

**AGREEMENT BETWEEN
CITY OF LOS ANGELES
AND
SIEMENS INDUSTRY, INC.**

THIS AGREEMENT is made and entered into this ___ day of _____ 2014, by and between the City of Los Angeles, a municipal corporation (hereinafter referred to as the "City") and Siemens Industry Inc. (hereinafter referred to as "Contractor") with reference to the following:

WITNESSETH

WHEREAS, City has an urgent need to repair or replace broken traffic cameras, changeable message signs (CMS), and supporting fiber optic cables;

WHEREAS, Contractor possesses the competence, experience, expertise, skill, facilities, equipment, personnel, and other resources necessary to provide the repair or replacement of traffic cameras, CMS, and supporting fiber optic cables;

WHEREAS, Contractor agrees to perform the repair or replace traffic cameras, CMS, and fiber optic cables according to the terms and conditions set forth in this Agreement; and

WHEREAS, Contractor was selected by a sole-source process due to an urgent necessity to preserve the operation of the City's traffic cameras, CMS and supporting fiber optic cables from further damage.

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

SECTION I. INTRODUCTIONS AND CONDITIONS PRECEDENT

A. Parties to the Agreement

The Parties to this Agreement are:

1. The City of Los Angeles, a municipal corporation, having its principal office at 200 North Main Street, Los Angeles, California 90012.
2. The Contractor, known as Siemens Industry, Inc., having its regional office located at 1266 N. La Loma Circle, Anaheim, California 92806.

B. Representatives of the Parties and Services of Notices

1. The Representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:
 - a. The representatives of the City shall be, unless otherwise stated in the Agreement:

Sean Skehan
City of Los Angeles
Department of Transportation
100 South Main Street, 10th Floor
Los Angeles, CA 90012
Telephone: 213-972-8428
E-mail: sean.skehan@lacity.org
 - b. The representative of the Contractor shall be:

Elizabeth Aebly
Siemens Industry, Inc.
1266 N. La Loma Circle
Anaheim, CA 92806
Office Telephone: 714-630-2100
E-mail: Elizabeth.Aebly@Siemens.com
2. *Notices.* All notices, billings and payments which are required or permitted to be made hereunder shall be in writing and shall be sent by personal delivery; first-class mail, return receipt requested; overnight or express mail service; electronic mail, or facsimile. Notices shall be deemed to have been received: upon delivery if personally delivered; seventy-two (72) hours after deposit in the U.S. Mail; on the day of transmission via electronic mail or facsimile unless sent after business hours and in that event, on the next business day. Notices may be sent to the following addresses; the parties may deliver notice of change of address or delivery information in the manner outlined in this Section.

C. Contract Modifications

The Agreement fully expresses all understanding of the parties concerning all matters covered and shall constitute the total Agreement. Except as may otherwise be provided herein, no addition to, or alternative of, the parties, their officers, agents or employees, shall be valid unless made in the form of a written amendment to this Agreement, which is formally approved by Mayor and/or Council and executed by the parties. No modification or addition to this

Agreement shall have any effect whatsoever unless set forth in writing and signed by both parties.

D. Conditions Precedent

1. *Office Space and Staff Support.* Contractor shall provide its own office space and staff support at its sole cost and expense.
2. *Conflict of Interest and Political Reform Act Obligations.* During the term of this Agreement, Contractor shall not act as Contractor or perform services of any kind for any person or entity whose interests conflict in any way with those of the City. Contractor shall at all times comply with the terms of the Political Reform Act and the local conflict of interest ordinance. Contractor shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the City in which the Contractor has a financial interest as defined in Government Code Section 87103. Contractor represents that it has no knowledge of any financial interests, which would require it to disqualify itself from any matter on which it might perform services for the City.

Contractor shall comply with all of the reporting requirements of the Political Reform Act and local ordinance. Specifically, Contractor shall file Statements of Economic Interest with the City Clerk of the City in a timely manner on forms, which Contractor shall obtain from the City Clerk.

3. *No Assignments.* Neither any part nor all of this Agreement may be assigned or subcontracted, except as otherwise specifically provided herein, or to which City, in its sole discretion, consents to in advance thereof in writing. Any assignment or subcontracting in violation of this provision shall be void.
4. *Maintenance of Records.* Contractor shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred and shall make such materials available at its office at all reasonable times during the contract period and for three (3) years from the date of final payment under this Agreement, for inspection by City and copies thereof shall be furnished, if requested.
5. *Licenses, Permits, Etc.* Contractor represents and declares to City that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. Contractor represents and warrants to City that Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for Contractor to practice its profession.

6. *Insurance.* Contractor is insured and shall additionally insure the City of Los Angeles for the coverages specified on the 1461R Form, as a requirement of this Agreement. Contractor shall maintain, during the term of this Agreement, evidence of insurance acceptable to CAO, Risk Management prior to contract execution.
7. *Indemnification.* Except for the active negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns or Successors in Interest, Contractor undertakes and agrees to defend, indemnify and hold harmless City and any of its Boards, Officers, Agents, Employees, Assigns or Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including but not limited to, attorney's fees, damages or any liability of any nature whatsoever, for death or injury to any person, or damage or destruction of any property of either party hereto, or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement by Contractor or its subcontractors of any tier. This provision shall survive expiration or termination of this Agreement.
8. *Contractor Not an Agent.* Except as City may specify in writing, Contractor shall have no authority, expressed or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor shall have no authority, expressed or implied, pursuant to this Agreement to bind City to any obligation whatsoever.
9. *Personnel.* Contractor shall assign qualified and certified personnel to perform requested services.
10. *Prevailing Wage Laws.* Services by persons deemed to be employees of Contractor possibly may be subject to prevailing wages under California Labor Code Sections 1770-1781. Contractor's sole responsibility is to comply with those requirements, should they apply. If a dispute based on the prevailing wage laws occurs, Contractor, at its expense, shall indemnify, defend (including Contractor's providing and paying for legal counsel for City), and hold harmless City, its officers, agents, employees, and representatives from and against all liability, claims, suits, demands, damages, fines, penalties, wages, costs, or expenses pertaining to the prevailing wage laws.
11. Contractors' personnel shall at all times comply with City's drug and alcohol policies then in effect.

SECTION II. TERMS OF AGREEMENT

This Agreement shall be effective for up to nine (9) months, commencing from the date of City Clerk attestation, unless terminated by the City as provided in Section VI – Standard Contracts Provisions for City Contract (Revised 3/09) for this Agreement hereby incorporated by reference as Attachment A. Upon termination of this Agreement, Contractor shall return to City any and all equipment, documents or materials and all copies made thereof, which Contractor received from City or produced for City for the purposes of this Agreement.

SECTION III. CONTRACTOR DUTIES AND SCOPE OF WORK

- A. *Contractor.* At all times during the term of this Agreement, Contractor shall be an independent Contractor and shall not be an employee of the City. City shall have the right to control Contractor only insofar as the results of Contractor's services rendered pursuant to this Agreement; however, City shall not have the right to control the means by which Contractor accomplishes such services.
- B. *Confidential Relationship.* City may from time to time communicate to Contractor certain information to enable Contractor to effectively perform the services. Contractor shall treat all such information as confidential, whether or not so identified, and shall not disclose any part thereof without the prior written consent of the City. Contractor shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services. The foregoing obligation of this Paragraph 5, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of Contractor, hereafter disclosed in publicly available sources of information; (iii) is now in the possession of Contractor without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to Contractor by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

Contractor shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this contract without the prior written consent of the City. In its performance hereunder, Contractor shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

In the event of termination of this Agreement, Contractor agrees that it shall return any confidential information, which was provided by City, in the event such information is in a format that makes it feasible to return same to City.

- C. *Scope of Work.* Contractor shall perform the services as described in Attachment A, which is attached hereto and made a part hereof.
- D. *Service Delivery.*
 - 1. The Contractor shall provide maintenance services for traffic cameras, changeable message signs, and fiber optic systems, including incidental communication equipment in accordance with the City's operating policies, standards and procedures and the terms and conditions specified and indicated in this Agreement.
 - 2. The Contractor shall also be responsible for operating in compliance with the governmental codes, regulations, and directives applicable to such programs and as defined in this Agreement.
 - 3. All service to be operated as part of this contract shall be in compliance with the Americans with Disabilities Act (ADA) of 1990.

SECTION IV. COMPENSATION

- A. City shall compensate Contractor not to exceed \$ 750,000 for the maintenance services according to terms and conditions set forth in Attachment A.
- B. All work shall be performed only on regular time unless it is approved in writing by Sean Skehan or his designee to work overtime.
- C. Contractor shall submit invoices no more frequently than monthly. Invoices shall include a summary of work performed for the period being billed, percentage of work completed for each task, and overall percentage of project completion.
 - 1. The Contractor shall maintain a system of internal fiscal control in accordance with commonly accepted accounting practices as approved by the City. Internal fiscal control comprises the plan of organization and all of the coordinated methods and measures adopted within an organization to safeguard its assets, check the adequacy and the reliability of its accounting data, promote operating efficiency and assure adherence to prescribed management policies.
 - 2. The Contractor agrees that, should the City determine that the Contractor's record keeping, reporting techniques or data collection are inadequate to allow for effective monitoring and evaluation of the program, the City shall have the right to demand whatever record it deems adequate to correct such deficiencies in matters pertaining to the execution of this contract. Should these books and records, still not meet the minimum standards of the accepted accounting practices of the City, the City reserves the right to withhold any or all payments to the Contractor until such time as they meet

these standards.

3. In compliance with the City of Los Angeles requirements under Charter Section 262(a), the Contractor agrees to submit invoices that conform to City standards and include, at a minimum, the following information:
 - Name and address of company or firm
 - Name and address of City department being billed
 - Date of the invoice and period covered
 - Reference to contract number
 - Description of completed task and amount due for the task
 - Certification by a duly authorized officer
 - Remittance address
4. All invoices shall be submitted on Company's letterhead, contain the company's official logo, or contain other unique and identifying information such as name and address of company or individual. Evidence that tasks have been completed, in the form of a report, shall be attached to invoices, as applicable.
5. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of Contractor. City will not compensate the Contractor for any costs incurred for invoice preparation.
6. City may request in writing, changes to the content and format of the invoice and supporting documentation at any time. City reserves the right to request additional supporting documentation to substantiate costs at any time.
7. Payments to Contractor may be withheld by City if Contractor fails to comply with the provisions of this Agreement.

