529-44879.642MP

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Fleet 3 Basic	80410	FLEET, UNLIMITED STORAGE, 1 CAMERA	400	06/01/2023	06/30/2027

Services

Bundle	Item	Description	Estimated Installation Date	QTY
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	7/1/2022	100
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	10/1/2022	200
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	1/1/2023	200
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	2/1/2023	200
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	3/1/2023	200
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	4/1/2023	200
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	5/1/2023	200
Fleet 3 Basic	73391	FLEET 3 NEW INSTALLATION (PER VEHICLE)	6/1/2023	200

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	200	01/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	6	01/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	200	01/01/2023	06/30/2027
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	100	06/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	100	06/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	3	06/01/2023	06/30/2027
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	200	08/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	8	09/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	200	09/01/2023	06/30/2027
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	200	12/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	8	12/01/2023	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	200	12/01/2023	06/30/2027
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	200	02/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	6	02/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	200	02/01/2024	06/30/2027
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	200	03/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	6	03/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	200	03/01/2024	06/30/2027
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	200	04/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	6	04/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	200	04/01/2024	06/30/2027
Fleet 3 Basic	80379	EXT WARRANTY, AXON SIGNAL UNIT	200	05/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	6	05/01/2024	06/30/2027
Fleet 3 Basic	80495	EXT WARRANTY, FLEET 3, 2 CAMERA KIT	200	05/01/2024	06/30/2027

Payment Details

Jun 2022

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Phase 1 Install	Fleet3B	Fleet 3 Basic	100	\$80,000.00	\$5,700.00	\$85,700.00
Phase 2 Install	Fleet3B	Fleet 3 Basic	200	\$120,000.00	\$11,400.00	\$131,400.00
Phase 3 Install	Fleet3B	Fleet 3 Basic	200	\$120,000.00	\$11,400.00	\$131,400.00
Phase 4 Install	Fleet3B	Fleet 3 Basic	200	\$120,000.00	\$11,400.00	\$131,400.00
Phase 5 Install	Fleet3B	Fleet 3 Basic	200	\$120,000.00	\$11,400.00	\$131,400.00
Phase 6 Install	Fleet3B	Fleet 3 Basic	200	\$120,000.00	\$11,400.00	\$131,400.00
Phase 7 Install	Fleet3B	Fleet 3 Basic	200	\$120,000.00	\$11,400.00	\$131,400.00
Phase 8 Install	Fleet3B	Fleet 3 Basic	200	\$120,000.10	\$11,399.98	\$131,400.08
Year 1	80480	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 1	Fleet3B	Fleet 3 Basic	200	\$157,319.99	\$12,029.16	\$169,349.15
Year 1 - Phase 1	Fleet3B	Fleet 3 Basic	100	\$80,855.20	\$6,838.18	\$87,693.38
Year 1 - Phase 3	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 1 - Phase 3	Fleet3B	Fleet 3 Basic	200	\$149,040.00	\$11,584.09	\$160,624.09
Year 1 - Phase 4	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 1 - Phase 4	Fleet3B	Fleet 3 Basic	200	\$146,280.00	\$11,587.58	\$157,867.58
Year 1 - Phase 5	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 1 - Phase 5	Fleet3B	Fleet 3 Basic	200	\$143,520.00	\$11,281.19	\$154,801.19
Year 1 - Phase 6	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 1 - Phase 6	Fleet3B	Fleet 3 Basic	200	\$140,760.00	\$11,083.07	\$151,843.07
Year 1 - Phase 8	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 1 - Phase 8	Fleet3B	Fleet 3 Basic	200	\$135,239.99	\$10,539.55	\$145,779.54
Year 1 - Phase 7	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 1 - Phase 7	Fleet3B	Fleet 3 Basic	200	\$138,000.00	\$10,801.31	\$148,801.31
Total				\$2,001,015.28	\$171,224.11	\$2,172,239.39

Jun 2023

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 2	Fleet3B	Fleet 3 Basic	200	\$157,319.99	\$12,029.16	\$169,349.15
Year 2 - Phase 1	Fleet3B	Fleet 3 Basic	100	\$80,786.20	\$6,080.34	\$86,866.54
Year 2 - Phase 3	80480	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 2 - Phase 3	Fleet3B	Fleet 3 Basic	200	\$149,040.00	\$11,584.09	\$160,624.09
Year 2 - Phase 4	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 2 - Phase 4	Fleet3B	Fleet 3 Basic	200	\$146,280.00	\$11,587.58	\$157,867.58
Year 2 - Phase 5	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 2 - Phase 5	Fleet3B	Fleet 3 Basic	200	\$143,520.00	\$11,281.19	\$154,801.19
Year 2 - Phase 6	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 2 - Phase 6	Fleet3B	Fleet 3 Basic	200	\$140,760.00	\$11,083.07	\$151,843.07
Year 2 - Phase 8	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 2 - Phase 8	Fleet3B	Fleet 3 Basic	200	\$135,239.99	\$10,539.55	\$145,779.54
Year 2 - Phase 7	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 2 - Phase 7	Fleet3B	Fleet 3 Basic	200	\$138,000.00	\$10,801.31	\$148,801.31

Jun 2023

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Total				\$1,090,946.18	\$84,966.29	\$1,175,912.47

Jun 2024

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 3	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 3	Fleet3B	Fleet 3 Basic	200	\$157,319.99	\$12,029.16	\$169,349.15
Year 3 - Phase 1	Fleet3B	Fleet 3 Basic	100	\$80,786.20	\$8,080.34	\$88,866.54
Year 3 - Phase 3	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 3 - Phase 3	Fleet3B	Fleet 3 Basic	200	\$149,040.00	\$11,584.09	\$160,624.09
Year 3 - Phase 4	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 3 - Phase 4	Fleet3B	Fleet 3 Basic	200	\$146,280.00	\$11,587.58	\$157,867.58
Year 3 - Phase 5	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 3 - Phase 5	Fleet3B	Fleet 3 Basic	200	\$143,520.00	\$11,281.19	\$154,801.19
Year 3 - Phase 6	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 3 - Phase 6	Fleet3B	Fleet 3 Basic	200	\$140,760.00	\$11,063.07	\$151,823.07
Year 3 - Phase 7	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 3 - Phase 7	Fleet3B	Fleet 3 Basic	200	\$138,000.00	\$10,801.31	\$148,801.31
Year 3 - Phase 8	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 3 - Phase 8	Fleet3B	Fleet 3 Basic	200	\$135,239.99	\$10,539.55	\$145,779.54
Total				\$1,090,946.18	\$84,966.29	\$1,175,912.47

Jun 2025

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 4	Fleet3B	Fleet 3 Basic	200	\$157,319.99	\$12,029.16	\$169,349.15
Year 4 - Phase 1	Fleet3B	Fleet 3 Basic	100	\$80,786.20	\$8,080.34	\$88,866.54
Year 4 - Phase 3	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 4 - Phase 3	Fleet3B	Fleet 3 Basic	200	\$149,040.00	\$11,584.09	\$160,624.09
Year 4 - Phase 4	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 4 - Phase 4	Fleet3B	Fleet 3 Basic	200	\$146,280.00	\$11,587.58	\$157,867.58
Year 4 - Phase 5	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 4 - Phase 5	Fleet3B	Fleet 3 Basic	200	\$143,520.00	\$11,281.19	\$154,801.19
Year 4 - Phase 6	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 4 - Phase 6	Fleet3B	Fleet 3 Basic	200	\$140,760.00	\$11,063.07	\$151,823.07
Year 4 - Phase 7	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 4 - Phase 7	Fleet3B	Fleet 3 Basic	200	\$138,000.00	\$10,801.31	\$148,801.31
Year 4 - Phase 8	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 4 - Phase 8	Fleet3B	Fleet 3 Basic	200	\$135,239.99	\$10,539.55	\$145,779.54
Total				\$1,090,946.18	\$84,966.29	\$1,175,912.47

