COVER PAGE – FEDERAL SUPPLY SCHEDULE
ABM Federal Sales, Inc.
Contract # GS-03F-110DA
Period 06-02-2016 to 06-01-2021

General Services Administration Federal Supply Service Authorized Federal Supply Schedule Price List

Federal ID# 43-1015139

Duns: 06-463-2888
Cage: 79775
CEC: 06564298F

On-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order are available through GSA Advantage!; a menu-driven database system. The INTERNET address for GSA Advantage! is: www.GSAAdvantage.gov

Multiple Award Schedule – Category A – Office Management

SIN 541611MPS Managed Print Services (MPS) includes equipment and services required to manage imaging output that may include printing, scanning, copying, and fax devices in a system that monitors and reports status, needs and usage trends on regular basis. MPS is a holistic service offering that can be tailored to include the components of print usage and fleet assessment; consumable supplies; maintenance, repairs, user support; print policies; security enhancements; reporting and ongoing optimization services.

SIN 811212SA Maintenance Service Agreement includes preventative and repair (remedial) services. Preventative consists of those scheduled service calls necessary to maintain the equipment in first-class operating condition (e.g., cleaning, lubricating, adjusting, and replacing parts when needed). Repair (remedial) services consist of those unscheduled service calls necessary for repairs not caused by fire, water, accident, and fluctuations in electrical power or customer abuse. The Maintenance Service Agreement and Repair Service include the cost of labor, transportation, replacement/spare parts, (excluding consumable operating supplies). The greater the distance from the maintenance facility to the user the higher the monthly fees. In the event the Government's equipment requires initial repair or overhaul prior to acceptance by the contractor for coverage under a maintenance service agreement, the charges for such repairs, including replacement parts and labor, and for a complete rebuilding or overhauling of Government's equipment are not included in the preventative service agreement.

SIN 532420LTOP Lease to Ownership Plans (LTOP) Lease-to-Ownership Plans (LTOP) are intended for customers who want to lease all types of copiers and MFD's to secure ownership. At the end of the lease period and upon final payment of all charges due, the Title, and the leased equipment is immediately transferred from the contractor to the government customer. The lease rate does not include the cost of maintenance or consumable supplies. Maintenance service is offered under SIN 811212SA Maintenance Service Agreements or as part of a full MPS offering under SIN 541611MPS.

SIN 532420LC Operating Lease Plan - allows Federal customers to lease the equipment for a monthly rate over a period of time, with no intent to purchase the equipment at the end of the lease agreement period. Ownership of the asset remains with the lessor. Consumable supplies are available for purchase under SIN 339940; or as part of a full MPS offering under SIN 541611MPS. Consumable supplies and maintenance service shall be billed as a separate and additional charge.

SIN 333316C Equipment Purchases of Multifunction Copy/Print Devices including equipment accessories to enhance and upgrade capabilities (i.e. paper trays, duplexing, collating, stapling accessories and security control devices and systems). Products listed under this SIN may be Leased under SIN 532420LTOP or 532420LC.

SIN 333316CPC Cost-Per-Copy Plan for Multifunctional Devices - Includes cost-per-copy plans; the customer identifies the guaranteed minimum number of copies required per month and the required functional capability of the copier equipment. As necessary to satisfy the customer's requirements, the contractor provides the required copier equipment, including accessories, attachments, copy-control devices and systems, all consumable supplies (except copying paper and transparency films), and full-service maintenance including repair parts. The customer pays a fixed monthly fee based on the customer's guaranteed minimum number of copies per month. For copies over the guaranteed minimum, the customer pays an additional fee for each copy made.

SIN 333316F Flat Rate Monthly Fee for Copiers - Includes flat-rate monthly-fee plans for copiers.

SIN 339940 Office Products for Printers and Multifunctional Devices - Includes directly related supplies (e.g., toner developer, dry ink, dry imager, fuser oil and fusing rollers, cleaning blades, pickoff fingers, photoconductors, photoreceptor belts and drums, staples wire, binder material, binder adhesive) for the copier equipment available under SIN 333316C. Other directly related consumable supplies for computer printers and fax machines are toner, developer, and new manufactured single-and full-color toner cartridges) for laser and inkjet computer printers, fax machines and systems. This SIN does not include copier paper or transparency films for copiers.

Contract #: GS-03F-110DA

For more information on ordering from Federal Supply Schedules click on the FSS Schedules button at fss.gsa.gov

Contract Period : June 2, 2016 through June 1, 2021

Modification A812

Contractor:
ABM Federal Sales, Inc.
POC: Carol Buchanan
285 Chesterfield Business Parkway
Chesterfield, MO 63005
Telephone: 800-522-9226 Fax: 800-729-4454

Revised: 09/2020

Email: sales@abmfederal.com

Company Website: www.abmfederal.com

Information for Ordering Activities

1 TABLE OF AWARDED ITEMS:

811212SA	Maintenance Service Agreement
532420LTOP	Lease-to-Own Plan (LTOP)
532420LC	Operating Lease Plan (OLP)
333316C	Copiers and Multifunction Devices
339940	Consumable Supplies for Copiers, Printers, and Fax Machines
333316CPC	Cost-per-Copy Plan
333316F	Flat Rate Monthly Fee for Copiers
541611MPS	Managed Print Services
OLM	Order Level Materials

See Terms and Conditions for additional details

2 MAXIMUMORDER LIMITATION:

All SINS $350,000
(except 339940, 541611MPS, & OLM)
541611MPS $1,000,000
339940 $250,000

3 MINIMUM ORDER LIMITATION:
$100.00

4 GEOGRAPHIC COVERAGE:
48 Contiguous States, Washington, DC and Port of Exit: Alaska, Hawaii and Puerto Rico

5 POINTS OF PRODUCTION: Various

All base models offered are eligible products from a designated country under the Trade Agreements Act. Accessories ordered with the base model are also GSA compliant. Accessories may not be purchased separately on ABM's GSA Contract and can only be sold in conjunction with base device units in a bundled configuration. If a federal customer needs to order accessories only without a base unit included, a separate Open Market Purchase Order must be issued.

6 DISCOUNTS
Prices herein are Net (discount deducted) from the commercial price list.

7 QUANTITY DISCOUNTS:
Quantity discounts are available upon review of customer requirements in response to Request for Quotes under this contract.