SECTION V. DOCUMENTS, RECORDS AND AUDITS

A. Audits and Inspections

1. Contractor agrees that City, or any of its duly authorized representatives, shall, for the purpose of audit and examination be permitted to inspect all work, materials, payroll, and other data and records with regard to the project, and to audit the books, records, and accounts with regard to the project.
2. At any time during normal business hours and as often as City may deem necessary, the Contractor shall make available to the City for examination, all necessary records with regard to the service provision.

3. All memoranda, reports, plans, specifications, maps and other documents prepared or obtained under the terms of this Agreement shall be the property of the City and shall be delivered to City by Contractor upon demand.
4. When a fiscal or special audit determines that Contractor has received payments from the City which are questionable under the criteria set forth herein, Contractor shall be notified and given the opportunity to justify questioned items prior to City's final audit report.
5. If such audit finds that City's dollar liability for such service is less than payments made by the City to the Contractor, then Contractor agrees that the difference shall be either:
 - repaid forthwith by Contractor to City by cash payment, or
 - at the of option of the General Manager of LADOT, credited against any future payments hereunder to Contractor.

If such audit finds that City's dollar liability for service is more than payments hereunder to Contractor, then the difference shall be paid to Contractor by the City, provided that in no event shall City's maximum obligation, as set forth in this Agreement, be exceeded.

6. City shall determine any amount to be paid to Contractor during the period of audit. City has the authority to withhold funds pending a final determination by City of questioned expenditures to City.

SECTION VI. STANDARD CONTRACT PROVISIONS

- A. Contractor shall comply with all City's contracting requirements as set forth in the Standard Provisions for City Personal Services Contracts (revised 3/09) hereby incorporated by reference and attached herein as Attachment A.

- B. Termination of Contract

This Agreement may be terminated with or without cause by City. Termination without cause shall be effective only upon 15-day written notice to Contractor. During said 15-day period Contractor shall perform all consulting services in accordance with this Agreement. This Agreement may be terminated by the City for cause in the event of a material breach of this Agreement, misrepresentation by the Contractor in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by City. Termination for cause shall be effected by delivery of written notice of termination to Contractor. Such termination shall be effective upon delivery of said notice.

C. Conflict Resolution:

In the event of a dispute between City and Contractor concerning the terms of this Agreement or its performance, the parties agree to submit such dispute to arbitration before the American Arbitration Association or other mutually acceptable arbitrator. In the event that the subject of such arbitration is compensation claimed by Contractor in the event of termination, Contractor's damages shall be limited to compensation for the 15-day period for which Contractor would have been entitled to receive compensation if terminated without cause. In the event of arbitration, each party shall bear its own attorneys' fees and costs incurred.

D. Contractor Evaluation Program

At the end of this contract, the City will conduct an evaluation of the Contractor's performance. The City may also conduct evaluations of the Contractor's performance during the term of the contract. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, the Contractor's compliance with budget requirements, and the expertise of personnel that the Contractor assigns to the contract. The Contractor will be provided with a copy of the final City evaluation and allowed 14 calendar days to respond. The City will use the final City evaluation, and any response from the Contractor, to evaluate proposals and to conduct reference checks when awarding other personal services contracts.

SECTION VII. MISCELLANEOUS

- A. Neither party assumes any liability for failure to fulfill the terms and conditions of this Agreement caused by events beyond the reasonable control of such party. Such events may include, but are not restricted to the following: natural disaster, acts of government in either its sovereign or contracted capacity, a failure or shortage of fuel, water, fuel oil, or other utility or services, strikes, riots, fires, floods, epidemics, war, insurrection or other national or local emergency, freight embargo, impassability of routes due to construction, and unusually severe weather but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor or its sub-Contractor.
- B. Conflict Resolution. In the event of a dispute between City and Contractor concerning the terms of this Agreement or its performance, the parties agree to submit such dispute to arbitration before the American Arbitration Association or other mutually acceptable arbitrator. In the event that the subject of such arbitration is compensation claimed by Contractor in the event of termination, Contractor's damages shall be limited to compensation for the 15-day period for

which Contractor would have been entitled to receive compensation if terminated without cause. In the event of arbitration, each party shall bear its own attorneys' fees and costs incurred.

- C. Gender. Whether referred to in the masculine, feminine, or as "it," "Contractor" shall mean the individual or corporate Contractor and any and all employees of Contractor providing services hereunder.
- D. Exhibits. All Exhibits referenced in this Agreement, and each of them, are incorporated into this document as though set forth in full at this point.
- E. Entire Agreement. This Agreement shall constitute the entire understanding between Contractor and City relating to the terms and conditions of the services to be performed by Contractor.
- F. Interpretation. In interpreting this Agreement and resolving ambiguities, this Agreement will take precedence over any attachments. If a conflict occurs between provisions in this Agreement and the provision in an attachment, the following order of precedence applies, with the terms and conditions in the higher on the list governing over those lower on the list:
 - 1) The Agreement
 - 2) Attachment A – Siemen's Proposal to the City of Los Angeles
 - 3) Attachment B – Standard Provisions for City Contracts

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have duly executed this Agreement on the date first above written.

Approved as to form and legality:
Mike Feuer, City Attorney

Executed for:
City of Los Angeles

By: _____
Michael Nagle
Deputy City Attorney

By: _____
Jon Kirk Mukri
General Manager
Department of Transportation

Date: _____

Date: _____

Attest:

Siemens Industry, Inc.

Executed for Holly L. Wolcott
City Clerk

By:
Deputy City Clerk

By: _____

Date: _____

Date: _____

Said Agreement is Number: _____

The Siemens logo is displayed in a bold, blue, sans-serif font within a white rectangular box in the top right corner of the page. The background of the entire page is a photograph of a city street at night, featuring tall buildings with lit windows and light trails from traffic.

Local Government Solutions

Helping our Communities become Vibrant, Growing and Green

Proposal to Provide:

- CCTV Inspection
- CMS Inspection

Including:

CCTV and CMS Repairs & Replacement,
On-call Fiber Support, and
Extraordinary Repair Services

Prepared Specifically For:
Los Angeles Department of
Transportation

March 7, 2014

March 7, 2014

Los Angeles Department of Transportation
100 S Main Street
Los Angeles, CA 90012

RE: Proposal to Provide Inspection Services for Closed Circuit Television Cameras, Changeable Message Signs including On-call Fiber Support, Extraordinary Repair and Replacement Services

Dear Mr. Skehan,

Siemens Industry, Inc. welcomes the opportunity to submit this proposal to provide services for closed circuit television cameras and changeable message signs inspections with on-call fiber and extraordinary repair services. The prices and terms stated will remain in effect for ninety (90) calendar days from the date of submission, March 7, 2014.

We are a California licensed and bonded Class A, B, C-10, C-16 and C-20 contractor (CA License #758796, expiration 2/28/2015) Siemens Federal Tax ID: 13-2762488.

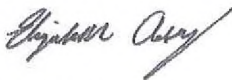
For more than 150 years, Siemens has been a powerhouse of technology and innovation. Our company specializes in construction and maintenance of communication systems, traffic signals and streetlights. Siemens national staff of more than 250 employees includes an array of professional engineers and technicians with International Brotherhood of Electrical Workers (IBEW), IMSA and numerous industry manufacturer and systems certifications.

I will be the person authorized to represent the firm. My information is as follows:

Elizabeth Aebly
Business Development Specialist
1266 N. La Loma Circle
Anaheim, CA 92806
Tel: (714)630-2100
Cell : (714) 351-7734
Elizabeth.Aebly@Siemens.com

Siemens takes pride in providing complete solutions to all traffic related maintenance projects. Knowledgeable and qualified personnel, fast response times and innovation in the business are priorities of our organization. This is highlighted by our broad experience, outstanding field staff and our commitment to providing exceptional customer service.

Respectfully,



Elizabeth Aebly

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Siemens Overview

Siemens is a global powerhouse in electronics and electrical engineering, operating in the fields of industry, energy, healthcare, and providing infrastructure solutions, primarily for cities and metropolitan areas.

Siemens is a leader in the Intelligent Traffic Solutions market throughout the United States. Here at Siemens, we are dedicated to the partnership and development of intelligent, economical, and integrated solutions that will increase the quality of life in your city. With the most comprehensive portfolio of integrated transportation products, parking management solutions and service, Siemens keeps America moving.

We provide intelligent solutions for the improvement of mobility, safety, and environmental protection in road traffics. The range of services includes energy-efficient LED signals, scalable traffic computers, entire traffic control centers, and even satellite-based toll systems for intercity traffic. Siemens is focused on delivering what cities need most today, safe, reliable infrastructure solutions that help decrease costs, increase revenue, and have a positive environmental impact for the city and its citizens.

Financial Stability

Siemens Industry, Inc. (SII) is a subsidiary member of the Siemens, A.G. corporate group, a multi-national, multi-billion dollar company. A copy of Siemens, A.G. most recent annual report can be found at www.siemens.com through "Investor Relations". All required financial reports and filings are available at the SEC's website <http://sec.gov/edgar.shtml>

Licenses

Siemens is California licensed and bonded Class A, B, C-10, C-16 and C-20 contractor (CA License #758796, expiration 2/28/2015) Siemens Federal Tax ID: 13-2762488. Duns Number:01-094-4650.

License Number	758796	Extract Date	2/11/2013
	SIEMENS INDUSTRY INC		
Business Information	Business Phone Number: (847) 215-1000		
	3333 OLD MILTON PARKWAY ATTN: PAULINE CIOTOLA ALPHARETTA, GA 30005		
Entity	Corporation		
Issue Date	02/04/1999		
Expire Date	02/28/2015		
License Status	ACTIVE This license is current and active. All information below should be reviewed.		
	CLASS	DESCRIPTION	
	B	GENERAL BUILDING CONTRACTOR	
	C10	ELECTRICAL	
Classifications	C20	WARM-AIR HEATING, VENTILATING AND AIR-CONDITIONING	
	C16	FIRE PROTECTION CONTRACTOR	
	A	GENERAL ENGINEERING CONTRACTOR	

Experience

We have exceptional experience, well-positioned infrastructure, strategic business-to-business relationships, and unparalleled expertise. These qualifications strongly support our ability to safely, efficiently, and cost-effectively provide transportation engineering services, street light and traffic signal maintenance, and construction services. We pride ourselves in providing complete turnkey solutions to proposed projects. Personal customer service, rapid response time, innovation, experienced and qualified personnel are our greatest strengths.