Jun 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 5	Fleet3B	Fleet 3 Basic	200	\$157,319.99	\$12,029.16	\$169,349.15

Jun 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5 - Phase 1	Fleet3B	Fleet 3 Basic	100	\$80,786.20	\$6,080.34	\$86,866.54
Year 5 - Phase 3	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 5 - Phase 3	Fleet3B	Fleet 3 Basic	200	\$149,040.00	\$11,584.09	\$160,624.09
Year 5 - Phase 4	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 5 - Phase 4	Fleet3B	Fleet 3 Basic	200	\$146,280.00	\$11,587.58	\$157,867.58
Year 5 - Phase 5	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 5 - Phase 5	Fleet3B	Fleet 3 Basic	200	\$143,520.00	\$11,281.19	\$154,801.19
Year 5 - Phase 6	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 5 - Phase 6	Fleet3B	Fleet 3 Basic	200	\$140,780.00	\$11,083.07	\$151,863.07
Year 5 - Phase 7	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 5 - Phase 7	Fleet3B	Fleet 3 Basic	200	\$138,000.00	\$10,801.31	\$148,801.31
Year 5 - Phase 8	80460	FLEET 3 BUNDLE TRUE UP	200	\$0.00	\$0.00	\$0.00
Year 5 - Phase 8	Fleet3B	Fleet 3 Basic	200	\$135,239.99	\$10,539.55	\$145,779.54
Total				\$1,090,948.18	\$84,968.29	\$1,175,916.47

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

LAPD will be providing the Cradlepoint routers for these Fleet 3 units. Fleet 3 Basic reflected on this quote includes Fleet 3 hardware, installation, unlimited storage of F3 videos, warranty and Fleet licensing. Extended Warranties reflected on this quote includes warranty of Fleet 3 hardware and replacement for equipment failures and/or damage due to collision/transport of individuals. Also includes the continued enhancements on the Fleet 3 software system/application. Fleet Signal Unit allows for a signal to be sent to the body cameras to activate recording when a known trigger has been engaged. Fleet 3 Camera Kits reflected on this quote includes front facing and rear facing camera and associated wiring per vehicle. This also includes the Fleet hub which communicates with the cameras and router.

The True-up skus reflected on this quote ensures that the full 60 month value is represented for all 1,500 vehicles. Since the vehicles are deployed in stages, the full 60 month value is co-termed for many of the vehicles. This SKU is generally used to capture any hardware costs that are present regardless of how many months of service will be provided. For LAPD, all "true-up" costs have been waived.

Error! Unknown op code for conditional..

Signature

Date Signed

4/28/2022



ATTACHMENT C

**THE FEDERAL BUREAU OF INVESTIGATION CRIMINAL JUSTICE
INFORMATION SYSTEMS SECURITY ADDENDUM**

**FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM**

**Legal Authority for and Purpose and Genesis of the
Security Addendum**

Traditionally, law enforcement and other criminal justice agencies have been responsible for the confidentiality of their information. Accordingly, until mid-1999, the Code of Federal Regulations Title 28, Part 20, subpart C, and the National Crime Information Center (NCIC) policy paper approved December 6, 1982, required that the management and exchange of criminal justice information be performed by a criminal justice agency or, in certain circumstances, by a noncriminal justice agency under the management control of a criminal justice agency.

In light of the increasing desire of governmental agencies to contract with private entities to perform administration of criminal justice functions, the FBI sought and obtained approval from the United States Department of Justice (DOJ) to permit such privatization of traditional law enforcement functions under certain controlled circumstances. In the Federal Register of May 10, 1999, the FBI published a Notice of Proposed Rulemaking, announcing as follows:

1. Access to CHRI [Criminal History Record Information] and Related Information, Subject to Appropriate Controls, by a Private Contractor Pursuant to a Specific Agreement with an Authorized Governmental Agency To Perform an Administration of Criminal Justice Function (Privatization). Section 534 of title 28 of the United States Code authorizes the Attorney General to exchange identification, criminal identification, crime, and other records for the official use of authorized officials of the federal government, the states, cities, and penal and other institutions. This statute also provides, however, that such exchanges are subject to cancellation if dissemination is made outside the receiving departments or related agencies. Agencies authorized access to CHRI traditionally have been hesitant to disclose that information, even in furtherance of authorized criminal justice functions, to anyone other than actual agency employees lest such disclosure be viewed as unauthorized. In recent years, however, governmental agencies seeking greater efficiency and economy have become increasingly interested in obtaining support services for the administration of criminal justice from the private sector. With the concurrence of the FBI's Criminal Justice Information Services (CJIS) Advisory Policy Board, the DOJ has concluded that disclosures to private persons and entities providing support services for criminal justice agencies may, when subject to appropriate controls, properly be viewed as permissible disclosures for purposes of compliance with 28 U.S.C. 534.

We are therefore proposing to revise 28 CFR 20.33(a)(7) to provide express authority for such arrangements. The proposed authority is similar to the authority that already exists in 28 CFR 20.21(b)(3) for state and local CHRI systems. Provision of CHRI under this authority would only be permitted pursuant to a specific agreement with an authorized governmental agency for the purpose of providing services for the administration of criminal justice. The agreement would be required to incorporate a security addendum approved by the Director of the FBI (acting for the Attorney General). The security

addendum would specifically authorize access to CHRI, limit the use of the information to the specific purposes for which it is being provided, ensure the security and confidentiality of the information consistent with applicable laws and regulations, provide for sanctions, and contain such other provisions as the Director of the FBI (acting for the Attorney General) may require. The security addendum, buttressed by ongoing audit programs of both the FBI and the sponsoring governmental agency, will provide an appropriate balance between the benefits of privatization, protection of individual privacy interests, and preservation of the security of the FBI's CHRI systems.

The FBI will develop a security addendum to be made available to interested governmental agencies. We anticipate that the security addendum will include physical and personnel security constraints historically required by NCIC security practices and other programmatic requirements, together with personal integrity and electronic security provisions comparable to those in NCIC User Agreements between the FBI and criminal justice agencies, and in existing Management Control Agreements between criminal justice agencies and noncriminal justice governmental entities. The security addendum will make clear that access to CHRI will be limited to those officers and employees of the private contractor or its subcontractor who require the information to properly perform services for the sponsoring governmental agency, and that the service provider may not access, modify, use, or disseminate such information for inconsistent or unauthorized purposes.