8 PROMPT PAYMENT TERMS:
Net 30 Days

9A GOVERNMENT CREDIT CARDS ACCEPTED:
ABM will accept the Government purchase card at or below the micro-purchase threshold

9B CREDIT CARDS ACCEPTED OVER $3,000:
ABM will accept the Government purchase card above the micro-purchase threshold up to $25,000

The basis for term agreements for leasing, maintenance or other managed print services shall be a properly executed delivery order provided to ABM thirty (30) days prior to the effective date of placement and/or renewal.

10 FOREIGN ITEMS: Various

11A TIME OF DELIVERY:
Delivery and installation shall be coordinated by the ordering activity as part of the ordering process when placing orders against this schedule. ABM shall deliver and install MFD's within thirty (30) calendar days after receipt of a properly executed delivery order, or within the timeframe agreed to by the ordering activity at the task order level.

11B EXPEDITED DELIVERY:
Items are available for Expedited, Overnight and 2-Day Delivery, Contact us for shipping rates

12 FOB POINT:
CONUS: FOB Destination; Inside Delivery Charges may apply
OCONUS: FOB Origin; Shipping and Inside Delivery Charges may apply

13 ORDERING ADDRESS:
ABM Federal Sales
285 Chesterfield Business Parkway
Chesterfield, MO 63005
Phone: (800) 522-9226
Fax: (800) 729-4454

E-mail: sales@abmfederal.com

14 PAYMENT ADDRESS:
ABM Federal Sales
285 Chesterfield Business Parkway
Chesterfield, MO 63005

15 WARRANTY:
See Terms and Conditions for details

16 EXPORT PACKAGING:
None

17 CREDIT CARD TERMS & CONDITIONS:
Payments accepted for orders of $25,000 or less (No additional discounts)

18 TERMS AND CONDITIONS OF MAINTENANCE & REPAIR
See Terms and Conditions for details

19 TERMS AND CONDITIONS OF INSTALLATION:
See Terms and Conditions document for details

20 TERMS AND CONDITIONS OF REPAIR PARTS & OTHER SERVICES
See Terms and Conditions document for details

21 LIST OF SERVICE AND DISTRIBUTION POINTS
Defined at the Task Order level

22 LIST OF PARTICIPATING DEALERS:
None

23 PREVENTIVE MAINTENANCE
See Terms and Conditions document for details

24 ENVIRONMENTAL ATTRIBUTES & SECTION 508 COMPLIANT
All Devices meet the minimum requirements

25 REGISTRATIONS
DUNS NUMBER: 06-463-2888
CAGE CODE: 79775
SIZE: Small Business

26 CENTRAL CONTRACTOR REGISTRATION (CCR) (SAM):
Yes

27 ORDER OF PRECEDENCE
Orders placed under this contract shall be governed by the prices and terms of this contract at the time of order only, regardless of any prices, terms, or omission on order documents.

28 TRADE-INS
Trade-ins are not included in this contract but will be considered as Open Market items and not subject to the Multiple Award Schedule contract. ABM will pick up and remove any trade-in equipment upon request at the local prevailing transportation rates on an Open Market basis.

29 EXCLUSIONS
ABM reserves the right to return orders requiring installation in remote areas not readily or adequately service by ABM.

30 OPEN MARKET
Orders not issued as stated in this catalog will be Open Market and as such, this contract number may not be used. No deviations from terms and conditions specified in this schedule are authorized.

31 METER READINGS - DATA COLLECTION AGENT SOFTWARE
The remote data collection process is recommended as the most efficient method of collecting data from covered devices as this provides for highly secure, accurate remote collection of the meter reads for all covered devices being utilized on the network. A requirement of this functionality is that all devices are on the network and available to the DCA (Data Collection Agent). The software is secure and offers NO threat to network security. It operates through outbound communication only and communicates to the printing devices through SNMP (Simple Network Management Protocol). Installing the DCA is coordinated through the key operator POC and requires minimal effort.

32 METER READINGS - MANUAL PROCESS
The Manual process provides for meter readings at sites where security prohibits the use of software monitoring. This process does not offer the most optimal method for servicing devices but can be set up in select environments. ABM's Manual process requires the coordination with agency representatives to gather the device configuration page data and submit monthly. In the event a meter reading is not provided on a timely basis, ABM may estimate the meter.

General Services Administration Federal Supply Service
Multiple Award Schedule
Contract # GS-03F-110DA
Terms and Conditions

CONTRACTOR:	**ABM Federal Sales, Inc**	**Federal ID# 43-1015139**
ADDRESS:	**285 Chesterfield Business Parkway**	**Duns: 06-463-2888**
	Chesterfield, MO 63005	**Cage: 79775**
	http://www.abmfederal.com	**CEC: 06564298F**

SINs: **811212SA - Equipment Maintenance Service Plans**

532420LTOP - Lease-to-Own Plans
532420LC – Operating Lease Plans
333316C - Equipment Purchase Plans
333316CPC – Cost Per Copy Plans
339940 – Office Products
541611MPS – Managed Print Services Plans
333316F - Flat Rate Monthly Fee for Copiers

SCOPE: This contract may be used on a non-mandatory basis by agencies and activities named below, as a source of supply for the supplies and services described herein.

a. All Federal agencies and activities in the Executive, Legislative and Judicial branches.
b. Government contractors authorized in writing by a Federal Agency pursuant to 48 CFR 51.1.
c. Mixed ownership Government corporations (as defined in the Government Corporation Control Act).
d. The Government of the District of Columbia
e. Supplies and services may be ordered from time to time in such quantities as may be needed to fill requirements, subject to the Minimum Order and Maximum Order Limitation thresholds specified.

SERVICES OFFERED: All consumables, along with printer environment monitoring, auto toner replenishment, proactive service error monitoring, phone technical support, service, and quarterly environment reporting under the Cost per Image contract. Two Service Level options are available under this offering: ABM Federal Core MPS and ABM Federal Core + Services MPS which includes everything included under the Core offering plus parts for repairs and services to perform equipment maintenance and repairs. New Equipment Purchases are available under the terms of this contract.