We also currently:

- Maintain traffic signals in over 200 communities across California.
- Maintain communication/CCTV in conjunction with traffic signal maintenance for numerous cities throughout California.
- Provide CCTV maintenance and on-call services to agencies throughout California.
- Provide fiber services throughout Southern and Northern California
- Maintain streetlights in over 100 communities across Arizona, California, Texas, and Massachusetts
- Provide engineering services for over 30 public agencies and private companies
- Have installed over half a million LED traffic signal retrofits across the United States
- Have installed \$60 M in energy efficient LED streetlight retrofits

Siemens understands the constant challenges of managing, maintaining, and effectively servicing sophisticated communication systems. With an extensive staff of communication and fiber integrators, IMSA-certified traffic signal technicians, electricians, laborers, and registered Professional Engineers, we are confident that Siemens will provide the best possible service to LADOT.

Office Locations and Storage Locations

Anaheim, CA: Siemens' Anaheim office will be responsible for serving LADOT. The Anaheim location is Siemens' Southern California regional headquarters office and is located at 1266 N. La Loma Circle, Anaheim, California.

La Mirada, CA: Siemens' centralized warehouse is located in La Mirada, California. This facility houses all materials and equipment necessary to maintain related projects.

Ventura, CA: Siemens' operates a storage facility in Ventura County, allowing technicians to deploy rapidly and efficiently throughout Los Angeles County.

Riverside, CA. In addition to the Anaheim office, Siemens has an office location at 2240 Business Way in the City of Riverside, California.

El Cajon, CA: Siemens's San Diego office is located at 1820 John Towers Avenue in El Cajon, California.

Novato, CA: Siemens' Novato office is located at 371 Bel Marin Keys Blvd, Novato, California approximately 30 minutes North of San Francisco. The corporate staff supports all field offices and operations including training, safety, purchasing, and accounting.

Siemens Resources

Emergency Services and 24 hour Phone Access

Siemens will respond to maintenance and emergency requests within one to three (1-3) hours at the direction of the LADOT staff, Police Department, or other selected representatives. Upon request, Siemens has the ability to adjust the response time to fit the needs of LADOT.

CCTV and CMS: Siemens will respond to emergency calls within two to three hours (2-3 hours) unless otherwise specified. Standard non emergency requests will be responded to within twenty-four (24) hours as requested by LADOT.

Fiber: Technicians will respond within one to two (1-2) hours upon receiving the emergency call. Standard non emergency requests will be responded to within twenty-four (24) hours as requested by LADOT.

Normal business hours are 7:30AM to 4:30PM, Monday – Friday.

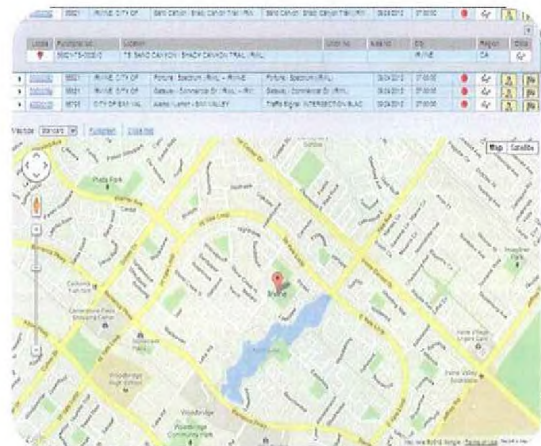
Reports of traffic signal problems can be initiated by calling our 24 hour number any time, day or night; 1-800-544-4876 (800-LIGHTS-ON). Siemens will notify the appropriate staff to verify that an emergency call as been placed. Upon completion of emergency work, Siemens will contact the Department by telephone and/or email to confirm that the emergency work has been completed. All emergency service calls will be recorded onto the inspection log indicating all emergency work performed.

Information Technology

Our emphasis on utilizing technology in our maintenance operations has given us a considerable advantage in the maintenance industry. Our proprietary software, developed in-house, represents the forefront of customer account management and maintenance tracking in our industry.

We recognize that speed, efficiency, and comprehensive service are the keys to customer satisfaction in our industry. With this in mind, we are constantly seeking innovative ways to improve our service delivery. Siemens is proud to present a detailed description of our computerized maintenance and inventory management system. Our applications represent what we believe to be the forefront of customer account management and maintenance tracking in our industry.

The Field Technician Cockpit allows our technicians in the field access to an array of useful data. Key information about the service call as well as supplementary data such as maintenance histories, inventory management, digital photographs, plans and other documentation all contribute to a quicker, more successful visit from a Siemens technician. In addition, our scheduled maintenance activities and responses to service requests are documented on-site, including documentation noting any other needed repair work, using any internet enabled device.



Laboratory and Testing Services

Siemens has laboratories and regional repair facilities that are available to LADOT to test, repair and certify traffic signal components.

Siemens' laboratory personnel include; degreed IMSA certified traffic signal technicians and certified electricians. Our field technicians perform all traffic related tasks with decades of cumulative testing and repair experience. We maintain the state of the art electronic servicing equipment.

Inventory

Inventory levels are maintained in order to accommodate the Department's needs and will be met based on the request of LADOT. Siemens continually monitors and modifies inventory levels as required by current maintenance and repair. This extensive inventory combined with our vast experience and testing facilities enable Siemens to repair or replace damaged equipment expeditiously and professionally.

Siemens employees will be equipped with all spare parts necessary to place a CCTV and CMS system back in operation for ordinary trouble calls. No permanent or temporary change of mechanisms will be done without prior approval of the Department except in case of an emergency.

Equipment, Field

Siemens owns the necessary tools to maintain and repair communication services. Technicians working throughout Los Angeles will be assigned computers that are uploaded with the necessary software to plug in and view at each location.





Equipment, Vehicles

Siemens owns and operates approximately 150 service vehicles of various types and sizes within California. To help ensure safety, Siemens uses hydraulic "bucket" trucks with aerial lifts which are Occupational Safety and Health Administration (OSHA) approved, inspected and certified as required by law. All drivers are trained through the Sentry Program for Insulated Devices.

Equipment Immediately Available for LADOT:

Year	Make	Model	Equipment Type
2007	FORD	F550	Bucket
2008	FORD	F450	Bucket
2008	FORD	F550	Bucket
2009	FORD	F550	Bucket
2009	FORD	F550	Bucket
2009	FORD	F550	Bucket
2004	FORD	F-750	Crane
2005	GMC	C6500	Dump Truck
2007	FORD	F450	Dump Truck
2008	CHEVROLET	3500 FLATBED	Flatbed
2005	CHEVROLET	KODIAK C4500	Flatbed
2006	FORD	F550	Flatbed
2005	FORD	F550	Flatbed
2009	CHEVROLET	COLORADO	Pickup
2007	Carrier	Trailer	Individual Conductor Trailer
2007	MLBLT	Trailer	Cable Trailer
2008	DITCH WITCH	T18B	Bore Rig w/ Trailer
2008	DITCH WITCH	ZT9S	Vacuum w/ Trailer
2005	FORD	E350 ECONOLINE	Van (Paint Rig)

In addition to the referenced equipment above, Siemens owns many other bucket trucks and construction vehicles. Inventory also includes, multiple arrow boards, towable air compressors, and towable changeable message signs, Bobcat furnished with auger & backhoe attachments, necessary hand tools, and all additional maintenance and construction tools essential to complete tasks.

*Siemens will use a specialized bucket truck that reaches 45+ feet for LADOT.



Technical Approach and Timeline

Siemens Road and City Mobility has obtained a wealth of knowledge through our experience of managing and executing traffic related services. Project management, communication, and field resources are important elements to our process. Mastering and understanding the importance of these fundamentals allows Siemens to execute and maintain the services seamlessly:

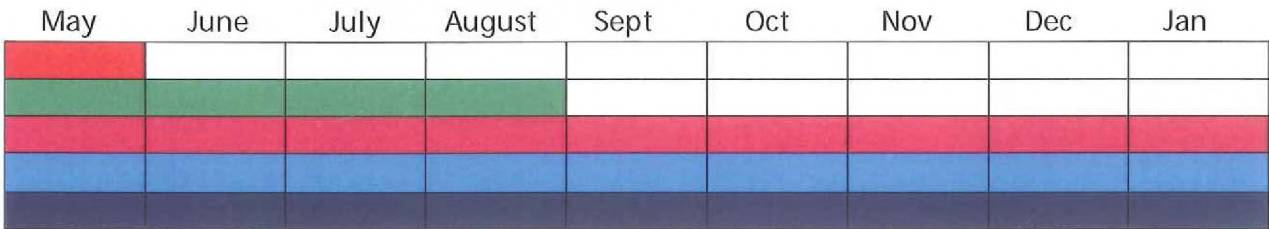
1. Project Management: Siemens will assign a dedicated project manager; this allows LADOT to have one point of contact. This method creates an effective and proactive communication line between the Department and Siemens.

Bryan Berlin will be assigned as the Project Manager to LADOT. Bryan has over 11 years of experience in the streetlight and traffic signal industry. Bryan is equipped with the knowledge and skill set to provide the highest level of customer service and project management.

2. Communications: An internal and external priority of our business is to communicate effectively with our customers. Standard phone calls and emails regarding the service will be made to LADOT. In the field, technicians will have access to both phone and laptop to relay any further communication.
3. Field Resources: Siemens has the largest team of traffic signal and streetlight maintenance technicians with bucket trucks in the nation. For LADOT, we have identified dedicated System Integrators that have years of experience maintaining communication infrastructure throughout California.