Consistent with such intent, Title 28 of the Code of Federal Regulations (C.F.R.) was amended to read:

§ 20.33 Dissemination of criminal history record information.

a) Criminal history record information contained in the Interstate Identification Index (III) System and the Fingerprint Identification Records System (FIRS) may be made available:

- 1) To criminal justice agencies for criminal justice purposes, which purposes include the screening of employees or applicants for employment hired by criminal justice agencies
- 2) To noncriminal justice governmental agencies performing criminal justice dispatching functions or data processing/information services for criminal justice agencies; and
- 3) To private contractors pursuant to a specific agreement with an agency identified in paragraphs (a)(1) or (a)(6) of this section and for the purpose of providing services for the administration of criminal justice pursuant to that agreement. The agreement must incorporate a security addendum approved by the Attorney General of the United States, which shall specifically authorize access to criminal history record information, limit the use of the information to the purposes for which it is provided, ensure the security and confidentiality of the information consistent with these regulations, provide for sanctions, and contain such other provisions as the Attorney General may require. The power

and authority of the Attorney General hereunder shall be exercised by the FBI Director (or the Director's designee).

This Security Addendum, appended to and incorporated by reference in a government-private sector contract entered into for such purpose, is intended to insure that the benefits of privatization are not attained with any accompanying degradation in the security of the national system of criminal records accessed by the contracting private party. This Security Addendum addresses both concerns for personal integrity and electronic security which have been addressed in previously executed user agreements and management control agreements.

A government agency may privatize functions traditionally performed by criminal justice agencies (or noncriminal justice agencies acting under a management control agreement), subject to the terms of this Security Addendum. If privatized, access by a private contractor's personnel to NCIC data and other CJIS information is restricted to only that necessary to perform the privatized tasks consistent with the government agency's function and the focus of the contract. If privatized the contractor may not access, modify, use or disseminate such data in any manner not expressly authorized by the government agency in consultation with the FBI.

EXAMPLE OF A CONTRACT ADDENDUM

AMENDMENT NO. ____ TO THE CONTRACT BETWEEN
[PARTY NO. 1] AND [PARTY NO. 2], ENTERED INTO [DATE]

[Name of Law Enforcement Agency] and [Party No. 2], upon notification and pursuant to Paragraph/Section No. ____ [the amendment clause of the original contract] of that certain contract entered into by these parties on [date][and entitled "____"], hereby amend and revise the contract to include the following:

1. Access to and use of criminal history record information and other sensitive information maintained in [state and] FBI-managed criminal justice information systems by [private party] are subject to the following restrictions:

- a.
- b.
- c.

and

d. The Security Addendum appended hereto, which is incorporated by reference and made a part thereof as if fully appearing herein.

This amendment is effective the ____ day of _____, 20__

On behalf of [Party No. 1]: _____

[Name]

[Title]

Date

On behalf of [Party No. 2]: _____

[Name]

[Title]

**FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM**

The goal of this document is to augment the CJIS Security Policy to ensure adequate security is provided for criminal justice systems while (1) under the control or management of a private entity or (2) connectivity to FBI CJIS Systems has been provided to a private entity (contractor). Adequate security is defined in Office of Management and Budget Circular A-130 as "security commensurate with the risk and magnitude of harm resulting from the loss, misuse, or unauthorized access to or modification of information."

The intent of this Security Addendum is to require that the Contractor maintain a security program consistent with federal and state laws, regulations, and standards (including the CJIS Security Policy in effect when the contract is executed), as well as with policies and standards established by the Criminal Justice Information Services (CJIS) Advisory Policy Board (APB).

This Security Addendum identifies the duties and responsibilities with respect to the installation and maintenance of adequate internal controls within the contractual relationship so that the security and integrity of the FBI's information resources are not compromised. The security program shall include consideration of personnel security, site security, system security, and data security, and technical security.

The provisions of this Security Addendum apply to all personnel, systems, networks and support facilities supporting and/or acting on behalf of the government agency.

1.00 Definitions

1.01 Contracting Government Agency (CGA) - the government agency, whether a Criminal Justice Agency or a Noncriminal Justice Agency, which enters into an agreement with a private contractor subject to this Security Addendum.

1.02 Contractor - a private business, organization or individual which has entered into an agreement for the administration of criminal justice with a Criminal Justice Agency or a Noncriminal Justice Agency.

2.00 Responsibilities of the Contracting Government Agency

2.01 The CGA will ensure that each Contractor employee receives a copy of the Security Addendum and the CJIS Security Policy and executes an acknowledgment of such receipt and the contents of the Security Addendum. The signed acknowledgments shall remain in the possession of the CGA and available for audit purposes. The acknowledgement may be signed by hand or via digital signature (see glossary for definition of digital signature).

3.00 Responsibilities of the Contractor

3.01 The Contractor will maintain a security program consistent with federal and state laws, regulations, and standards (including the CJIS Security Policy in effect when the contract is executed and all subsequent versions), as well as with policies and standards established by the Criminal Justice Information Services (CJIS) Advisory Policy Board (APB).

4.00 Security Violations

4.01 The CGA must report security violations to the CJIS Systems Officer (CSO) and the Director, FBI, along with indications of actions taken by the CGA and Contractor.

4.02 Security violations can justify termination of the appended agreement.

4.03 Upon notification, the FBI reserves the right to:

- a. Investigate or decline to investigate any report of unauthorized use;
- b. Suspend or terminate access and services, including telecommunications links. The FBI will provide the CSO with timely written notice of the suspension. Access and services will be reinstated only after satisfactory assurances have been provided to the FBI by the CGA and Contractor. Upon termination, the Contractor's records containing CHRI must be deleted or returned to the CGA.

5.00 Audit

5.01 The FBI is authorized to perform a final audit of the Contractor's systems after termination of the Security Addendum.

6.00 Scope and Authority

6.01 This Security Addendum does not confer, grant, or authorize any rights, privileges, or obligations on any persons other than the Contractor, CGA, CJA (where applicable), CSA, and FBI.

6.02 The following documents are incorporated by reference and made part of this agreement: (1) the Security Addendum; (2) the NCIC 2000 Operating Manual; (3) the CJIS Security Policy; and (4) Title 28, Code of Federal Regulations, Part 20. The parties are also subject to applicable federal and state laws and regulations.

6.03 The terms set forth in this document do not constitute the sole understanding by and between the parties hereto; rather they augment the provisions of the CJIS Security Policy to provide a minimum basis for the security of the system and contained information and it is understood that there may be terms and conditions of the appended Agreement which impose more stringent requirements upon the Contractor.

6.04 This Security Addendum may only be modified by the FBI, and may not be modified by the parties to the appended Agreement without the consent of the FBI.

6.05 All notices and correspondence shall be forwarded by First Class mail to:

Information Security Officer

Criminal Justice Information Services Division, FBI

1000 Custer Hollow Road

Clarksburg, West Virginia 26306

**FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM**

CERTIFICATION

I hereby certify that I am familiar with the contents of (1) the Security Addendum, including its legal authority and purpose; (2) the NCIC Operating Manual; (3) the CJS Security Policy; and (4) Title 28, Code of Federal Regulations, Part 20, and agree to be bound by their provisions.

I recognize that criminal history record information and related data, by its very nature, is sensitive and has potential for great harm if misused. I acknowledge that access to criminal history record information and related data is therefore limited to the purpose(s) for which a government agency has entered into the contract incorporating this Security Addendum. I understand that misuse of the system by, among other things: accessing it without authorization; accessing it by exceeding authorization; accessing it for an improper purpose; using, disseminating or re-disseminating information received as a result of this contract for a purpose other than that envisioned by the contract, may subject me to administrative and criminal penalties. I understand that accessing the system for an appropriate purpose and then using, disseminating or re-disseminating the information received for another purpose other than execution of the contract also constitutes misuse. I further understand that the occurrence of misuse does not depend upon whether or not I receive additional compensation for such authorized activity. Such exposure for misuse includes, but is not limited to, suspension or loss of employment and prosecution for state and federal crimes.