IMAGE CHARGES: Agencies are entitled to make the total number of images reflected in the Monthly Image Allowance each month for the standard Monthly Image Fee as defined in the Statement of Work (**SOW**). A Purchase Order or Statement of Work (SOW) shall define specific performance scope (i.e. allowable images), pricing (monthly charges), applicable image charge, point of contact information, and the Serial Numbers of the Equipment at each location. Usage in excess of the applicable allowance(s) in any month, are subject to an additional charge equal to the number of additional metered images multiplied by the applicable image charge. Actual usage will be measured monthly by output data from our ABM Federal Data Collection Software.

PRICE CHANGES: In accordance with **FAR 552.216-70 ECONOMIC PRICE ADJUSTMENT—FSS MULTIPLE AWARD SCHEDULE CONTRACTS (SEP 1999),** ABM Federal Sales, Inc. (Contractor) reserves the right to adjust pricing on specific items if a cost increase is received from the Manufacturer or Supplier. Adjustments will be submitted to the Agency with appropriate documentation prior to the

change. Contractor will also honor any pricing decreases and pass those savings along to the Agency as part of the total cost savings solution.

STATE AND LOCAL TAXES (52-229-1): Notwithstanding the terms of the Federal, State, and Local Taxes Clause, the contract price excludes all State and Local taxes levied on or measured by the contract or sales price of the services or completed supplies furnished under this contract. The contractor shall state separately on its invoices taxes excluded from the contract price and the Government agrees either to pay the amount of the taxes (based on the current value of the equipment) to the contractor or provide evidence necessary to sustain an exemption. See FAR clauses 52.229-1 State and Local Taxes; 52.229-3 Federal, State, and Local Taxes, which are incorporated by reference.

CONTRACT PERIOD: This Agreement shall continue in effect for 12 months commencing on the Effective Date. Each contract period will be defined by the requirements of each RFQ/Bid Response with a minimum agreement length of 12 consecutive months.

PAYMENT TERMS: Invoices will be issued monthly on the first of the month for the prior month's services. Payment is due Net 30 days from invoice receipt date.

LATE FEES: Government acceptance is deemed to occur constructively on the 7th day after the contractor delivers supplies or performs services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or contractor compliance with a contract requirement. If any amount payable to Contractor is not paid when due, the Government will compute interest penalties in accordance with OMB prompt payment regulations at 5 CFR Part 1315. These regulations are available via the Internet at http://www.fms.treas.gov/prompt/.

RENEWAL: This agreement shall be renewable at the end of the current term for a successive 12 month term unless either party gives prior written notice of its intention not to renew 30 days before expiration of the current term. Contractor shall notify Agency of any changes in the terms of the Agreement at least 30 days prior to the notice period for renewal.

EARLY TERMINATION: Either party may terminate this Agreement without cause on thirty (30) days written notice to the other. In the event that either party believes that the other materially has breached any obligations under this Agreement, such party shall so notify the breaching party in writing. The breaching party shall have 30 days from the receipt of notice to cure the alleged breach and to notify the non-breaching party in writing that cure has been affected. If the breach is not cured within the 30 day time period, the non-breaching party shall have the right to terminate the Agreement effective upon receipt of notice to terminate. Upon Termination of this Agreement for cause Contractor will remove the Monitoring Software from the Agency's network and the services shall be terminated immediately.

EARLY TERMINATION FEE: In the event of early termination permitted by this Agreement, Contractor shall be entitled to an early termination fee, or a "Cancellation Ceiling Charge" for devices leased under this agreement in accordance with FAR 52.212-4 paragraph (l) Termination for the Government's convenience. The Cancellation Ceiling Charge is a limit on the amount that a Contractor may claim from the Ordering Agency on the termination for convenience of a lease or failure to renew a lease prior to the end of the Lease Term. The Ordering Agency and Contractor shall establish a Cancellation Ceiling amount. The Contracting Officer shall insert the Cancellation Ceiling Charge for amount of the first year in the order and modify it for successive years upon availability of funds. No claim will be accepted for future costs: supplies, maintenance, usage charges or interest expense beyond the date of cancellation. In accordance with the bona fide needs rule, all termination charges must reasonably represent the value the Ordering Agency received for the work performed at cancellation based upon the shorter lease term. No termination cost will be associated with the expiration of the Lease Term.

I. **MAINTENANCE AND SUPPLIES.** The charges stated in the contract include charges for maintenance for Regular Service Hours (from 8 a.m. to 5 p.m. local time, except weekends and holidays as defined in **Table 1** below), inspection; adjustment; **consumable parts** replacement (these are defined as parts with a rated life, and vary by the manufacturer and model, that wear during normal usage and includes maintenance kits, or if no maintenance kit exists for a manufacturer's model, then fusers and drums, where applicable; drums are included if drums are a separate consumable part) for all covered Equipment except those listed under Printer Model Consumable Parts Exclusions – Schedule C.

Contract also includes the cleaning material required for proper operation; and toner and developer for such Equipment. The Agreement may also include charges for maintenance and supplies provided for Agency owned equipment and will be defined in the **SOW**. Supplies exclude paper and staples.

Table 1: ABM Standard Holidays:

New Year's Day	Memorial Day	4th of July
Labor Day	Thanksgiving	Day after Thanksgiving*
Christmas Eve	Christmas Day	New Year's Eve
* although an ABM Holiday – service personnel will be available for Core + Services Customers On-site personnel will observe all Federal Holidays and not ABM's standard holidays, if different.		

A. **Equipment Eligible for Coverage.** All eligible equipment will be set forth in the **SOW Equipment Schedule**. Any other equipment not listed in the **SOW** that may be located at the Ordering Agency site(s) will not be capable of using supplied toner and ink consumables under the contract. All equipment capable of using supplied toner and ink consumables must be included in the **Equipment Schedule**. All equipment is subject to meeting manufacturer's specifications ("Pre-Existing Conditions") and must be specifically identified in the **Equipment Schedule**.