Example Project Outline

Topic	Timeline	Description
Contract Execution	Spring 2014	Contract is signed and completed.
Contract Start-up Meeting	Spring 2014	Services begin; start up meeting and introductions of both Siemens and LADOT's contacts.
Inspection CCTV and CMS	Spring, Summer 2014	Please refer to scope of work on page 22
Extraordinary Work, CCTV & CMS repairs and replacements	On-going throughout contract	Siemens will perform on-going extraordinary services, including repairs and replacements of CCTV and CMS.
Quality Assurance	On-going throughout contract	Siemens dedicated Project Manager will make regular calls and emails regarding performance of work.
Inventory Management, CCTV and CMS	On-going throughout contract	Siemens will keep an update log with required inventory levels in order to accommodate LADOT



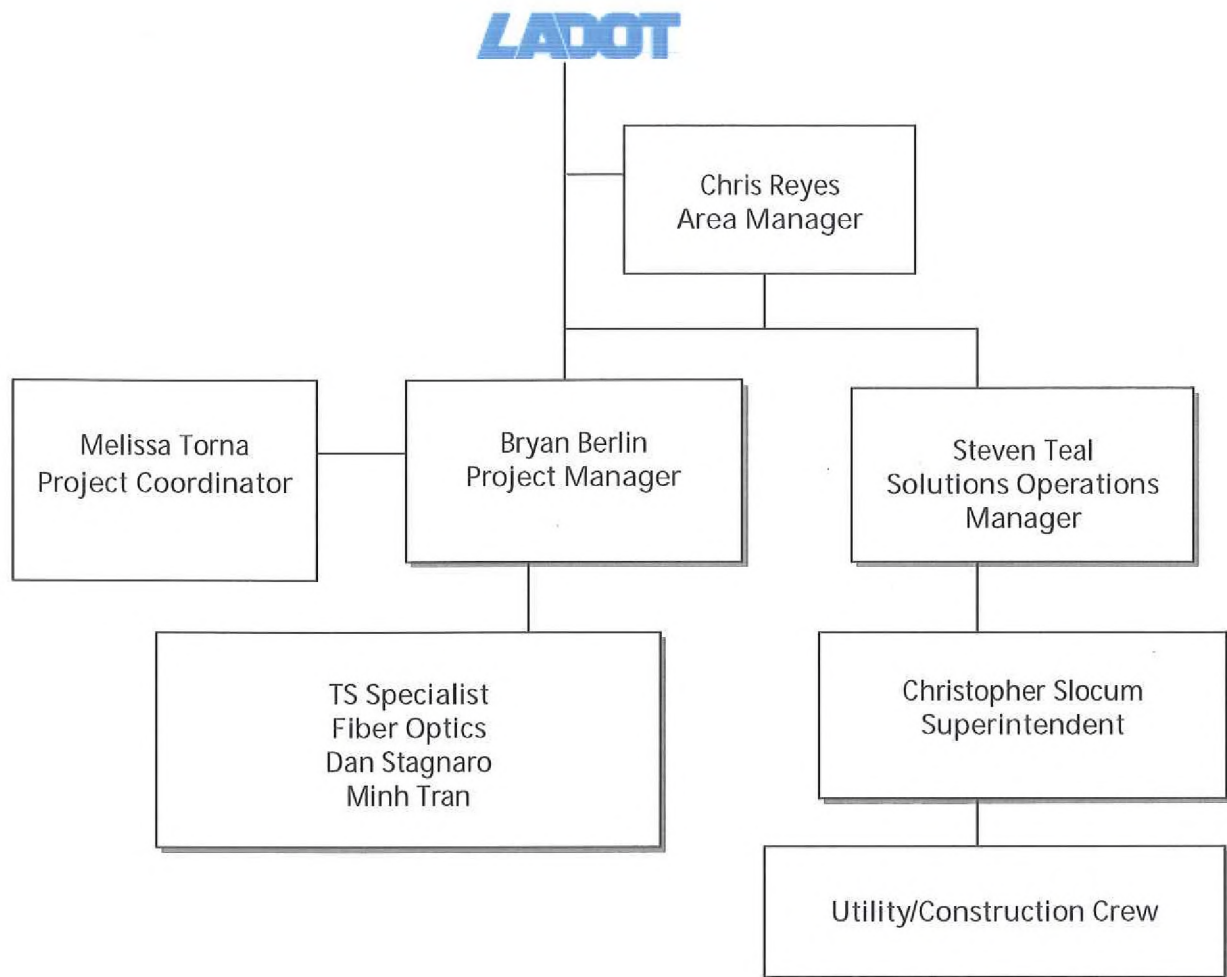
Personnel and Qualifications

Siemens employs fully trained journeymen linemen, electricians, and traffic signal technicians to do all repairs. Technicians assigned to LADOT are trained in the maintenance and protection of traffic facilities in accordance with the MUTCD. Our skilled and experienced technicians are among the best in the industry and we are proud to have over 25+ IMSA Level III certified technicians on our team.

Engineering and Professional Services

Siemens engineering staff is available to provide traffic signal modification design, signal timing and coordination enhancement, and many other traffic, civil, and electrical engineering related services. Our unique ability to design, construct, and maintain all facets of traffic signals and streetlights using in-house staff is one example of the many aspects that set Siemens apart from other maintenance companies.

The following will be available to LADOT:



Southwest Area Manager

Chris Reyes

Responsibilities include overlooking profits and losses for the Western region as well as overseeing all strategic planning for the area.

Project Experience

Mr. Reyes has over 17 years of experience engineering and construction management.

Experience

- 17 Years managing projects with Siemens Industry, Inc within Building Technologies and MOL division.
- Over 20 years experience managing projects throughout California, Nevada, and Arizona

Area Operations and Service Manager

Steven M. Teal

Responsibilities include supervision of Siemens service and operational divisions and managing office personnel. Steve is also responsible for bidding and estimating for construction and maintenance contracts.

Project Experience

Mr. Teal has over 17 years experience providing custom tailored solutions for his customers. As the Area Operations Manager he brings an abundance of knowledge about the Streetlight and Traffic Signal, and Communication Industry, all the while bringing top team members together to enhance leading-edge solutions to projects, maintenance, and customers.

Qualifications

- Experience is successfully managing communication maintenance and projects
- Proficient in all aspects of Streetlight and Traffic Signal Maintenance and Construction
- Strategizes Development through Project Completion
- Skilled with budgeting for timely completion of projects

Licenses/Certifications

- IMSA Level I Certified
- IMSA Level II Certified
- IMSA Level III Certified

Construction Superintendent

Christopher Slocum

Responsibilities include direct supervision of Siemens field staff, scheduling of construction and installation crews, acting as liaison between city/utility field crews and Siemens field staff, assuring that all work is being done to the standards set forth, and ensuring that the labor force is operating in an efficient and effective manner.

Project Experience

Mr. Slocum has over 17 years experience in the field of electrical, communication, lighting and transportation construction with over 11 years experience as a direct supervisor of field staff.

Qualifications

- Ability to read and interpret electrical and construction plans
- Extensive experience inspecting electrical installations in all phases of construction
- Highly competent in resource planning and manpower allocation

Licenses/Certifications

- OSHA Certified
- Licensed Journeyman Electrician
- Certified Storm Water Pollution Prevention Plan Inspector
- Competent Person/Trench Shoring Certified
- Confined Space Certification

Project Manager

Bryan Berlin

Responsibilities include managing all aspects of construction contracts to ensure a timely completion that is performed to the utmost satisfaction of the customer, scheduling projects and properly allocating resources to improve efficiency and acting as the primary channel of communication between clients, Siemens, subcontractors, vendors, and other stakeholders.

Project Experience

Mr. Berlin has over 11 years experience in municipal project management, with over 8 years in electrical system construction and maintenance, all the while continuing to learn new products and technologies.

Qualifications

- Bryan has successfully managed CCTV and Fiber projects for numerous agencies
- Proficient in scheduling with a keen understanding of equipment and manpower requirements
- Knowledgeable in lighting and electrical theory and design
- Communicates efficiently between City Staff and Field Personnel

Education

- Bachelor of Science Degree, Business Administration, Cal Poly Pomona

Licenses/Certifications

- Certified Senior Lighting Technician

Dan Stagnaro, Integrator and Fiber Splicing Technician

- 12 years experience in Fiber and Communications
- FOA Certified
- NUCA certified in Confined Space Entry
- Metrosafety certified
- NEC Certified
- Provided fiber and communication assistance for City of Corona and Garden Grove projects
- Has worked on numerous Caltrans District 7 and 12 on fiber optic projects
- Has prior experience with LADOT

Minh Tran, Communication and Fiber Technician

- Over 20 years experience in the traffic signal and communication maintenance industry.
- IMSA Level I, II & III Certified
- IMSA Work Zone Safety Certified
- IMSA Traffic Signal Inspector Certified
- NEC Certified
- Certified on Econolite TS-1 & TS-2 NEMA controllers
- Certified on Type 170 and 2070 controllers
- Certified in Iteris ITS Video Detection
- Extremely knowledgeable with all ATMS equipment
- Extensive experience in the installation, diagnosis, and repair of CMS and CCTV

Siemens technicians will wear uniform style shirts with the Siemens logo while performing contract services. Siemens vehicles will also be identified with the Siemens logo on both the driver's and passenger's side doors.

Siemens RCM, Worldwide Service References



UK: London City Tolling – comprising 850 intelligent cameras (availability based service contract) Contact is Mike Jackson

- Video images as evidence (850 intelligent cameras)
- Automatic number plate recognition (1m license plates per day)
- Modern traffic control center
- Installation and maintenance of on-street equipment

Assets in London

- 5,172 traffic signals sites
- 130 VMS sites
- 56 overhead detection sites
- 944 Safety camera sites

UK, Greater Manchester: Siemens largest service contract, (availability based service contract) also comprises of 100 camera sites

- Long-term (15 years) maintenance of traffic signaling equipment across all ten districts of Greater Manchester
- Usage of maintenance and energy savings to fund an on-going equipment replacement program (e.g. 20,000 signal heads)
- Contract comprises more than 2,000 traffic and pedestrian signals, including a range of additional equipment (e.g. Variable Message Signs, road safety cameras and access control systems).

Contact: Glyn Boucher, Group Leader- Urban Traffic Control. Transport for Greater Manchester
Telephone: 0161 244 1731| Email: glyn.boucher@tfgm.com

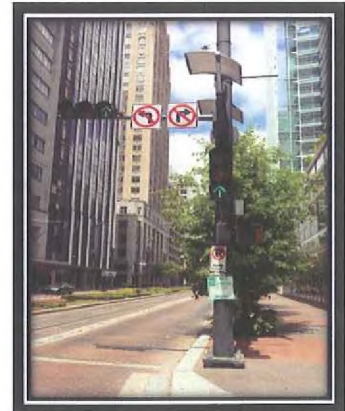
UK: Birmingham: Traffic Signal Maintenance

Solution is provided through a partnership with Amey and Siemens, Upgrading and continuous maintenance of the city's road network for the next 25 years, including major improvements to traffic signals and management systems by Siemens.

Siemens Solution:

- Replacement of 600 traffic signal controllers older than 15 years within the first 5 years of the project
- Planned maintenance for the entire traffic signal controller stock
- Reactive maintenance for the entire traffic signal controller stock
- Call of (chargeable) services to support other areas of delivery

Contact: Ian Robinson, Birmingham Highways Maintenance and Management Service, Local Government Amey. Telephone: 0121 2125344|email: ian.robinson@amey.co.uk



Brunswick, Germany

- Brunswick, has shifted traffic and street lighting operations to a joint venture with Siemens and BS Energy
- Bellis provides planning, operation and maintenance of the entire traffic system (including central systems and on-street equipment) and of the street lights and performs research activities

UK: London: Traffic Signal Maintenance

Siemens maintains traffic control equipment for a significant area of London through a long term service agreement.