Bobby Driscoll



5/4/2022 | 11:38 AM MST

Printed Name/Signature of Contractor Employee

Date

Isaiah Fields



5/4/2022 | 11:32 AM MST

Printed Name/Signature of Contractor Representative

Date

Axon Enterprise, Inc.-HR

Organization and Title of Contractor Representative

ATTACHMENT D

PROJECT CHANGE AUTHORIZATION FORM

Change Authorization Form

Item Modified:

Description:

Change Value:

Approval Signature:

Name:

Company:

Date:

Agreement Signature:

Name:

Company:

City of Los Angeles

Date:

ATTACHMENT E

**AXON MASTER SERVICES AND PURCHASING AGREEMENT FOR
AGENCY**



This Master Services and Purchasing Agreement ("Agreement") is between Axon Enterprise, Inc., a Delaware corporation ("Axon"), and the agency listed below or, if no agency is listed below, the agency on the Quote attached hereto ("Agency"). This Agreement is effective as of the later of the (a) last signature date on this Agreement or (b) signature date on the Quote ("Effective Date"). Axon and Agency are each a "Party" and collectively "Parties". This Agreement governs Agency's purchase and use of the Axon Devices and Services detailed in the Quote Appendix ("Quote"). It is the intent of the Parties that this Agreement act as a master agreement governing all subsequent purchases by Agency for the same Axon Devices and Services in the Quote, and all such subsequent quotes accepted by Agency shall be also incorporated into this Agreement by reference as a Quote. The Parties agree as follows:

1. **Definitions.**

- 1.1. "Axon Cloud Services" means Axon's web services for Axon Evidence, Axon Records, Axon Dispatch, and interactions between Axon Evidence and Axon Devices or Axon client software. Axon Cloud Service excludes third-party applications, hardware warranties, and my.evidence.com.
- 1.2. "Axon Device" means all hardware provided by Axon under this Agreement.
- 1.3. "Quote" means an offer to sell and is only valid for devices and services on the quote at the specified prices. Any terms within Agency's purchase order in response to a Quote will be void. Orders are subject to prior credit approval. Changes in the deployment estimated ship date may change charges in the Quote. Shipping dates are estimates only. Axon is not responsible for typographical errors in any offer by Axon, and Axon reserves the right to cancel any orders resulting from such errors.
- 1.4. "Services" means all services provided by Axon under this Agreement, including software, Axon Cloud Services, and professional services.

2. **Term.** This Agreement begins on the Effective Date and continues until all subscriptions hereunder have expired or have been terminated ("Term").

- 2.1. All subscriptions including Axon Evidence, Axon Fleet, Officer Safety Plans, Technology Assurance Plans, and TASER 7 plans begin on the date stated in the Quote. Each subscription term ends upon completion of the subscription stated in the Quote ("Subscription Term"). A subscription for Axon Cloud Services (Evidence.com) is required for use of Axon Fleet 3. City may use its current subscription to Axon Cloud Services purchased under Contract C-127706-2 for use with Axon Fleet 3. Upon termination or expiration of the subscription in Quote: Q-255128, City will be required to purchase a subscription to Axon Cloud Services for its use of Axon Fleet 3.

- 2.2. Upon completion of the Subscription Term, the Subscription Term will automatically renew for an additional 5 years ("Renewal Term"). For purchase of TASER 7 as a standalone, Axon may increase pricing to its then-current list pricing for any Renewal Term. For all other purchases, Axon may increase pricing on all line items in the Quote up to 3% at the beginning of each year of the Renewal Term. New devices and services may require additional terms. Axon will not authorize services until Axon receives a signed Quote or accepts a purchase order, whichever is first.

The Renewal Term will include Fleet Licensing, Unlimited Fleet Storage, and the TAP warranty for Fleet 3 at a price of \$90.15 per month, per vehicle. This monthly amount is the average of an annual 10% increase that will be applied upon the commencement of the Renewal Term. If the US Bureau of Labor Statistics Consumer Price Index ("CPI") is higher than 10%, then the monthly rate above will be adjusted commensurate to CPI at the time the option is exercised. The City is responsible for providing the in-car routers for use with Fleet 3. During the Renewal Term, Contractor will provide installation services for Fleet 3 at a rate of \$750 per vehicle.

3. **Payment.** Axon invoices upon shipment, or on the date specified within the invoicing plan in the Quote. Payment is due net 30 days from the invoice date. Payment obligations are non-cancelable. Unless otherwise prohibited by law, Agency will pay interest on all past-due sums at the lower of one-and-a-half percent (1.5%) per month or the highest rate allowed by law. Agency will pay invoices without setoff, deduction, or withholding. If Axon sends a past due account to collections, Agency is responsible for collection and attorneys' fees.
4. **Taxes.** Agency is responsible for sales and other taxes associated with the order unless Agency provides Axon a valid tax exemption certificate.
5. **Shipping.** Axon may make partial shipments and ship Axon Devices from multiple locations. All shipments are EXW (Incoterms 2020) via common carrier. Title and risk of loss pass to Agency upon Axon's delivery to the common carrier. Agency is responsible for any shipping charges in the Quote.
6. **Returns.** All sales are final. Axon does not allow refunds or exchanges, except warranty returns or as provided by



state or federal law.