B. **Definition of Services Provided.**
   1. **ABM Federal Core MPS Contracts – Services Provided Include:**
      (i) to supply all toner and ink consumables required to operate the equipment
      (ii) to supply consumable parts (parts with a rated life, and vary by the manufacturer and model, that wear during normal usage and include maintenance kits), necessary to perform Regular Maintenance Service
      (iii) printer environment monitoring
      (iv) free toner re-ordering
      (v) proactive service error monitoring
      (vi) free phone technical support
      (vii) quarterly environment reporting
   2. **ABM Federal Core + Services MPS Contracts – Services Provided Include:**
      (i) all ABM Federal Core Services listed above, plus:
      (ii) to perform **Regularly Scheduled Maintenance** with respect to the equipment as defined by the manufacturer and dictated by the device display readings.
      (iii) to supply **Repair Parts** necessary to perform Repair Service, which include parts for worn equipment components (these include all repair parts except those listed under **Exclusions 5.**) that are expected to wear with use and will vary by the manufacturer equipment model being serviced
      (iv) to perform **Repair Service** which include repairs to worn equipment components that have failed during ordinary use of the equipment under normal operating conditions
      (v) to perform Services during **Regular Service Hours** (Monday through Friday from 8 a.m. to 5 p.m. local time, except weekends and holidays as defined in **Table 1.**)

C. **Access to Equipment.** Contractor shall have the right to access Ordering Agency's site and any other premises that may house covered Equipment upon reasonable notice for access with Agency's supervision during regular work hours. Contractor shall apply an estimated monthly page volume (based upon the average usage count from the previous 3 months readings) to any and all Equipment that cannot be accessed for page count recording purposes.

D. **Authorized Maintenance Providers.** Contractor, at their discretion, may authorize approved maintenance subcontractors or approved service providers to perform maintenance and repairs to the equipment. In cases where Contractor manages Ordering Agency's thirdparty service agreement on Agency's behalf, then all sums currently due under that agreement must be paid in full before Contractor will assume any obligation or responsibility.

E. **Repair Responsibility.** Contractor responsibility ceases if persons make repairs to the Equipment other than Contractor's authorized representative or subcontractor. It also ceases if competitive supplies are used, or if the damage occurs as a result of Ordering Agency's abuse or improper

handling.

F. **Ownership and Control of Toner and Ink Consumables.** All toner and ink consumable supplies provided under this Contract shall at all times remain the property of Contractor. Ordering Agency may use the toner and ink consumables pursuant to the terms of this Contract, but Ordering Agency shall not have any ownership rights in or to the toner or ink consumables. In the event of Ordering Agency's default, Agency shall promptly return all toner and ink consumables to Contractor. Ordering Agency shall not be charged for any toner or ink consumables in use upon the expiration of this Contract. Any toner or ink consumables not returned shall be billed by Contractor to Ordering Agency at the prevailing cartridge retail purchase price.

G. **Additional Equipment and Right of Inspection.** Ordering Agency shall notify Contractor promptly upon installing any additional equipment ("Additional Equipment") at Ordering Agency's site capable of using supplied toner and ink consumables. Equipment installed subsequent to the date of this Contract will be evaluated by Contractor, and included in, or excluded from, this Contract upon mutual agreement between the Ordering Agency and the Contractor.

1. All additional equipment deemed to be included in the Contract shall be added to the **Equipment Schedule** and signed off by both parties prior to commencement of the services for the Additional Equipment. Upon both party's agreement, the Additional Equipment will be covered by and considered Equipment under the terms of this Contract. The Minimum Monthly Payment is subject to adjustment, with a minimum of 30 days advanced written notice to the Ordering Agency and Agency approval prior to adding the new Equipment to the Contract. Billings or surcharges for Additional Equipment output will be reflected in the billing cycle immediately following the billing cycle in which the Additional Equipment is installed**.**

2. New Equipment Purchases are available under the terms of this contract. The schedule of available printers and current pricing for the available Equipment for Purchase are included under **Price Schedule B** (**ABM Federal MPS Printer Pricing**). New Equipment Purchases are only available in conjunction with a new or existing **ABM Federal MPS Services Contract** and cannot be purchased under this SIN without the MPS Services. For those customers wishing to purchase Equipment only can do so under SIN 333316C of this FSC Schedule 36. Purchase Orders for New Equipment Purchases will be submitted by the Ordering Agency to the Contractor and will be invoiced in full on a separate billing upon shipment of the product. For Leasing Options please see Terms and Conditions for Leasing SINs beginning on page 21 of this document.

3. If any such Additional Equipment is used equipment, Ordering Agency represent and warrant to Contractor that, except for Pre-Existing Conditions duly disclosed prior to such Additional Equipment being covered, all of the Additional Equipment shall, on the date such coverage commences, be in good working order. Contractor shall be entitled to take a physical inventory of the Additional Equipment upon or prior to its being covered by this Contract to determine whether Additional Equipment is in working order. In the event, as of the date coverage commences under this Contract, any Additional Equipment is not in good working order, Ordering Agency shall have such Additional Equipment repaired at Agency's sole expense and, until such Additional Equipment is so repaired, any Additional Equipment with Pre-Existing Conditions shall not be covered under this Contract. An initial meter reading of zero (0) is agreed, unless Ordering Agency provides timely information to the contrary, for any Additional Equipment that meets the conditions of G.1.

H. Exclusions.

1. This contract does not include paper or staples
2. This contract does not include relocation of the device, adding or removing of accessories, attachments to other devices, exterior painting, or refinishing the unit, repair of damage in service time resulting from operator neglect or application for which the device was not designed or repair of damage resulting from accident, transportation, neglect, misuse, failure of electrical power, failure of A/C, failure of humidity controls or any cause other than ordinary use, replacements of covered Equipment Parts not furnished by the Contractor, electrical work external to the Equipment, maintenance work on Equipment accessories, attachments or other devices not furnished by the Contractor.

3. Maintenance is not available in unsafe or hazardous environments (as determined by the Contractor).
4. See Printer Model Consumable Parts Exclusion Schedule C for current list of machine models without a maintenance kit or fuser assembly included as a Consumable Part in the Core MPS Services Offering.
5. Repair Parts include all except the following: covers, side panels, power cords, trays, glass parts or any equipment accessories.
6. This contract does not cover after-hours or shop overhaul repairs; however, the services can be offered on a Request for Quote basis – call Contractor for a service quote.
7. Any alterations to the equipment will void the Service clause of this Agreement.
8. Service to printers found to be using unauthorized toner cartridges

II. **WARRANTY** Notwithstanding anything in this Contract to the contrary, Contractor warrants (a) that all personnel performing services hereunder by or on our behalf will have appropriate training and experience and (b) all equipment is in accordance with industry standards, and all supplies and materials are manufactured in facilities that have implemented ISO 9001:2000 quality management systems and all OEM and compatible toners are manufactured in strict compliance with these standards. Without limiting the generality of the foregoing (and without limiting any obligation to make repairs under this Contract), Ordering Agency expressly agree and acknowledge that in no event shall any manufacturer's warranty, including but not limited to any implied warranty of merchantability, and fitness for a particular purpose, be deemed given by or otherwise transferred or applied to Contractor. If Ordering Agency notifies Contractor within ninety (90) days from performance of the services that the services or a part thereof fails to conform to the standards specified herein, Contractor shall promptly repair, replace or re-perform the non-conforming services at no cost to the Ordering Agency.