- Contract covers traffic lights (signals), variable message signs (VMS), speed cameras, red light cameras, over-height vehicle detection
- Siemens maintains a variety of equipment diverse in both age and condition, approximately 31% of which is 3rd party equipment
- For 3rd party equipment maintenance, Siemens ensures strong up to date training, spares holding, technical libraries

Essen, Germany: Ruhrpilot

Siemens Solution:

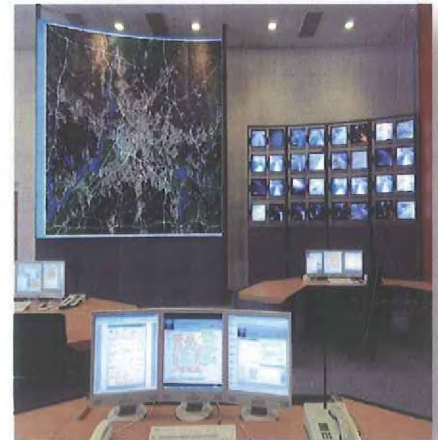
- Traffic Management Center and Data
- Concentrators based on SITRAFFIC Concert-Technology
- Integration of different Traffic Systems
- Complete Hard- and Software Solution
- Upgrade of Traffic Control Centers with Sitraffic Scala Systems

Customer Benefits:

- Mobility center for area wide, real time traffic information
- Overall information of the actual traffic, public transport and parking situation, road works and events
- Datapool for strategies and statistics

Berlin, Germany: Operation of Traffic Control Center

- Installation of a common technological platform (hard- and software as well)
- Networking of independent arranged traffic management and control systems
- Analysis of ongoing and collected traffic data (data from the city traffic computer, traffic control center)
- Monitoring & controlling of 2.000 signal heads, eight traffic management systems and 100 cameras to monitor roads and tunnels
- Traffic consulting and traffic information management



Budapest, Hungary: LED Technology & Service Contract

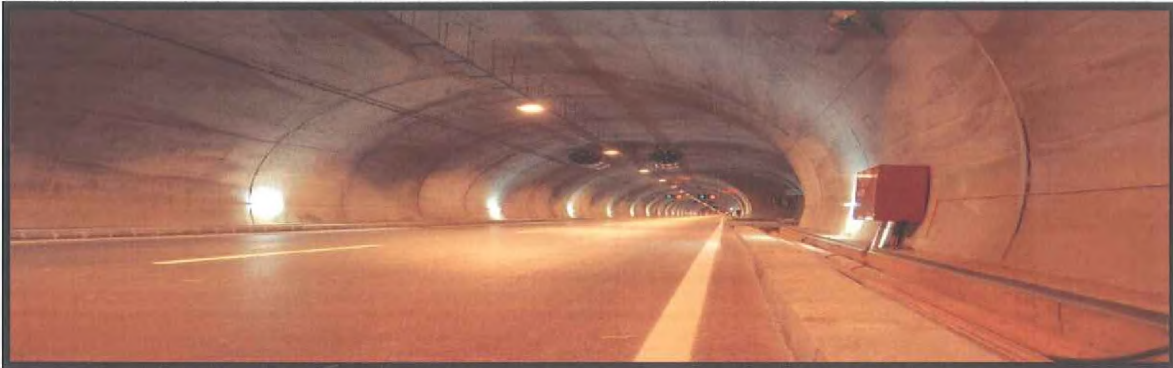
- Modernization of the old signal heads with LED-signal heads of the Silux 1.40 series (amount of 33.000)
- Installation of new controllers (250 controller – thereof 50 of the C840V series)
- Long lasting service contract (first of all 8 years)

Customer Benefits:

- The lower energy consumption and the designed life cycle of the LED-signal heads will reduce operational costs.

Persembe, Turkey: Tunnel Project

Design and equipment for five tunnels with a total length of 9.2 km



- Control of the traffic and M&E (Mechanical & Electrical) systems by integrated solution
- Video based automatic incident detection system
- Traffic detection and control
- Service contract

Noord-Holland, Netherlands, Waterwolf Tunnel: Tunnel Maintenance : Bypass road N201 planned to relieve traffic congestion and improve the infrastructure. Construction of 800m long tunnel as part of the bypass road.

- Delivery and installation of all technical components concerning energy, communication system, tunnel system, traffic management, lighting and fire safety.
- Cooperation with the Division Building Technologies and the Industry sector to install power lines, smoke detectors etc.
- Service contract including the complete (preventive and corrective) maintenance on all technical installations in the tunnel, including operations & control installations.

Portugal, Lisbon: Contract also comprises maintenance of CCTV cameras

Germany: Service projects with CCTV cameras:

- Rügendamm (Bridge connecting Rügen island to mainland)
- A9 motorway: several cameras as core element for hard shoulder running system
- Tunnel Munich (MRO tunnel): maintenance of all tunnel infrastructure incl. safety cameras
- Automatic Number Plate Recognition (ANPR) maintenance in Stuttgart
- ANPR installed in tunnel Aubing in Munich in order to detect dangerous goods entering & leaving the tunnel



Your ref:
Our ref: P&M/BMS

Mr C Thurlbourn
Siemens Traffic
Siemens House
Silverdale Road
Hayes, Middlesex. UB3 3BH

London Streets
Traffic Directorate

Palestra
197 Blackfriars Road
London SE1 8NJ

Phone 020 7222 5600
www.tfl.gov.uk

Date 30 March 2012

Dear Colin

Reference 3rd Party Service

TfL have a contract with Siemens for them to maintain traffic control equipment over a significant area of London. This is a long term multi-million pound contract, over at least six years. The contract covers Traffic Lights (Signals), Variable Message Signs (VMS), Speed Cameras, Red Light Cameras and Over-Height Vehicle Detection.

Across Siemens maintenance area they maintain a variety of equipment diverse in both age and condition, approximately 31% of which is 3rd party equipment. With some areas such as VMS, Speed Camera and Red Light Cameras being 100% 3rd party equipment.

Over the course of this contract, Siemens has been the best performing contractor. In fact, they have maintained 3rd party equipment to a higher standard than the original manufacturers. Having 3rd party maintainers was historically viewed as a risk to London but now this is seen as an advantage over previous set-ups for both price and quality. TfL have found that in general, when maintaining 3rd party equipment, contractors ensure strong up to date training, spares holding and technical libraries which result in high availability of our traffic control systems.

Should you require any further information please do not hesitate to contact me directly.

MAYOR OF LONDON



A division of Transport for London
whose principal place of business is
Windsor House
42-50 Victoria Street
London SW1H 0TL

VAT number 756 2769 90

Contact: *Brendan Sleight, Chief Engineer*
Performance and Maintenance, Traffic Operations, Surface Transport

Local References

Client/Agency	Address	Type of Work	Agency Contact Person	Telephone Number
City of Glendale	633 E. Broadway, Room 204 Glendale, CA 91206	Traffic Signal and CCTV Maintenance Services	Wayne C. Ko, P.E. Principal Traffic Engineer	(818) 548-3960
City of Anaheim	200 South Anaheim Blvd. Anaheim, CA 92805	Traffic Signal Maintenance	Christopher Dahl, Public Works Director/Traffic Department	(714) 765-6908
City of Arcadia	240 West Huntington Drive, Arcadia, CA 91066	Santa Anita Arcadia ITS Integration CCTV Installation Project	Rafael Fajardo	(626) 574-5400
Cal Trans	N/A	CCTV project included a installation and integration of 108 CCTV cameras	Joe Obadike	(951) 830-6821

City of Irvine- Upgrades included controller and cabinet change-outs, fiber and Ethernet communications, CCTV, video detection, inductive loops, conduit, SIC and extensive coordination by the City. Contact: David Flanagan, Senior Project Manager (949) 724-7684

Caltrans District 12-Modification of CCTV System and high mast poles. Contact: Danh Thai Resident Engineer danh_thai@dot.ca.gov



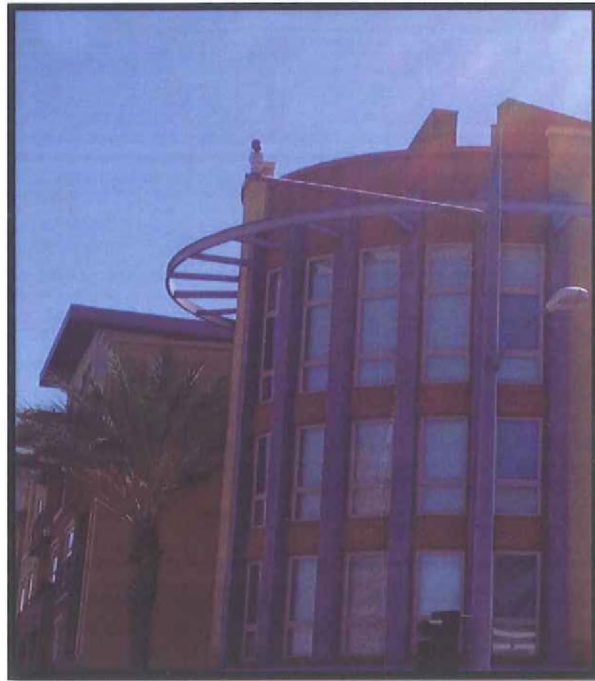
Current maintenance contracts throughout the Los Angeles County region.

LADOT CMS and CCTV Service Locations:

Vermont S/B between 30th and Jefferson



Exposition Blvd and Denker



CCTV Location

Scope of Services

Siemens will provide the following services:

CCTV, Inspection

Cleaning and calibration; using hydraulic lift trucks to access:

- Cleaning lenses and dome
- Check for pest control
- Verify operation of thermostat and fan
- Check cabinet filter and replace or repair if necessary
 - CCTV cameras will be affected by non maintained traffic signal filter and fan
- Repressure the nitrogen associated with camera if needed
- Check cabinet seal for water tightness and re-seal where appropriate
- Clean all CCTV related components
- Check and secure camera mounting, as needed
- Tighten all connections
- Visually inspect all cables and connectors
- Visually inspect for any damages
- Document and report all issues found

Inventory Collection

- Location of equipment
- Model/serial number

Equipment Sweep

- Inspect and create a functionality report of each system.
- All repairs or replacements will be reported back to LADOT before any extraordinary work begins.

TMC Maintenance

- Verify video and control at TMC
Siemens will create a check list that will be preapproved by LADOT

CMS, Inspection

- Free all signs of dirt, debris and animal waste using pressure washer
- Finish with wiping the sign down with specific cleaner
- Pixel Test
- Power Supply Test
- Functionality Test
- Verify connections are secured
- Sign enclosure inspection
- Structural Inspection
- Light/temp sensor inspection
- Tighten internal hardware

Inventory Collection

- Location of equipment
- Model/serial number

Equipment Sweep

- Inspect and create a functionality report of each system.
- All repairs or replacements will be reported back to LADOT before any extraordinary work begins.