7. Warranty.

- 7.1. **Limited Warranty; Disclaimer.** Axon warrants that Axon-manufactured Devices are free from defects in workmanship and materials for 1 year from the date of Agency's receipt, except Signal Sidearm and Axon-manufactured accessories, which Axon warrants for 30 months and 90 days, respectively, from the date of Agency's receipt. Used conducted energy weapon ("CEW") cartridges are deemed to have operated properly. Extended warranties run from the expiration of the 1-year hardware warranty through the extended warranty term. All software and Axon Cloud Services, are provided "AS IS," without any warranty of any kind, either express or implied, including without limitation the implied warranties of merchantability, fitness for a particular purpose and non-infringement. Axon Devices, software, and services that are not manufactured, published or performed by Axon ("Third-Party Products") are not covered by Axon's warranty and are only subject to the warranties of the third-party provider or manufacturer.
- 7.2. **Claims.** If Axon receives a valid warranty claim for an Axon-manufactured Device during the warranty term, Axon's sole responsibility is to repair or replace the Axon-manufactured Device with the same or like Axon-manufactured Device, at Axon's option. A replacement Axon-manufactured Device will be new or like new. Axon will warrant the replacement Axon-manufactured Device for the longer of (a) the remaining warranty of the original Axon Manufactured Device or (b) 90-days from the date of repair or replacement.
- 7.2.1. If Agency exchanges a device or part, the replacement item becomes Agency's property, and the replaced item becomes Axon's property. Before delivering an Axon-manufactured Device for service, Agency must upload Axon-manufactured Device data to Axon Evidence or download it and retain a copy. Axon is not responsible for any loss of software, data, or other information contained in storage media or any part of the Axon-manufactured Device sent to Axon for service.
- 7.3. **Spare Axon Devices.** At Axon's reasonable discretion, Axon may provide Agency a predetermined number of spare Axon Devices as detailed in the Quote ("Spare Axon Devices"). Spare Axon Devices are intended to replace broken or non-functioning units while Agency submits the broken or non-functioning units, through Axon's warranty return process. Axon will repair or replace the unit with a replacement Axon Device. Title and risk of loss for all Spare Axon Devices shall pass to Agency in accordance with shipping terms under Section 5. Axon assumes no liability or obligation in the event Agency does not utilize Spare Axon Devices for the intended purpose.
- 7.4. **Limitations.** Axon's warranty excludes damage related to: (a) failure to follow Axon Device Use instructions; (b) Axon Devices used with equipment not manufactured or recommended by Axon; (c) abuse, misuse, or intentional damage to Axon Device; (d) force majeure; (e) Axon Devices repaired or modified by persons other than Axon without Axon's written permission; or (f) Axon Devices with a defaced or removed serial number. Axon's warranty will be void if Agency resells Axon Devices.
- 7.4.1. To the extent permitted by law, the above warranties and remedies are exclusive. Axon disclaims all other warranties, remedies, and conditions, whether oral, written, statutory, or implied. If statutory or implied warranties cannot be lawfully disclaimed, then such warranties are limited to the duration of the warranty described above and by the provisions in this Agreement.
- 7.4.2. Axon's cumulative liability to any Party for any loss or damage resulting from any claim, demand, or action arising out of or relating to any Axon Device or Service will not exceed the purchase price paid to Axon for the Axon Device, or if for Services, the amount paid for such Services over the 12 months preceding the claim. Neither Party will be liable for direct, special, indirect, incidental, punitive or consequential damages, however caused, whether for breach of warranty or contract, negligence, strict liability, tort or any other legal theory.
- 7.5. **Online Support Platforms.** Use of Axon's online support platforms (e.g., Axon Academy and MyAxon) is governed by the Axon Online Support Platforms Terms of Use Appendix available at www.axon.com/sales-terms-and-conditions.
- 7.6. **Third-Party Software and Services.** Use of software or services other than those provided by Axon is governed by the terms, if any, entered into between Agency and the respective third-party provider, including, without limitation, the terms applicable to such software or services located at www.axon.com/sales-terms-and-conditions, if any.
- 7.7. **Axon Aid.** Upon mutual agreement between Axon and Agency, Axon may provide certain products and services to Agency, as a charitable donation under the Axon Aid program. In such event, Agency expressly waives and releases any and all claims, now known or hereafter known, against Axon, and its officers, directors, employees, agents, contractors, affiliates, successors, and assigns (collectively, "Releasees"), including but

Title: Master Services and Purchasing Agreement between Axon and Agency

Department: Legal

Version: 14.0

Release Date: 3/10/2022



not limited to, on account of injury, death, property damage, or loss of data, arising out of or attributable to the Axon Aid program whether arising out of the negligence of Axon or any Releasees or otherwise. Agency agrees not to make or bring any such claim against Axon or any other Releasee, and forever release and discharge Axon and all other Releasees from liability under such claims. Agency expressly allows Axon to publicly announce its participation in Axon Aid and use its name in marketing materials. Axon may terminate the Axon Aid program without cause immediately upon notice to the Agency.

8. **Statement of Work.** Certain Axon Devices and Services, including Axon Interview Room, Axon Channel Services, and Axon Fleet, may require a Statement of Work that details Axon's Service deliverables ("SOW"). In the event Axon provides an SOW to Agency, Axon is only responsible to perform Services described in the SOW. Additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule. The SOW is incorporated into this Agreement by reference.
9. **Axon Device Warnings.** See www.axon.com/legal for the most current Axon Device warnings.
10. **Design Changes.** Axon may make design changes to any Axon Device or Service without notifying Agency or making the same change to Axon Devices and Services previously purchased by Agency.
11. **Bundled Offerings.** Some offerings in bundled offerings may not be generally available at the time of Agency's purchase. Axon will not provide a refund, credit, or additional discount beyond what is in the Quote due to a delay of availability or Agency's election not to utilize any portion of an Axon bundle.
12. **Insurance.** Axon will maintain General Liability, Workers' Compensation, and Automobile Liability insurance. Upon request, Axon will supply certificates of insurance.
13. **IP Rights.** Axon owns and reserves all right, title, and interest in Axon-manufactured Devices and Services and suggestions to Axon, including all related intellectual property rights. Agency will not cause any Axon proprietary rights to be violated.
14. **IP Indemnification.** Axon will indemnify Agency Indemnitees against all claims, losses, and reasonable expenses from any third-party claim alleging that the use of Axon-manufactured Devices or Services infringes or misappropriates the third-party's intellectual property rights. Agency must promptly provide Axon with written notice of such claim, tender to Axon the defense or settlement of such claim at Axon's expense and cooperate fully with Axon in the defense or settlement of such claim. Axon's IP indemnification obligations do not apply to claims based on (a) modification of Axon-manufactured Devices or Services by Agency or a third-party not approved by Axon; (b) use of Axon-manufactured Devices and Services in combination with hardware or services not approved by Axon; (c) use of Axon Devices and Services other than as permitted in this Agreement; or (d) use of Axon software that is not the most current release provided by Axon.
15. **Agency Responsibilities.** Agency is responsible for (a) Agency's use of Axon Devices; (b) breach of this Agreement or violation of applicable law by Agency or an Agency end user; and (c) a dispute between Agency and a third-party over Agency's use of Axon Devices.
16. **Termination.**
 - 16.1. **For Breach.** A Party may terminate this Agreement for cause if it provides 30 days written notice of the breach to the other Party, and the breach remains uncured at the end of 30 days. If Agency terminates this Agreement due to Axon's uncured breach, Axon will refund prepaid amounts on a prorated basis based on the effective date of termination.
 - 16.2. **By Agency.** If sufficient funds are not appropriated or otherwise legally available to pay the fees, Agency may terminate this Agreement. Agency will deliver notice of termination under this section as soon as reasonably practicable.
 - 16.3. **Effect of Termination.** Upon termination of this Agreement, Agency rights immediately terminate. Agency remains responsible for all fees incurred before the effective date of termination. If Agency purchases Axon Devices for less than the manufacturer's suggested retail price ("MSRP") and this Agreement terminates before the end of the Term, Axon will invoice Agency the difference between the MSRP for Axon Devices received, including any Spare Axon Devices, and amounts paid towards those Axon Devices. Only if terminating for non-appropriation, Agency may return Axon Devices to Axon within 30 days of termination. MSRP is the standalone price of the individual Axon Device at the time of sale. For bundled Axon Devices, MSRP is the standalone price of all individual components.
17. **Confidentiality.** "Confidential Information" means nonpublic information designated as confidential or, given the nature of the information or circumstances surrounding disclosure, should reasonably be understood to be confidential. Each Party will take reasonable measures to avoid disclosure, dissemination, or unauthorized use of the other Party's Confidential Information. Unless required by law, neither Party will disclose the other Party's Confidential



Master Services and Purchasing Agreement for Agency

information during the Term and for 5 years thereafter. To the extent permissible by law, Axon pricing is Confidential information and competition sensitive. If Agency receives a public records request to disclose Axon Confidential information, to the extent allowed by law, Agency will provide notice to Axon before disclosure. Axon may publicly announce information related to this Agreement.