III. **FORCE MAJEURE** Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder (other than for delay in the payment of money due and payable hereunder) if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected. The party experiencing the difficulty shall give the other prompt notice with full details following the occurrence of the cause.

IV. **LIABILITY FOR INJURY OR DAMAGE**

A. The Contractor shall not be liable for any injury to Ordering Activity personnel or damage to Ordering Activity property arising from the use of equipment maintained by the Contractor, unless such injury or damage is due to the fault or negligence of the Contractor.
B. Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

V. **INSURANCE—WORK ON A GOVERNMENT INSTALLATION**

A. The Contractor shall, at its own expense, provide and maintain during the entire performance of this contract, at least the kinds and minimum amounts of insurance required in the Schedule or elsewhere in the contract.
B. Before commencing work under this contract, the Contractor shall notify the Contracting Officer in writing that the required insurance has been obtained. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the Government's interest shall not be effective—
   A. For such period as the laws of the State in which this contract is to be performed prescribe; or
   B. Until 30 days after the insurer or the Contractor gives written notice to the Contracting Officer, whichever period is longer.
   C. The Contractor shall insert the substance of this clause, including this paragraph (3), in subcontracts under this contract that require work on a Government installation and shall

require subcontractors to provide and maintain the insurance required in the Schedule or elsewhere in the contract. The Contractor shall maintain a copy of all subcontractors' proofs of required insurance, and shall make copies available to the Contracting Officer upon request.

VI. TRACKING SOFTWARE

A. **If Tracking Software is involved, Contractor shall be granted Permission to Install and Maintain Tracking Software.** Contractor's software ("Tracking Software") enables monitoring the usage of, and the copy count produced on, the Equipment. Ordering Agency agrees that the Tracking Software must be installed on one or more of the Ordering Agency's computer networked station(s) and the Contractor will coordinate the installation with the Ordering Agency's designated management representative. Generally the Tracking Software can be installed by the Agency's Information Services staff by way of a CD and instructions provided to the Agency by the Contractor; however, should it become necessary for the Contractor to install the Tracking Software, the scheduling of time will be coordinated through the Agency's IT Department or CIO office. Ordering Agency agrees to provide Contractor, access to Agency's computer-networked station(s) to enable Contractor to upgrade, modify or maintain the Tracking Software or to install new releases or additions to the Tracking Software. Under no circumstances will the Tracking Software provide Contractor access to Government information other than information directly related to this Contract. Ordering Agency agrees to not delete or remove the Tracking Software or to alter, modify or otherwise render it unusable during the term of this Contract without the prior written consent of Contractor.

B. **No License, other Prohibitions.** Nothing herein shall be construed as granting a license to Ordering Agency for the use of the Tracking Software. Ordering Agency may not, nor permit or cause any other person to (a) use or copy the Tracking Software, in whole or in part, in any manner, (b) modify, translate, reverse engineer, decompile or dissemble the Tracking Software, (c) rent, lease, loan, resell, distribute, use in a customer-server network to provide third parties access to, or otherwise transfer the Tracking Software, or (d) remove any proprietary notices on the Tracking Software.

C. **Intellectual Property Rights.** All rights (including all intellectual property rights, whether recognized currently or in the future) in and to the Tracking Software (including any source code, executable code, object code, tools and/or libraries related to the Tracking Software) will at all times be owned by Contractor. No modifications and/or use by Ordering Agency of the Tracking Software shall under any circumstances transfer any right, title or interest in or to the Tracking Software to the Ordering Agency or any third party.

D. **Tracking Software Warranty, Liability.** Ordering Agency acknowledges that the Tracking Software will be installed on Government networked workstation(s) "as is" without warranty of any kind, either express or implied, including the implied warranties of merchantability, fitness for a particular purpose and non-infringement. Contractor does not warrant that the Tracking Software will be error free or will operate without interruption. Contractor shall in no event be liable to Ordering Agency or any third party for any special, consequential, incidental or indirect damages in connection with the Tracking Software. If the software is found to cause issues on the Ordering Agency's network and these issues can be reasonably associated to the installation of the software through uniform software testing and tracing methodologies, our liability will be limited to the removal of said Tracking Software from Ordering Agency's environment. If the Tracking Software fails due to no fault of the Government Agency or Contractor, the Government Agency is not responsible for paying fees to manually collect meter readings.

1. IN NO EVENT SHALL CONTRACTOR BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, (INCLUDING, BUT NOT LIMITED TO, WHERE APPLICABLE, DAMAGES FOR LOSS TO OR DESTRUCTION OF COMPUTER CODE, DATA OR INFORMATION, LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, OR ANY OTHER PECUNIARY LOSSES OR DAMAGES) ARISING FROM THE INSTALLATION, USE, OPERATION OF, OR INABILITY TO USE THE SOFTWARE, EVEN IF CONTRACTOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING DISCLAIMER OF DAMAGES IS TO BE CONSTRUED AS INDEPENDENT OF THE

LIMITATION OF REMEDIES CONTAINED IN THIS AGREEMENT. TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW, CONTRACTOR'S ENTIRE LIABILITY, AND GOVERNMENTS SOLE AND EXCLUSIVE MONETARY REMEDY FOR ANY CLAIMS OR DEMANDS, WHETHER FOUNDED ON CONTRACT, WARRANTY, STRICT LIABILITY, TORT, OR ANY OTHER LEGAL THEORY, ARISING FROM GOVERNMENTS INSTALLATION, USE, OPERATION OF, OR INABILITY TO USE THE SOFTWARE, SHALL BE LIMITED TO AN AMOUNT NOT EXCEEDING THE AMOUNT THE GOVERNMENT PAID FOR THE SOFTWARE.