TMC Maintenance

- Verify CMS at TMC
Siemens will create a check list that will be preapproved by LADOT

Extraordinary and On-call Services (Time and Material, billable work)

In addition to the previously mentioned inspection activities, Siemens will provide extraordinary services on an as needed basis. Extraordinary maintenance may include:

Repairing, replacing and troubleshooting CCTV cameras, CCTV communication equipment and associated labor, and video switching and control equipment located in the field and in the TOC.

Repairing and replacing modules, lamps, sensors, pixel parts and cabling on CMS.

On-call services for maintaining, repairing, troubleshooting, and splicing FO cable, and FO cable facilities including conduit, splice cabinet and communication pull box.

Fiber- Siemens has the ability to troubleshoot, identify the failure, locate the break, and expose damaged conduit or fiber, repair the conduit, restore any paving or flatwork and repull fiber and terminate.

Siemens will not perform any extraordinary maintenance without the approval of the Department or an authorized representative. If Siemens encounters a situation wherein extraordinary maintenance is needed, Siemens will supply a description of the work required as well as a proposed cost estimate for approval.

LADOT Pricing

CCTV Inspection

Item Description	Quantity	Per Location, per Visit	Total
CCTV Inspection	500	\$160.00	\$80,000.00

CMS Inspection

Item Description	Quantity	Per Location, per Visit	Total
CMS Inspection	34	\$395.00	\$13,430.00

Extraordinary Work

Labor

Item Description	Unit	Regular Time	Overtime
Laborer	HR	\$105.00	\$140.00
Journeyman Electrician	HR	\$120.00	\$168.00
Fiber Technician	HR	\$126.00	\$180.00
Foreman	HR	\$126.00	\$180.00
Field Supervisor	HR	\$126.00	\$180.00

Equipment

Item Description	Unit	Quantity	Cost
Service Truck	HR	1	\$25.00
Bucket Truck (up to 40')	HR	1	\$30.00
Bucket Truck (40'+)	HR	1	\$45.00
Crane	HR	1	\$65.00

CCTV Camera, 3965-5100-PEDD COHU 3960 Series 1-View II Color Day/Night DSP

Item Description	Unit	Quantity	Camera	Extended Warranty	Tax	Total
Camera	EA	150	\$4,140.00	\$483.00	\$372.57	\$4,996.57

* Siemens will be responsible for communication with the equipment manufacturer if service is required during the 9 month project period.

Material Mark-up	15%
Examples of Materials:	<ul style="list-style-type: none"> • Brackets (cracked or broken) • Connector fittings (cracked or bad connection) • Conductors (bad wiring from CCTV to cabinet) • CMS lamps/bulbs

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Siemens Industry, Inc.
Standard Terms and Conditions of Service
March 1, 2010 (Rev. 1)

Article 1: General

1.1 (a) This Agreement constitutes the entire, complete and exclusive agreement between the parties relating to the services ("Services") to be provided by SIEMENS and supersedes and cancels all prior proposals, agreements and understandings, written or oral, relating to the subject matter of this Agreement. Neither party may assign the Agreement or any rights or obligations hereunder without the prior written consent of the other except that either party may assign this Agreement to its affiliates and SIEMENS may grant a security interest in the proceeds to be paid to SIEMENS under this Agreement; assign proceeds of the Agreement; and/or use subcontractors in performance of the Services. The terms and conditions of this Agreement shall not be modified or rescinded except in writing, with the prior approval of the Legal Departments of SIEMENS and Customer and signed by duly authorized officers or managers of SIEMENS and Customer.

(b) Nothing contained in this Agreement shall be construed to give any rights or benefits to anyone other than the Customer and SIEMENS without the express written consent of both parties. All provisions of this Agreement allocating responsibility or liability between the parties shall survive the completion of the Services and termination of this Agreement.

(c) Certain terms and conditions contained herein may not apply to the Services to be provided hereunder. It is the intent of the parties, however, that the interpretation to be given to the terms and conditions is to apply all terms and conditions unless clearly inapplicable given the type of Services included.

1.2 SIEMENS shall perform the Work as an independent contractor with exclusive control of the manner and means of performing the Work in accordance with the requirements of this Agreement. SIEMENS has no authority to act or make any agreements or representations on behalf of Customer. This Agreement is not intended, and shall not be construed to create, between Customer and SIEMENS, the relationship of principal and agent, joint ventures, co-partners or any other such relationship, the existence of which is hereby expressly denied. No employee or agent of SIEMENS shall be, or shall be deemed to be, an employee or agent of Customer.

1.3 This Agreement shall be governed by and enforced in accordance with the laws of the State of Delaware. Any litigation arising under this Agreement shall be brought in the State or Commonwealth in which the Services are provided to Customer. TO THE EXTENT PERMITTED BY LAW, THE PARTIES WAIVE ANY RIGHT TO A JURY TRIAL ON MATTERS ARISING OUT OF THIS AGREEMENT.

1.4 If applicable, after the expiration of the Initial Term, this Agreement shall automatically renew for successive one year periods beginning on the anniversary date of the Initial Term unless stated otherwise in the Agreement.

1.5 If applicable, either party may terminate or amend this Agreement at the end of the Initial Term or at the end of a renewal term by giving the other party at least sixty (60) days prior written notice of such amendments or intent not to renew.

1.6 If, during or within 90 days after the term of this Agreement, Customer engages any SIEMENS employee who has performed work under this or any other agreement between Customer and SIEMENS, Customer shall pay SIEMENS an amount equal to the employee's latest annual salary.

Article 2: Covered Equipment

2.1 "Covered equipment" shall mean that equipment expressly identified in this Agreement. The Customer represents that at the commencement of this Agreement all Covered Equipment is in satisfactory working condition and complies with all applicable codes.

2.2 If the fire or life safety system is included as part of the Covered Equipment does not comply with all applicable codes or if removal of any Covered Equipment from coverage would compromise or impair the integrity or the compliance with law of any system or Services, and Customer fails to take corrective action, then SIEMENS may terminate this Agreement without further obligation and retain all monies received pursuant to this Agreement.

2.3 All testing and inspection of any Covered Equipment provided for in this Agreement will be performed at the time and place and in the manner deemed appropriate by SIEMENS, in accordance with applicable law and the requirements of then current guidelines if applicable, and other relevant standards. Customer is solely responsible for, and hereby indemnifies and holds SIEMENS harmless from and against, any liability arising from Customer's specification of a testing schedule other than then current guidelines or other applicable standards or laws.

2.4 If the Covered Equipment is altered or moved by any person, including Customer, other than SIEMENS or a person authorized by it, Customer shall immediately notify SIEMENS in writing, and SIEMENS reserves the right to perform a reacceptance test on, or, if necessary, a recommissioning of the system at Customer's expense. Reacceptance tests will be performed in accordance with then current guidelines or other applicable requirements, and charged on a time and materials basis.

Article 3: Services by SIEMENS

3.1 SIEMENS shall only perform the Services identified in this Agreement.

3.2 SIEMENS shall have no liability or obligation to continue providing Services in the event Customer fails to (a) authorize a reacceptance test or recommissioning that SIEMENS reasonably deems necessary; (b) notify SIEMENS of any modifications or changes to the Covered Equipment or unusual or materially changed operating

conditions, hours of usage, system malfunctions or building alterations that may affect the Services; (c) provide the access to any site where Services are to be performed; or (d) operate, service or maintain the Covered Equipment in accordance with manufacturer's or supplier's instructions or this Agreement. After any of the aforesaid events SIEMENS may terminate or suspend services under this Agreement immediately, upon giving notice to Customer.

3.3 Any repairs and replacements of Covered Equipment as may be expressly included in the Services are limited to restoring the proper working condition of such Covered Equipment. SIEMENS will not be obligated to provide replacement Covered Equipment that represents significant capital improvement compared to the original. Exchanged or removed components become the property of SIEMENS, except Hazardous Materials, which under all circumstances remain the property and responsibility of Customer.

3.4 Unless agreed otherwise, Services do not include and SIEMENS is not responsible for (a) service or provision of consumable supplies, including but not limited to batteries and halon cylinder charging; (b) reinstallation or relocation of Covered Equipment; (c) painting or refinishing of Covered Equipment or surrounding surfaces; (d) changes to Services; (e) parts, accessories, attachments or other devices added to Covered Equipment but not furnished by SIEMENS; (f) failure to continually provide suitable operating environment including, but not limited to, adequate space, ventilation, electrical power and protection from the elements; or (g) the removal or reinstallation of replacement valves, dampers, waterflow switches, venting or draining systems. SIEMENS is not responsible for services performed on any Covered Equipment other than by SIEMENS or its agents.

3.5 The Services shall be performed in a manner consistent with the degree of care and skill ordinarily exercised by persons performing the same or similar Services in the same locale under similar circumstances and conditions.

3.6 SIEMENS shall perform the Services during its local, normal working hours, unless otherwise stated in this Agreement.

3.7 SIEMENS is not required to conduct safety or other tests, install or maintain any devices or equipment or make modifications or upgrades to any equipment beyond the scope of this Agreement. Any request to change the scope or the nature of the Services must be in the form of a mutually agreed change order, effective only when executed by all parties hereto.

3.8 All reports and drawings specifically prepared for and deliverable to Customer pursuant to this Agreement ("Deliverables") shall become Customer's property upon full payment to SIEMENS. SIEMENS may retain file copies of such Deliverables. All other reports, notes, calculations, data, drawings, estimates, specifications, manuals, other documents and all computer programs, codes and computerized materials prepared by or for SIEMENS are instruments of SIEMENS' work ("Instruments") and shall remain SIEMENS property. Siemens conveys no license to software unless otherwise expressly provided in this Agreement. All Deliverables and Instruments provided to Customer are for Permitted Users' use only for the purposes disclosed to SIEMENS, and Customer shall not transfer them to others or use them or permit them to be used for any extension of the Services or any other purpose, without SIEMENS' express written consent. Any reuse of Deliverables or Instruments for other projects or locations without the written consent of SIEMENS, or use by any party other than Permitted Users, will be at Permitted Users' sole risk and without liability to SIEMENS; and, in addition to any other rights SIEMENS may have, Customer shall indemnify, defend and hold SIEMENS harmless from any claims, losses or damages arising therefrom.

3.9 Customer acknowledges that SIEMENS, in the normal conduct of its business, may use concepts, skills and know-how developed while performing other contracts. Customer acknowledges the benefit which may accrue to it though this practice, and accordingly agrees that anything in this Agreement notwithstanding Siemens may continue, without payment of a royalty, this practice of using concepts, skills and know-how developed while performing this Agreement.