18. General.

- 18.1. **Force Majeure.** Neither Party will be liable for any delay or failure to perform due to a cause beyond a Party's reasonable control.
- 18.2. **Independent Contractors.** The Parties are independent contractors. Neither Party has the authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary, or employment relationship between the Parties.
- 18.3. **Third-Party Beneficiaries.** There are no third-party beneficiaries under this Agreement.
- 18.4. **Non-Discrimination.** Neither Party nor its employees will discriminate against any person based on race; religion; creed; color; sex; gender identity and expression; pregnancy; childbirth; breastfeeding; medical conditions related to pregnancy, childbirth, or breastfeeding; sexual orientation; marital status; age; national origin; ancestry; genetic information; disability; veteran status; or any class protected by local, state, or federal law.
- 18.5. **Export Compliance.** Each Party will comply with all import and export control laws and regulations.
- 18.6. **Assignment.** Neither Party may assign this Agreement without the other Party's prior written consent. Axon may assign this Agreement, its rights, or obligations without consent: (a) to an affiliate or subsidiary; or (b) for purposes of financing, merger, acquisition, corporate reorganization, or sale of all or substantially all its assets. This Agreement is binding upon the Parties respective successors and assigns.
- 18.7. **Waiver.** No waiver or delay by either Party in exercising any right under this Agreement constitutes a waiver of that right.
- 18.8. **Severability.** If a court of competent jurisdiction holds any portion of this Agreement invalid or unenforceable, the remaining portions of this Agreement will remain in effect.
- 18.9. **Survival.** The following sections will survive termination: Payment, Warranty, Axon Device Warnings, Indemnification, IP Rights, and Agency Responsibilities.
- 18.10. **Governing Law.** The laws of the state where Agency is physically located, without reference to conflict of law rules, govern this Agreement and any dispute arising from it. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.
- 18.11. **Notices.** All notices must be in English. Notices posted on Agency's Axon Evidence site are effective upon posting. Notices by email are effective on the sent date of the email. Notices by personal delivery are effective immediately. Contact information for notices:

Axon: Axon Enterprise, Inc.
Attn: Legal
17800 N. 55th Street
Scottsdale, Arizona 85255
legal@axon.com

Agency: _____
Attn: _____
Street Address
City, State, Zip
Email

- 18.12 **Entire Agreement.** This Agreement, including the Appendices and any SOW(s), represents the entire agreement between the Parties. This Agreement supersedes all prior agreements or understandings, whether written or verbal, regarding the subject matter of this Agreement. This Agreement may only be modified or amended in a writing signed by the Parties.

Each Party, by and through its respective representative authorized to execute this Agreement, has duly executed and delivered this Agreement as of the date of signature.

AXON:

AGENCY:

Axon Enterprise, Inc.

Signature: _____

Signature: _____



Master Services and Purchasing Agreement for Agency

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



Axon Cloud Services Terms of Use Appendix

1. Definitions.

- 1.1. **"Agency Content"** is data uploaded into, ingested by, or created in Axon Cloud Services within Agency's tenant, including media or multimedia uploaded into Axon Cloud Services by Agency. Agency Content includes Evidence but excludes Non-Content Data.
- 1.2. **"Evidence"** is media or multimedia uploaded into Axon Evidence as 'evidence' by an Agency. Evidence is a subset of Agency Content.
- 1.3. **"Non-Content Data"** is data, configuration, and usage information about Agency's Axon Cloud Services tenant, Axon Devices and client software, and users that is transmitted or generated when using Axon Devices. Non-Content Data includes data about users captured during account management and customer support activities. Non-Content Data does not include Agency Content.
- 1.4. **"Personal Data"** means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

2. Access. Upon Axon granting Agency a subscription to Axon Cloud Services, Agency may access and use Axon Cloud Services to store and manage Agency Content. Agency may not exceed more end users than the Quote specifies. Axon Air requires an Axon Evidence subscription for each drone operator. For Axon Evidence Lite, Agency may access and use Axon Evidence only to store and manage TASER CEW and TASER CAM data ("TASER Data"). Agency may not upload non-TASER Data to Axon Evidence Lite.

3. Agency Owns Agency Content. Agency controls and owns all right, title, and interest in Agency Content. Except as outlined herein, Axon obtains no interest in Agency Content, and Agency Content is not Axon's business records. Agency is solely responsible for uploading, sharing, managing, and deleting Agency Content. Axon will only have access to Agency Content for the limited purposes set forth herein. Agency agrees to allow Axon access to Agency Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of the Axon products.

4. Security. Axon will implement commercially reasonable and appropriate measures to secure Agency Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program to protect Axon Cloud Services and Agency Content including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. Axon agrees to the Federal Bureau of Investigation Criminal Justice Information Services Security Addendum.

5. Agency Responsibilities. Agency is responsible for (a) ensuring Agency owns Agency Content; (b) ensuring no Agency Content or Agency and user's use of Agency Content or Axon Cloud Services violates this Agreement or applicable laws; and (c) maintaining necessary computer equipment and Internet connections for use of Axon Cloud Services. If Agency becomes aware of any violation of this Agreement by an end user, Agency will immediately terminate that end user's access to Axon Cloud Services.

- 5.1. Agency will also maintain the security of end usernames and passwords and security and access by end users to Agency Content. Agency is responsible for ensuring the configuration and utilization of Axon Cloud Services meet applicable Agency regulation and standards. Agency may not sell, transfer, or sublicense access to any other entity or person. Agency shall contact Axon immediately if an unauthorized party may be using Agency's account or Agency Content, or if account information is lost or stolen.

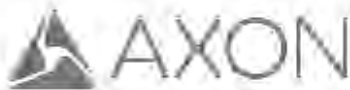
- 5.2. To the extent Agency uses the Axon Cloud Services to interact with YouTube®, such use may be governed by the YouTube Terms of Service, available at <https://www.youtube.com/static?template=terms>.

6. Privacy. Agency's use of Axon Cloud Services is subject to the Axon Cloud Services Privacy Policy, a current version of which is available at <https://www.axon.com/legal/cloud-services-privacy-policy>. Agency agrees to allow Axon access to Non-Content Data from Agency to (a) perform troubleshooting, maintenance, or diagnostic screenings; (b) provide, develop, improve, and support current and future Axon products and related services; and (c) enforce this Agreement or policies governing the use of Axon products.



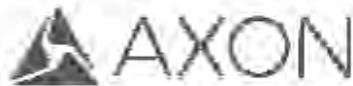
Master Services and Purchasing Agreement for Agency