VII. MISCELLANEOUS.

A. **Software.** Performance issues related to Software and/or connectivity are not covered under the terms of this Contract. Any warranties related to Software will be those offered by the manufacturer and will be passed directly to the user.

B. **Software/Hardware.** Connectivity and performance issues related to Software and non-standard hardware are not covered under the terms of this Contract. Any warranties related to these solutions, which include but are not be limited to: HP Digital Sending Software, Web Jet Admin, Auto Store, any OCR software, computers and scanners, will be those offered by the manufacturer and passed directly to the user. Operation and configuration of the Software will be the responsibility of Ordering Agency after initial install and operation test of (1) "Send To" folder is completed by Contractor.

VIII. CONTRACTOR TASKS / SPECIAL REQUIREMENTS

A. **Security Clearances**: The Contractor may be required to obtain/possess varying levels of security clearances in the performance of orders issued under this contract. All costs associated with obtaining/possessing such security clearances are factored into the price offered under the Multiple Award Schedule.

B. **Travel:** The Contractor may be required to travel in performance of orders issued under this contract. Allowable travel and per diem charges are governed by Public Law 99-234 and FAR Part 31, and are reimbursable by the ordering agency or can be priced as a fixed price item on orders placed under the Multiple Award Schedule. The Industrial Funding Fee does NOT apply to travel and per diem charges.

   A. NOTE: Refer to FAR Part 31.205-46 Travel Costs, for allowable costs that pertain to official company business travel in regards to this contract.

C. **Certifications, Licenses and Accreditations**: The Contractor may be required to obtain/possess any variety of certifications, licenses and accreditations for specific FSC/service code classifications offered. All costs associated with obtaining/ possessing such certifications, licenses and accreditations are factored into the price offered under the Contract.

ABM Federal Sales Inc.
ABM Federal Managed Print Solutions
Scope and Description of Services

- **Purpose -** ABM Federal offers our ABM Federal – Managed Print Solutions program under SIN 541611MPS. As a solution provider, ABM's, Managed Print Services Offering combines Best in Class elements from our strategic go to market alliances. The primary alliance partners are Supplies Network, our sister company, utilizing their Carbon Six program and multiple OEM's including Hewlett-Packard, Lexmark, Dell and others. These exclusive partner agreements enable ABM to blend fleet and workflow efficiencies to assist our customers in achieving their overall print output objectives.
- **Goal** - The primary goal of the ABM Federal-Managed Print Services (MPS) Program is helping our customers gain control of their office printing costs and provide measurable economies. The following process improvements facilitate achievement of this primary goal.
- **Cost Containment -** Studies predict that office print usage will grow by 5.5% this year. The alarming number behind this statistic is that color printing is forecast to grow at 18.5%. Color prints cost 5-10 times that of black and white. The ABM Federal Program provides predictable costs through scheduled monthly billing, pay only what you print, reduced redundant acquisition costs, decreased miscellaneous supply purchases, reduced inventory storage requirements, etc.
- **Management Control** – The ABM Federal Program provides visibility across a print infrastructure to understand who, what, and where documents are printed and by what devices. Having actionable data enables customers to make informed decisions about reducing overall costs in their printing environments. This visibility across mixed fleets combined with the ability to analyze user data provides the level of granularity essential to implementing comprehensive printing strategies that improve workflows and reduce overall costs.
    - One process improvement example being: Develop and implement a universal printing policy that includes forced duplexing, redirected print, selectable print to least expensive devices, etc. Implementing just one of these policies across a print infrastructure has proven to provide substantial savings.
- **Standardization** – ABM Federal has a system to ensure continuous productivity. Very few things inhibit office productivity more than a printer that is out of service. Many of the companies we serve initially had many different brands and models of printers. That meant that it was nearly impossible to stock all of the required toner, manage all of the print drivers and coordinate service with multiple vendors. ABM Federal consultants provide expertise in optimizing print infrastructures through development of printer standards, recommendations for device placements, user productivity, energy reduction, universal print policy guidance, etc.

The ABM Federal Business Unit delivers both the 541611MPS Managed Print Services and Needs Assessment and Analysis Services. ABM Federal has built on its knowledge and expertise in supply and distribution management, asset management, fleet configuration design and exceptional customer services capabilities to offer a comprehensive Managed Print Services Program.

SIN 541611MPS Managed Print Services

The 3 Components in the 541611MPS SIN are: Fleet Design/Print Output Optimization, Fleet Management, and Ongoing Print Output Optimization.

These components can be delivered under a Cost per Image (CPI) Model with or without the purchase of the Printing/Imaging Device or can be purchased under a SOW level of effort based contract that can incorporate multiple components including CPI pricing, Equipment purchase, Labor Codes/Resources, etc.

The CPI model can be purchased as a Service Only Model; offered as **Core** and **Core Plus**, they include:

CORE

- Remote monitoring of the Fleet via Software
- Auto-toner replenishment
- Proactive Service Monitoring with phone triage
- Consumable Parts
- Robust Reporting thru web portal

CORE PLUS

- Remote monitoring of the Fleet via Software
- Auto-toner replenishment
- Proactive Service Monitoring with phone triage
- Consumable Parts
- Robust Reporting thru web portal
- Service Labor w/Technician Dispatch
- Repair Parts (most, exceptions provided via addendum)

or

CPI Service Only Model with Printing/Imaging Device included. This Model would include a Core or Core Plus price and the equipment purchased and billed separately at commencement of a contract or one of two leasing options as defined under SINs Lease-to-Own Plan or 532420LC (Operating Lease Plan).

Under a SOW (statement of work) level of effort based pricing model, ABM incorporates its CPI pricing with devices included or not and develops implementation schedules based upon objectives defined in a SOW. We recognize that most organizations are at various stages of evaluating their Printing/Imaging Infrastructures and may need to balance budgets and objectives to achieve their cost savings, environmental initiatives and workflow efficiencies. ABM Federal's Program spans the spectrum from a basic entry level Print Management System with turn-key toner replenishment to a fully Managed Output Service incorporating workflow efficiencies, device optimization, and flexible financing to gain complete control of print output costs across an enterprise.