3.10 Where Services include energy consulting, any estimates of probable construction or implementation costs, financial evaluations, feasibility studies or economic analyses prepared by SIEMENS, the documents prepared for the Customer will represent SIEMENS' best judgment based on SIEMENS' experience and the information reasonably available to SIEMENS at the time that the Services are performed. Customer acknowledges that SIEMENS does not control: (a) the costs of labor, materials, equipment or services furnished by others; (b) overall market conditions; or, (c) contractors' methods of determining prices. Accordingly, Customer acknowledges that proposals, bids or actual costs may differ from opinions, evaluations or studies submitted by SIEMENS as part of the Services provided hereunder.

Article 4: Responsibilities of Customer

4.1 Customer, without cost to SIEMENS, shall:

(a) Designate a contact person with authority to make decisions for Customer regarding the Services and provide SIEMENS with information sufficient to contact such person in an emergency. If such representative cannot be reached, any request for Services received from a person located at Customer's site will be deemed authorized by Customer, and SIEMENS will, in its reasonable discretion, act accordingly;

(b) Provide or arrange without cost all reasonable provisions, means and access for SIEMENS to any site and the equipment where Services are to be performed;

(c) Permit SIEMENS to control and/or operate all controls, systems, apparatus, equipment and machinery necessary to perform the Services;

- (d) Furnish SIEMENS with all available information pertinent to the Services;
- (e) Obtain and furnish to SIEMENS all approvals, permits and consents from government authorities and others as may be required for performance of the Services except for those SIEMENS has expressly agreed in writing to obtain;
- (f) Maintain the Services site in a safe condition; notify SIEMENS promptly of any site conditions requiring special care; and provide SIEMENS with any available documents describing the quantity, nature, location and extent of such conditions;
- (g) Comply with all laws and provide any notices required to be given to any government authorities in connection with the Services, except such notices SIEMENS has expressly agreed in this Agreement to give;
- (h) Provide SIEMENS with Material Safety Data Sheets (MSDS) conforming to OSHA requirements related to all Hazardous Materials at the site which may impact the Services;
- (i) Furnish to SIEMENS any contingency plans related to the site;
- (j) Furnish the specified operating environment, including without limitation, suitable, clean, stable, properly conditioned electrical power and other utilities;
- (k) Maintain all Covered Equipment in good working order in compliance with all applicable laws and service, repair and replace all Covered Equipment as necessary; and,

4.2 Customer acknowledges that the technical and pricing information herein is proprietary to SIEMENS and agrees not to disclose or otherwise make it available to others.

4.3 Customer acknowledges that it is now and shall be at all times in control of the Services site. SIEMENS shall not have any responsibility, duty or authority to direct, supervise or oversee any employees or contractors of Customer or their work or to provide the means, methods or sequence of their work or to stop their work. SIEMENS' work and/or presence at a site shall not relieve others of their responsibility to Customer or to others. Except as expressly provided herein, SIEMENS is not responsible for the adequacy of the health, safety or security programs or precautions related to Customer's or other contractors' activities or operations; the work of any other person or entity; or Customer's site conditions. SIEMENS is not responsible for inspecting, observing, reporting or correcting health or safety conditions or deficiencies of Customer or others at Customer's site. So as not to discourage SIEMENS from voluntarily addressing such issues, in the event SIEMENS does make observations, reports, suggestions or otherwise regarding such issues, SIEMENS shall not be liable or responsible for same.

4.4 Except as expressly stated in this Agreement, Customer is solely responsible for any removal, replacement or refurbishing of the building structure or finishes that may be required to perform or gain access to the Services.

4.5 Customer alone shall act to protect life and property from the time a partial or full system failure occurs until SIEMENS notifies Customer that such system is operational or the emergency has been cleared. Customer's actions shall include all appropriate interim safety precautions (such as a manual "fire watch"). SIEMENS shall have no obligation to provide guards, fire watch personnel, or other services following a system failure, except Services as are specifically provided for in this Agreement.

4.6 Customer shall not attach to the system or Covered Equipment any device that interferes with the Services or the proper operation of the system or Covered Equipment.

Article 5: Compensation

5.1 Annual Fees shall be adjusted for each year after the final year of the Initial Term pursuant to the agreed Price Adjustment hereto and incorporated herein. Unless otherwise agreed in writing, this Agreement is not cancelable and the annual fee is not refundable except as provided herein.

5.2 Payments to be made under this Agreement will provide for, and be in consideration of, only Services specifically included under the Proposed Solution. All other Services, including but not limited to the following, shall be separately billed or surcharged on a time and materials basis: (a) emergency Services performed at Customer's request, if inspection does not reveal any deficiency covered by this Agreement; (b) Services performed other than during SIEMENS' normal working hours; and (c) Service performed on equipment not covered by this Agreement.

5.3 SIEMENS shall invoice Customer as provided in this Agreement, or if not expressly provided, then on an annual basis prior to the Start Date and annually thereafter on the anniversary of such Start Date. Invoices are due and payable net cash upon receipt unless Customer has applied and been approved for credit with SIEMENS, in which case the invoice is payable within 30 calendar days of receipt by Customer or as otherwise set forth in this Agreement. If any payment is not received when due, SIEMENS may deem Customer to be in breach hereof and may enforce any remedies available to it hereunder or at law, including without limitation, acceleration of payments and suspension or termination of Services at any time and without notice, and shall be entitled to compensation for Services previously performed and costs reasonably incurred in connection with the suspension or termination. In the event that any payment due hereunder is not paid when due, Customer agrees to pay, upon demand, as a late charge, one and one-half percent (1.5%) of the amount of the payment per month, limited by the maximum rate permitted by law of each overdue amount under this Agreement. Customer shall reimburse SIEMENS' costs and expenses (including reasonable attorneys' and witnesses' fees) incurred for collection under this Agreement. If Customer disputes any portion or all of an invoice, it shall notify SIEMENS in writing of the amount in dispute and the reason for its disagreement within 21 days of receipt of the invoice. The undisputed portion shall be paid when due.

and interest on any unpaid portion shall accrue as aforesaid, from the date due until paid, to the extent that such amounts are finally determined to be payable to SIEMENS.

5.4 Except to the extent expressly agreed in this Agreement, SIEMENS' fees do not include any taxes, excises, fees, duties, permits or other government charges related to the Services. Customer shall pay such amounts or reimburse SIEMENS for any amounts it pays. If Customer claims a tax exemption or direct payment permit, it shall provide SIEMENS with a valid exemption certificate or permit and indemnify, defend and hold SIEMENS harmless from any taxes, costs and penalties arising out of same.

5.5 Unless agreed otherwise, the pricing for each year after the Initial Term of the Agreement and each year of each renewal of the Agreement shall be determined as the immediate prior year price plus a price escalator based upon the U.S. Department of Labor, Bureau of Labor Statistics Urban Consumer Price Index-All Urban Consumers U.S. All items, 1982-1984=100 ("CPI-U"). In addition, each renewal term pricing shall be adjusted for any additions or deletions to Services selected for the renewal term. The price escalator shall be the latest semi-annual CPI-U identified above published prior to each annual anniversary. This escalator shall be applicable to each annual term, whether a renewal term or an annual term after the first year of the Initial Term.

Article 6: Changes; Delays; Excused Performance

6.1 As the Services are performed, conditions may change or circumstances outside SIEMENS' reasonable control (such as changes of law) may develop which require SIEMENS to expend additional costs, effort or time to complete the Services, in which case SIEMENS shall notify Customer and an equitable adjustment made to the compensation and time for performance. In the event conditions or circumstances require Services to be suspended or terminated, SIEMENS shall be compensated for Services performed and for costs reasonable incurred in connection with the suspension or termination.

6.2 SIEMENS shall not be responsible for loss, delay, injury, damage or failure of performance that may be caused by circumstances beyond its control, including but not limited to acts or omissions by Customer or its employees, agents or contractors, Acts of God, war, civil commotion, acts or omissions of government authorities, fire, theft, corrosion, flood, water damage, lightning, freeze-ups, strikes, lockouts, differences with workmen, riots, explosions, quarantine restrictions, delays in transportation, or shortage of vehicles, fuel, labor or materials. In the event of any such circumstances, SIEMENS shall be excused from performance of the Services and the time for performance shall be extended by a period equal to the time lost plus a reasonable recovery period and the compensation equitably adjusted to compensate for additional costs SIEMENS incurs due to such circumstances.

Article 7: Warranties; Disclaimers; Limitation of Liability

7.1 Labor in performing the Services is warranted to be free from defects in workmanship for 90 days after the Services are performed. All labor provided by SIEMENS hereunder found to be defective and otherwise qualifying under this warranty shall be re-performed by SIEMENS. Such re-performance hereunder shall not interrupt or prolong the terms of this warranty. In the event that any such re-performance fails to cure such defects, then Customer's exclusive remedy against SIEMENS for damages from any cause whatsoever, whether in contract or tort, shall not exceed an amount equal to the limitation set forth in Section 7.6 herein.

7.2 THE EXPRESS LIMITED WARRANTY PROVIDED ABOVE IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, STATUTORY, EXPRESS, OR IMPLIED, INCLUDING WITHOUT LIMITATION ALL EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, QUALITY, CAPACITY, OR WORKMANSHIP, ALL EXPRESS OR IMPLIED WARRANTIES AGAINST PATENT INFRINGEMENTS OR DEFECTS, WHETHER HIDDEN OR APPARENT, AND EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO COMPLIANCE OF THE COVERED EQUIPMENT WITH THE REQUIREMENTS OF ANY LAW, REGULATION, SPECIFICATION OR CONTRACT RELATIVE THERETO, WHICH ARE HEREBY EXPRESSLY DISCLAIMED.

7.3 SIEMENS agrees to defend, indemnify and hold harmless Customer, and its officers, directors, employees and agents, from and against any third party claims for bodily injury, including death, or damage to tangible property, to the extent arising from SIEMENS' negligence in the performance of this Agreement.

7.4 Customer hereby, for it and any parties claiming under it, releases and discharges SIEMENS from any liability arising out of all hazards covered by Customer's insurance, and all claims against SIEMENS arising out of such hazards, including any right of subrogation by Customer's insurance carrier, are hereby waived by Customer.