7. **Axon Body 3 Wi-Fi Positioning.** Axon Body 3 cameras offer a feature to enhance location services where GPS/GNSS signals may not be available, for instance, within buildings or underground. Agency administrators can manage their choice to use this service within the administrative features of Axon Cloud Services. If Agency chooses to use this service, Axon must also enable the usage of the feature for Agency's Axon Cloud Services tenant. Agency will not see this option with Axon Cloud Services unless Axon has enabled Wi-Fi Positioning for Agency's Axon Cloud Services tenant. When Wi-Fi Positioning is enabled by both Axon and Agency, Non-Content and Personal Data will be sent to Skyhook Holdings, Inc. ("Skyhook") to facilitate the Wi-Fi Positioning functionality. Data controlled by Skyhook is outside the scope of the Axon Cloud Services Privacy Policy and is subject to the Skyhook Services Privacy Policy.
8. **Storage.** For Axon Unlimited Device Storage subscriptions, Agency may store unlimited data in Agency's Axon Evidence account only if data originates from Axon Capture or the applicable Axon Device. Axon may charge Agency additional fees for exceeding purchased storage amounts. Axon may place Agency Content that Agency has not viewed or accessed for 6 months into archival storage. Agency Content in archival storage will not have immediate availability and may take up to 24 hours to access.
9. **Location of Storage.** Axon may transfer Agency Content to third-party subcontractors for storage. Axon will determine the locations of data centers for storage of Agency Content. For United States agencies, Axon will ensure all Agency Content stored in Axon Cloud Services remains within the United States. Ownership of Agency Content remains with Agency.
10. **Suspension.** Axon may temporarily suspend Agency's or any end user's right to access or use any portion or all of Axon Cloud Services immediately upon notice, if Agency or end user's use of or registration for Axon Cloud Services may (a) pose a security risk to Axon Cloud Services or any third-party; (b) adversely impact Axon Cloud Services, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent. Agency remains responsible for all fees incurred through suspension. Axon will not delete Agency Content because of suspension, except as specified in this Agreement.
11. **Axon Cloud Services Warranty.** Axon disclaims any warranties or responsibility for data corruption or errors before Agency uploads data to Axon Cloud Services.
12. **Axon Records.** Axon Records is the software-as-a-service product that is generally available at the time Agency purchases an OSP 7 bundle. During Agency's Axon Records Subscription Term, if any, Agency will be entitled to receive Axon's Update and Upgrade releases on an if-and-when available basis.
 - 12.1 The Axon Records Subscription Term will end upon the completion of the Axon Records Subscription as documented in the Quote, or if purchased as part of an OSP 7 bundle, upon completion of the OSP 7 Term ("Axon Records Subscription").
 - 12.2 An "Update" is a generally available release of Axon Records that Axon makes available from time to time. An "Upgrade" includes (i) new versions of Axon Records that enhance features and functionality, as solely determined by Axon; and/or (ii) new versions of Axon Records that provide additional features or perform additional functions. Upgrades exclude new products that Axon introduces and markets as distinct products or applications.
 - 12.3 New or additional Axon products and applications, as well as any Axon professional services needed to configure Axon Records, are not included. If Agency purchases Axon Records as part of a bundled offering, the Axon Record subscription begins on the later of the (1) start date of that bundled offering, or (2) date Axon provisions Axon Records to Agency.
 - 12.4 Users of Axon Records at the agency may upload files to entities (incidents, reports, cases, etc.) in Axon Records with no limit to the number of files and amount of storage. Notwithstanding the foregoing, Axon may limit usage should the Agency exceed an average rate of 100 GB per user per year of uploaded files. Axon will not bill for overages.
13. **Axon Cloud Services Restrictions.** Agency and Agency end users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:
 - 13.1. copy, modify, tamper with, repair, or create derivative works of any part of Axon Cloud Services;
 - 13.2. reverse engineer, disassemble, or decompile Axon Cloud Services or apply any process to derive any source code included in Axon Cloud Services, or allow others to do the same;



Master Services and Purchasing Agreement for Agency

- 13.3. access or use Axon Cloud Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;
- 13.4. use trade secret information contained in Axon Cloud Services, except as expressly permitted in this Agreement;
- 13.5. access Axon Cloud Services to build a competitive device or service or copy any features, functions, or graphics of Axon Cloud Services;
- 13.6. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within Axon Cloud Services; or
- 13.7. use Axon Cloud Services to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third-party privacy rights; or to store or transmit malicious code.
14. **After Termination.** Axon will not delete Agency Content for 90 days following termination. There will be no functionality of Axon Cloud Services during these 90 days other than the ability to retrieve Agency Content. Agency will not incur additional fees if Agency downloads Agency Content from Axon Cloud Services during this time. Axon has no obligation to maintain or provide Agency Content after these 90-days and will thereafter, unless legally prohibited, delete all Agency Content. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Agency Content from Axon Cloud Services.
15. **Post-Termination Assistance.** Axon will provide Agency with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Agency Content, including requests for Axon's data egress service, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.
16. **U.S. Government Rights.** If Agency is a U.S. Federal department or using Axon Cloud Services on behalf of a U.S. Federal department, Axon Cloud Services is provided as a "commercial item," "commercial computer software," "commercial computer software documentation," and "technical data", as defined in the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. If Agency is using Axon Cloud Services on behalf of the U.S. Government and these terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, Agency will immediately discontinue use of Axon Cloud Services.
17. **Survival.** Upon any termination of this Agreement, the following sections in this Appendix will survive: Agency Owns Agency Content, Privacy, Storage, Axon Cloud Services Warranty, and Axon Cloud Services Restrictions.



Axon Customer Experience Improvement Program Appendix

1. **Axon Customer Experience Improvement Program (ACEIP).** The ACEIP is designed to accelerate Axon's development of technology, such as building and supporting automated features, to ultimately increase safety within communities and drive efficiency in public safety. To this end, subject to the limitations on Axon as described below, Axon, where allowed by law, may make limited use of Agency Content from all of its customers, to provide, develop, improve, and support current and future Axon products (collectively, "ACEIP Purposes"). However, at all times, Axon will comply with its obligations pursuant to the Axon Cloud Services Terms of Use Appendix to maintain a comprehensive data security program (including compliance with the CJIS Security Policy for Criminal Justice Information), privacy program, and data governance policy, including high industry standards of de-identifying Personal Data, to enforce its security and privacy obligations for the ACEIP. ACEIP has 2 tiers of participation, Tier 1 and Tier 2. By default, Agency will be a participant in ACEIP Tier 1. If Agency does not want to participate in ACEIP Tier 1, Agency can revoke its consent at any time. If Agency wants to participate in Tier 2, as detailed below, Agency can check the ACEIP Tier 2 box below. If Agency does not want to participate in ACEIP Tier 2, Agency should leave box unchecked. At any time, Agency may revoke its consent to ACEIP Tier 1, Tier 2, or both Tiers.
2. **ACEIP Tier 1.**
 - 2.1. When Axon uses Agency Content for the ACEIP Purposes, Axon will extract from Agency Content and may store separately copies of certain segments or elements of the Agency Content (collectively, "ACEIP Content"). When extracting ACEIP Content, Axon will use commercially reasonable efforts to aggregate, transform or de-identify Agency Content so that the extracted ACEIP Content is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual ("Privacy Preserving Technique(s)"). For illustrative purposes, some examples are described in footnote 1. For clarity, ACEIP Content will still be linked indirectly, with an attribution, to the Agency from which it was extracted. This attribution will be stored separately from the data itself, but is necessary for and will be solely used to enable Axon to identify and delete all ACEIP Content upon Agency request. Once de-identified, ACEIP Content may then be further modified, analyzed, and used to create derivative works. At any time, Agency may revoke the consent granted herein to Axon to access and use Agency Content for ACEIP Purposes. Within 30 days of receiving the Agency's request, Axon will no longer access or use Agency Content for ACEIP Purposes and will delete any and all ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to Agency. In addition, if Axon uses Agency Content for the ACEIP Purposes, upon request, Axon will make available to Agency a list of the specific type of Agency Content being used to generate ACEIP Content, the purpose of such use, and the retention, privacy preserving extraction technique, and relevant data protection practices applicable to the Agency Content or ACEIP Content ("Use Case"). From time to time, Axon may develop and deploy new Use Cases. At least 30 days prior to authorizing the deployment of any new Use Case, Axon will provide Agency notice (by updating the list of Use Case at <https://www.axon.com/aceip> and providing Agency with a mechanism to obtain notice of that update or another commercially reasonable method to Agency designated contact) ("New Use Case").
 - 2.2. Expiration of ACEIP Tier 1. Agency consent granted herein, will expire upon termination of the Agreement. In accordance with section 1.1.1, within 30 days of receiving the Agency's request, Axon will no longer access or use Agency Content for ACEIP Purposes and will delete ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to Agency.
3. **ACEIP Tier 2.** In addition to ACEIP Tier 1, if Agency wants to help further improve Axon's services, Agency may