Needs Assessment & Analysis

Our Assessment methodology is aimed at establishing specific achievement objectives based upon Agency initiatives and goals. The most critical step towards optimizing a fleet and increasing worker productivity understands the current state of the print output environment. Once a baseline is established a print output strategy can be developed that includes Device and Workflow optimizations. ABM's Standard Scope Assessment begins with discovering the Fleet and providing that visibility into the current state. ABM provides Needs Assessment and Analysis services to help Federal Agencies formulate document output strategies for future implementation.

ABM's Assessment Components included in Standard Scope of Work - Fleet Discovery at the per device pricing model.

- Scope Meeting - Establish Customer objectives – Centralized Device Management, Fleet Optimization, etc.
- Fleet Discovery – Data collection utilizing remote software and manual USB tools.
- Site Surveys – Record device placements, space requirements, device health
- Data Analysis – Document current state environment
- Present Findings - Provide documentation for current state environment, make recommendations for future state improvements based upon customer objectives established in Scope meeting.

ABM offers this service as a **Per Device Pricing Model** for the Standard Scope of Fleet Discovery. (MPS Specialist performs the work, hourly rate does not apply. Per device model includes MPS Specialist resource).

ABM offers Extended Scope Services and pricing for Future State Design, Workflow Analysis, TCO Analysis, Secure Printing Solution Design, Carbon Footprints Reduction Strategies, etc. These are priced and offered under a SOW identifying resources and level of effort and billed at the applicable hourly rate. Travel expenses are not included in the hourly rates.

ABM Federal is a comprehensive Managed Print Services program that empowers our customers with the ability to gain control of office printing costs across multi-vendor environments while maintaining maximum uptime efficiencies, high print quality, and optimal workflows. Our methodology emerges from a device (printer, copier, and scanner) independent view. Today's exceptional device technology facilitates the ability to look beyond the device to the printing/imaging system as a whole and optimize the complete system. This printing system is comprised of the device, the user and the document and the ABM Federal program incorporates optimization throughout this print system.

As a Solution Provider, we can offer multi-vendor options that merge Best in Class hardware and software capabilities to meet the distinct missions and objectives of our Federal Agency Customers. Our OEM Elite status partnerships with HP, Lexmark, Dell, Canon, Xerox, and others enable ABM to optimize, manage, and improve on a broad range of printing environments. The backbone of ABM's ABM Federal offering currently has over 75,000 devices under management providing auto-toner replenishment and break fix services to the commercial marketplace. Beginning with the assessment process the print output objectives and fleet specific needs are established to create a baseline for print optimization. This process is a continuum with ongoing planned improvements included in an overall print strategy.

ABM Managed Output Services Essential Components

A. **Assessment**
B. **Fleet Design/Print Output Optimization**
C. **Fleet Management**
D. **Ongoing Print Output Optimization**

A. Assessment

A thorough assessment provides a critical baseline for measuring program success. Our Assessment methodology is aimed at establishing specific achievement objectives based upon Agency initiatives and goals. This component drives the entire implementation process and is vitally important to our **ABM Federal Program.**

The Assessment process combines fleet assessment with needs analysis. The data collection process utilizes a variety of methods, including; remote data collection, user interviews, site surveys, device mapping, and utilization of industry standard benchmarks to gain an understanding of the customer's current state environment. This data can then be utilized to provide future state recommendations and develop print output optimization blueprints.

Resources **– MPS Specialists are responsible for the operational performance and delivery of the assessment process. They are the primary interface with the agency to coordinate all data collection activities, user interviews, and site surveys. MPS Subject Matter Expert (SME) ensures the project team's timely and satisfactory delivery of the assessment with all of the deliverables.**

- **Data Collection Software**

ABM Federal utilizes several best in class data collection tools to gather networked and local device data. Print jobs, with meta-data information only, can also be monitored to be incorporated into organizational objectives for reducing print costs. All of the data collection tools are configured to be managed securely across firewalls while also complying with Federal agency security policies, including user access controls, PKI infrastructures, FDCC settings, PII policy, etc. All data is encrypted across the firewall to further enhance security of the data being collected.

Device Data - (sample collection)

- IP address (can be masked)
- Toner cartridge serial number
- Device description
- Maintenance kit levels
- Serial number
- Non-toner supply levels
- Meter reads
- Asset number
- Monochrome or color identification
- Location
- LCD reading
- MAC address
- Device status
- Manufacturer
- Error codes
- Firmware
- Toner levels
- Miscellaneous (machine specific)

User Data – (sample collection)

- Print job – only meta-data
- Who printed
- What they printed
- When they printed

- **Manual Collection – User Interviews/Site Surveys**

Fleet and TCO Assessments: Driven by Agency Objectives

Understand Current Costs

- Service (labor, parts)
- Supplies
- Support (IT, help desk)
- Hardware (purchases, leases)
- Energy
- Outsourced documents
- Telecom

Understand Current Environment

- Location and condition of devices
- Output volumes (mono and color)
- Workflow
- Understand Desired Environment
- Workflow, document output needs – watermark technology available via application level
- By department

- Obtained via observation and interviews

B. Fleet Design/Print Output Optimization

Fleet Design/Print Output Optimization is the strategy and implementation blueprint for our Managed Print Program. The Assessment Data has been consolidated and analyzed to develop a strategy that aligns the available funding for each phase with the overall Agency Print Output Infrastructure Objectives. Fleet Optimization can involve multiple phases due to legacy leasing arrangements, contracts, and other capital expenditures involved.

Resources **– MPS Specialists consolidate data for review and implementation proposal. MPS Subject Matter Experts review data and provide Fleet Analysis for implementation scheduling. Advanced Implementations include MPS SME for Fleet Future State Designs and Output Optimization Solution recommendations.**

Develop Optimization Strategy – Documented Deliverable
- Based on key management initiatives
- Cost analysis
- Environment analysis
- Agency specific requirements – digital storage/retrieval options, watermark capabilities, copy cards, CAC/PIV cards, etc.
- Resource assignments – Program Managers, SME's, Service Technicians, etc

Develop security plan according to agency policy – Documented Deliverable
- Hard drive elimination/secure erase options
- User access controls/authentication
- Secure printing solutions – Pull/PIN printing, CAC/PIV cards, etc.