7.5 ANY IDEAS, SUGGESTIONS, RECOMMENDATIONS, FINANCIAL EVALUATIONS, FEASIBILITY STUDIES OR ECONOMIC ANALYSIS PREPARED BY SIEMENS UNDER THIS AGREEMENT WILL REPRESENT ITS BEST JUDGMENT BASED ON ITS EXPERIENCE AND THE AVAILABLE INFORMATION. CUSTOMER ACKNOWLEDGES THAT THE ENERGY MARKET IS VOLATILE AND SUBJECT TO FREQUENT PRICE AND REGULATORY CHANGES THEREFORE, CUSTOMER FURTHER ACKNOWLEDGES THAT SIEMENS DOES NOT CONTROL FUTURE MARKET CONDITIONS OR THE ENERGY MARKET'S REGULATORY CLIMATE. NOTHING HEREIN SHALL BE CONSTRUED BY THE CUSTOMER AS A PREDICTION OF FUTURE ENERGY MARKET CONDITIONS OR ENERGY PRICES. ACCORDINGLY, SIEMENS DOES

NOT PROVIDE CUSTOMER A GUARANTY OR WARRANTY OF THE RESULTS OF SIEMENS' RECOMMENDATIONS. CUSTOMER MAKES ANY AND ALL ENERGY PROCUREMENT AND RELATED DECISIONS. CUSTOMER ACKNOWLEDGES THAT ALL ENERGY PROCUREMENT AND RELATED DECISIONS ARE MADE AT THE CUSTOMER'S SOLE RISK.

7.6 WITH RESPECT TO ANY LIABILITY (WARRANTY OR OTHERWISE) THAT SIEMENS MAY HAVE UNDER THE AGREEMENT, IN NO EVENT SHALL SIEMENS BE LIABLE (INCLUDING WITHOUT LIMITATION, UNDER ANY THEORY IN TORTS) FOR ANY LOSS OF USE, REVENUE, ANTICIPATED PROFITS OR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING WITHOUT LIMITATION LOST PROFITS AND/OR LOST BUSINESS OPPORTUNITIES) ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT OR THE SERVICES WHETHER ARISING IN WARRANTY, TORT, CONTRACT, STRICT LIABILITY, OR ANY OTHER THEORY OF LIABILITY, WHETHER, FOR WARRANTY, LATE OR NON-DELIVERY OF ANY SERVICES, AND WHETHER SIEMENS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; and, in any event, SIEMENS' aggregate liability for any and all claims, losses or expenses (including attorneys fees) arising out of this Agreement, or out of any Services furnished under this Agreement, whether based in contract, negligence, strict liability, agency, warranty, trespass, indemnity or any other theory of liability, shall be limited, as liquidated damages, to the greater of \$1,000 or 10% of the total compensation received by SIEMENS from Customer under this Agreement. SIEMENS reserves the right to control the defense and settlement of any claim for which SIEMENS has an obligation under the warranty hereunder. The parties acknowledge that the price which SIEMENS has agreed to perform its Services and obligations under this Agreement is calculated based upon the foregoing limitations of liability, and that SIEMENS has expressly relied on, and would not have entered into this Agreement but for such limitations of liability.

7.7 It is understood and agreed by and between the parties that SIEMENS is not an insurer and this Agreement is not intended to be an insurance policy or a substitute for an insurance policy. Insurance, if any, shall be obtained by Customer. Fees are based solely upon the value of the Services, and are unrelated to the value of Customer's property or the property of others on Customer's premises.

Article 8: Limitations of Maintenance or Service Obligations

8.1 SIEMENS will not be responsible for the maintenance, repair or replacement of, or Services necessitated by reason of: (a) non-maintainable, non-replaceable or obsolete parts of the Equipment, including but not limited to ductwork, shell and tubes, heat exchangers, coils, unit cabinets, casings, refractory material, electrical wiring, water and pneumatic piping, structural supports, cooling tower fill slats and basins, etc. unless otherwise specifically stated herein; or (b) negligence, abuse, misuse, improper or inadequate repairs or modifications, improper operation, lack of operator maintenance or skill, failure to comply with manufacturer's operating and environmental requirements, Acts of God, or other reasons beyond its control. SIEMENS assumes no responsibility for any service performed on any Covered Equipment other than by SIEMENS or its agents.

8.2 SIEMENS shall not be responsible for loss, delay, injury or damage that may be caused by circumstances beyond its control, including but not restricted to acts or omissions by Customer or its employees or agents, Acts of God, war, civil commotion, acts of government, fire, theft, corrosion, flood, water damage, lightning, freeze-ups, computer viruses, program or system hackers, strikes, lockouts, differences with workmen, riots, explosions, quarantine restrictions, delays in transportation, or shortage of vehicles, fuel, labor or materials.

8.3 SIEMENS is not responsible for repairs, replacements or services to Equipment due to corrosion, erosion, improper or inadequate water treatment by others, electrolytic or chemical action, or reasons beyond its reasonable control.

8.4 SIEMENS shall not be responsible for the removal or reinstallation of replacement valves, dampers, waterflow and tamper switches, airflow stations, and any other permanently mounted integral pipe or air duct component. Additionally, if not specifically stated in the scope of Services, SIEMENS shall not be responsible for any venting or draining of systems.

8.5 WHERE SERVICES INCLUDE EFFORTS BY SIEMENS TO HELP CUSTOMER TO ATTAIN REBATES AND/OR INCENTIVES FROM AVAILABLE SOURCES OR ENERGY/FUEL COST REDUCTION, CUSTOMER ACKNOWLEDGES THAT ANY REBATE/INCENTIVE OR ENERGY/ FUEL COST REDUCTION THAT MAY BE AVAILABLE TO CUSTOMER IS GRANTED BY A THIRD PARTY OUTSIDE THE CONTROL OF SIEMENS. CUSTOMER FURTHER ACKNOWLEDGES THAT WHILE SIEMENS WILL EITHER ASSIST CUSTOMER OR ENDEAVOR ITSELF TO OBTAIN ANY AND ALL REBATES/INCENTIVES OR ENERGY/ FUEL COST REDUCTION AVAILABLE, SIEMENS DOES NOT GUARANTEE THAT IT WILL OBTAIN OR APPLY FOR ALL REBATES/INCENTIVES OR ENERGY/ FUEL COST REDUCTIONS THAT MAY BE AVAILABLE TO CUSTOMER. FURTHER, CUSTOMER HEREBY RELEASES SIEMENS FROM ANY AND ALL LIABILITY TO CUSTOMER OR ANY THIRD PARTY ARISING FROM SIEMENS' FAILURE TO OBTAIN OR APPLY FOR ANY REBATE/INCENTIVE OR ENERGY/ FUEL COST REDUCTION THAT COULD IN ANY WAY BE OBTAINED BY CUSTOMER.

Article 9: Hazardous Materials Provisions

9.1 The Services does not include directly or indirectly performing or arranging for the detection, monitoring, handling, storage, removal, transportation, disposal or treatment of Oil or Hazardous Materials. Except as disclosed pursuant to this Article, Customer represents that, to its best knowledge, there is no asbestos or any other hazardous or toxic materials, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the regulations promulgated thereunder, and other applicable federal, state or local law ("Hazardous Materials"), present at Customer's Sites where the Services are performed. SIEMENS will notify Customer immediately if it discovers or suspects the presence of any Hazardous Material. All Services have been priced and agreed to by SIEMENS in reliance on Customer's representations as set forth in this Article. The presence of Hazardous Materials constitutes a change in this Agreement whose terms must be agreed upon by SIEMENS before its obligations hereunder shall continue.

9.2 Customer is solely responsible for testing, abating, encapsulating, removing, remedying or neutralizing such Hazardous Materials, and for the costs thereof. Customer is responsible for the proper disposal of all Hazardous Materials and Oil that at any time are present at the Services site in accordance with all applicable federal, state, and local laws, regulations, and ordinances. Even if change order has been entered into pursuant to this Article, SIEMENS shall have the right to stop the Services until the site is free from Hazardous Materials. In such event, SIEMENS shall receive an equitable extension of time to complete the Services, and compensation for delays caused by Hazardous Materials remediation. In no event shall SIEMENS be required or construed to take title, ownership or responsibility for such Oil or Hazardous Materials. Customer shall sign any required waste manifests in conformance with all government regulations, listing Customer as the generator of the waste.

9.3 Customer warrants that, prior to the execution of this Agreement, it shall notify SIEMENS in writing of any and all Hazardous Materials which to Customer's best knowledge are present, potentially present or likely to become present at the Services site and shall provide a copy of any site safety policies, including but not limited to lock-out and tag procedures, chemical hygiene plan, MSDSs or other items required to be disclosed or maintained by federal, state, or local laws, regulations or ordinances.

9.4 Customer shall indemnify, defend and hold SIEMENS harmless from and against any damages, losses, costs, liabilities or expenses (including attorneys' fees) arising out of any Oil or Hazardous Materials or from Customer's breach of, or failure to perform its obligations under this Article.

9.5 Any Leased Equipment provided by SIEMENS shall at all times be the property of SIEMENS with the exception of certain miscellaneous installation materials purchased by the Customer, and no right or property interest is transferred to the Customer hereunder, except the right to use any such Equipment as provided here. Customer agrees that it shall not pledge, lend, or create a security interest in, part with possession of, or relocate the equipment. Customer shall be responsible to maintain the Equipment in good and efficient working order.

Upon the expiration or termination of this Agreement, Customer shall promptly make any Leased Equipment available to SIEMENS for removal. Customer hereby agrees that it shall grant SIEMENS access to the equipment location and shall permit SIEMENS to take possession of and remove the equipment without resort to legal process and hereby releases SIEMENS from any claim or right of action for trespass or damages caused by reason of such entry and removal.

Article 10: Import / Export Indemnity

10.1 Customer acknowledges that SIEMENS is required to comply with applicable export laws and regulations relating to the sale, exportation, transfer, assignment, disposal and usage of the Covered Equipment or Services provided under the Contract, including any export license requirements. Customer agrees that such Covered Equipment or Services shall not at any time directly or indirectly be used, exported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with such applicable export laws and regulations. It shall be a condition of the continuing performance by SIEMENS of its obligations hereunder that compliance with such export laws and regulations be maintained at all times. CUSTOMER AGREES TO INDEMNIFY AND HOLD SIEMENS HARMLESS FROM ANY AND ALL COSTS, LIABILITIES, PENALTIES, SANCTIONS AND FINES RELATED TO NON-COMPLIANCE WITH APPLICABLE EXPORT LAWS AND REGULATIONS.

Article 11: Small Business Concern

11.1 SIEMENS shall adhere to FAR 52.219-8 regarding the "Utilization of Small Business Concerns", as part of its Commercial Small Business Subcontracting Agreement with the federal government. SIEMENS' policy is to offer small business concerns, including small disadvantaged businesses, women owned small-businesses, HUBZone small businesses, veteran owned small businesses and service disabled veteran owned small businesses, the "maximum practical opportunity" to participate in performing contracts let by any commercial entity, local government or federal agency, including subcontracts for subsystems, assemblies, components, and related services for major systems.