¹ For example: (a) when extracting specific text to improve automated transcription capabilities, text that could be used to directly identify a particular individual would not be extracted, and extracted text would be disassociated from identifying metadata of any speakers, and the extracted text would be split into individual words and aggregated with other data sources (including publicly available data) to remove any reasonable ability to link any specific text directly or indirectly back to a particular individual; (b) when extracting license plate data to improve Automated License Plate Recognition (ALPR) capabilities, individual license plate characters would be extracted and disassociated from each other so a complete plate could not be reconstituted, and all association to other elements of the source video, such as the vehicle, location, time, and the surrounding environment would also be removed; (c) when extracting audio of potential acoustic events (such as glass breaking or gun shots), very short segments (<1 second) of audio that only contains the likely acoustic events would be extracted and all human utterances would be removed.



Master Services and Purchasing Agreement for Agency

choose to participate in Tier 2 of the ACEIP. ACEIP Tier 2 grants Axon certain additional rights to use Agency Content, in addition to those set forth in Tier 1 above, without the guaranteed deployment of a Privacy Preserving Technique to enable product development, improvement, and support that cannot be accomplished with aggregated, transformed or de-identified data.

- ☐ Check this box if Agency wants to help further improve Axon's services by participating in ACEIP Tier 2 in addition to Tier 1. Axon will not enroll Agency into ACEIP Tier 2 until Axon and Agency agree to terms in writing providing for such participation in ACEIP Tier 2.



Axon Fleet Appendix

If Axon Fleet is included on the Quote, this Appendix applies.

1. **Agency Responsibilities.** Agency must ensure its infrastructure and vehicles adhere to the minimum requirements to operate Axon Fleet 2 or Axon Fleet 3 (collectively, "Axon Fleet") as established by Axon during the qualifier call and on-site assessment at Agency and in any technical qualifying questions. If Agency's representations are inaccurate, the Quote is subject to change.
2. **Cradlepoint.** If Agency purchases Cradlepoint Enterprise Cloud Manager, Agency will comply with Cradlepoint's end user license agreement. The term of the Cradlepoint license may differ from the Axon Evidence Subscription. If Agency requires Cradlepoint support, Agency will contact Cradlepoint directly.
3. **Third-party Installer.** Axon will not be liable for the failure of Axon Fleet hardware to operate per specifications if such failure results from installation not performed by, or as directed by Axon.

4. **Wireless Offload Server.**

- 4.1. **License Grant.** Axon grants Agency a non-exclusive, royalty-free, worldwide, perpetual license to use Wireless Offload Server ("WOS"). "Use" means storing, loading, installing, or executing WOS solely for data communication with Axon Devices for the number of licenses purchased. The WOS term begins upon the start of the Axon Evidence Subscription.
- 4.2. **Restrictions.** Agency may not: (a) modify, alter, tamper with, repair, or create derivative works of WOS; (b) reverse engineer, disassemble, or decompile WOS, apply any process to derive the source code of WOS, or allow others to do so; (c) access or use WOS to avoid incurring fees or exceeding usage limits; (d) copy WOS in whole or part; (e) use trade secret information contained in WOS; (f) resell, rent, loan or sublicense WOS; (g) access WOS to build a competitive device or service or copy any features, functions or graphics of WOS; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within WOS.
- 4.3. **Updates.** If Agency purchases WOS maintenance, Axon will make updates and error corrections to WOS ("WOS Updates") available electronically via the Internet or media as determined by Axon. Agency is responsible for establishing and maintaining adequate Internet access to receive WOS Updates and maintaining computer equipment necessary for use of WOS. The Quote will detail the maintenance term.
- 4.4. **WOS Support.** Upon request by Axon, Agency will provide Axon with access to Agency's store and forward servers solely for troubleshooting and maintenance.

5. **Axon Vehicle Software.**

- 5.1. **License Grant.** Axon grants Agency a non-exclusive, royalty-free, worldwide, perpetual license to use ViewXL or Dashboard (collectively, "Axon Vehicle Software.") "Use" means storing, loading, installing, or executing Axon Vehicle Software solely for data communication with Axon Devices. The Axon Vehicle Software term begins upon the start of the Axon Evidence Subscription.
- 5.2. **Restrictions.** Agency may not: (a) modify, alter, tamper with, repair, or create derivative works of Axon Vehicle Software; (b) reverse engineer, disassemble, or decompile Axon Vehicle Software, apply any process to derive the source code of Axon Vehicle Software, or allow others to do so; (c) access or use Axon Vehicle Software to avoid incurring fees or exceeding usage limits; (d) copy Axon Vehicle Software in whole or part; (e) use trade secret information contained in Axon Vehicle Software; (f) resell, rent, loan or sublicense Axon Vehicle Software; (g) access Axon Vehicle Software to build a competitive device or service or copy any features, functions or graphics of Axon Vehicle Software; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Axon Vehicle Software.

- E. **Acceptance Checklist.** If Axon provides services to Agency pursuant to any statement of work in connection with Axon Fleet, within 7 days of the date on which Agency retrieves Agency's vehicle(s) from the Axon installer, said vehicle having been installed and configured with tested and fully and properly operational in-car hardware and software identified above, Agency will receive a Professional Services Acceptance Checklist to submit to Axon indicating acceptance or denial of said deliverables.



Master Services and Purchasing Agreement for Agency

7. **Axon Fleet Upgrade.** If Agency has no outstanding payment obligations and has purchased the "Fleet Technology Assurance Plan" (Fleet TAP), Axon will provide Agency with the same or like model of Fleet hardware ("Axon Fleet Upgrade") as schedule on the Quote.
- 7.1. If Agency would like to change models for the Axon Fleet Upgrade, Agency must pay the difference between the MSRP for the offered Axon Fleet Upgrade and the MSRP for the model desired. The MSRP is the MSRP in effect at the time of the upgrade. Agency is responsible for the removal of previously installed hardware and installation of the Axon Fleet Upgrade.
- 7.2. Within 30 days of receiving the Axon Fleet Upgrade, Agency must return the original Axon Devices to Axon, or destroy the Axon Devices and provide a certificate of destruction to Axon, including serial numbers of the destroyed Axon Devices. If Agency does not destroy or return the Axon Devices to Axon, Axon will deactivate the serial numbers for the Axon Devices received by Agency.
8. **Axon Fleet Termination.** Axon may terminate Agency's Fleet subscription for non-payment. Upon any termination:
- 8.1. Axon Fleet subscription coverage terminates, and no refunds will be given.
- 8.2. Axon will not and has no obligation to provide the Axon Fleet Upgrade.
- 8.3. Agency will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future Fleet TAP.