Structure the Financial Relationship from a potential range of options
- Service/Supplies/Support on Cost Per Image, existing fleet
- Service/Supplies/Support on Cost Per Image, with equipment purchased outright
- Service/Supplies/Support on Cost Per Image, with equipment leased separately
- Service/Supplies/Support/Hardware on Cost Per Image (equipment is rented)
- Service/Supplies/Support/Hardware on Cost Per Seat (equipment is rented)

Develop Fleet Implementation Plan and Schedule – Phased approach aligned with agency objectives and budget
- Removal of devices
  - Expensive to operate (energy, service, supplies costs)
  - Past useful life
- Move devices
  - Better alignment of capability to workflow
- Add devices
  - Lower cost of operation
  - Better alignment to workflow
  - Increased capability for document output needs
  - Document security plan as identified in Optimization Stage

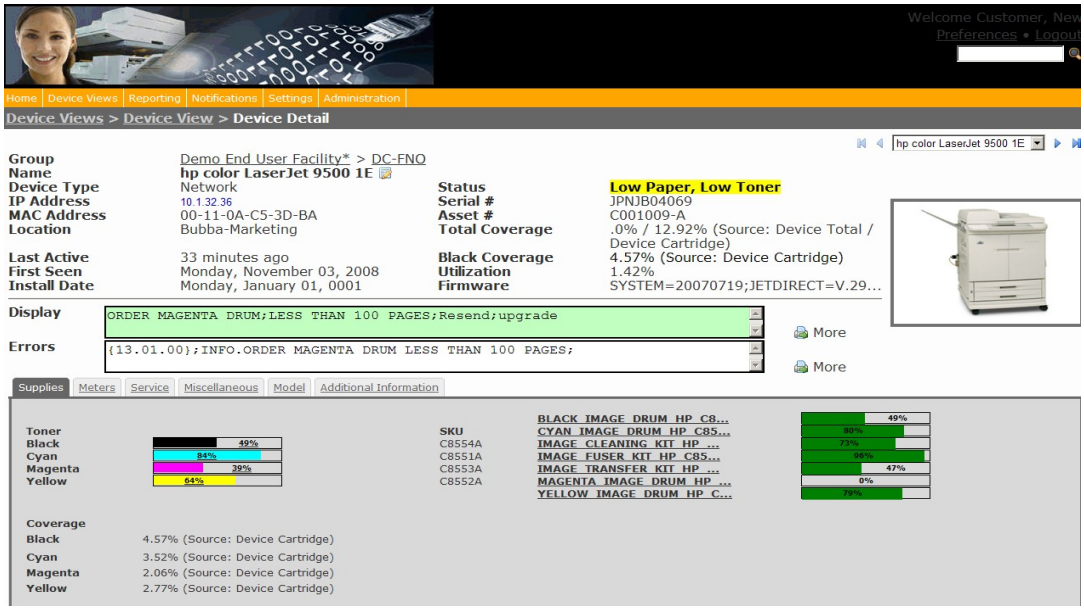
C. Fleet Management

Fleet Management involves the day to day care and feeding of the Device Infrastructure. All toner, consumables, service alerts and responses are automated and documented for reporting. The information can be viewed live through a web portal and reports generated on demand if needed. (This information is optional, as this is a service being provided and requires no IT or user intervention.)

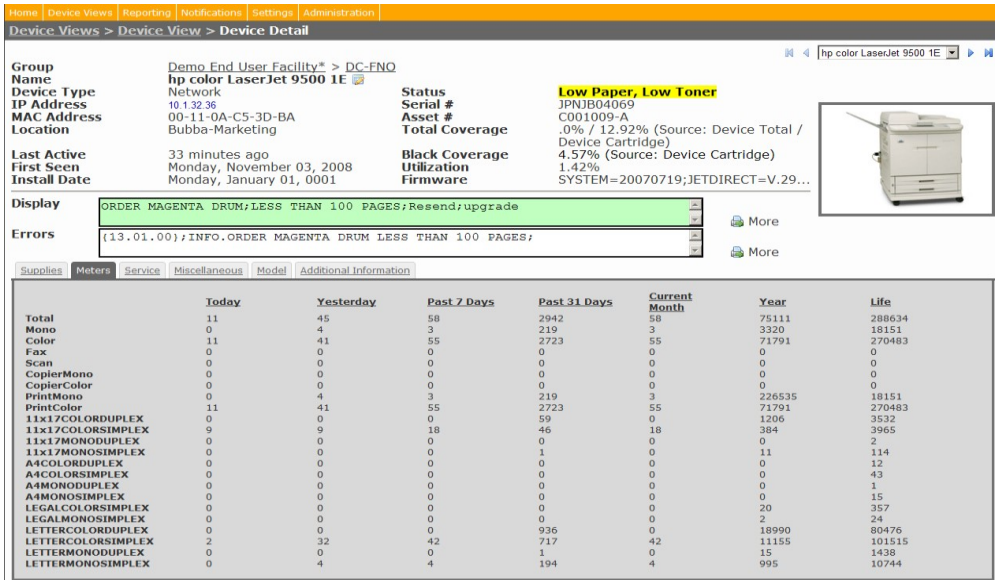
Resources **– MPS Specialists supervise the daily operational and performance of the MPS implementation. This role has primary interface for all customer issues and project requirements. Help Desk/Dispatch – Level I Support and Field Service Technician – Level II Support per contract terms. Device Support Specialist provides back office support function for the Fleet in an MPS Implementation.**

The change management objectives for users are a component that we highly recommend and can be incorporated into the daily capture of print behavior. These objectives can be phased in gradually to create an awareness/learning process improvement for individual users or groups of users. Examples: duplex printing, directing print to lower cost devices for general office printing, etc

- **Auto Toner Replenishment**
  - Toner levels are monitored remotely
  - Replenishment based on days of toner remaining, based on consumption rates – algorithms provide just in time delivery capability – (algorithms **unique to ABM Federal Program)**
  - Supply is labeled with all local/internal delivery and routing information (routing capability unique to **ABM Federal Program)**
  - No need for any end user to order any supply item



- **Proactive Service Monitoring**
  - Service errors on all devices monitored remotely
  - Customers are proactively notified a service tech is on their way when critical errors are discovered
  - Noncritical errors (i.e. paper jams) are monitored for frequency and preventive maintenance is scheduled prior to increase occurrence rate
  - Service history available for all devices – on demand reports are available
  - SLA reporting is available with custom reporting options



	Today	Yesterday	Past 7 Days	Past 31 Days	Current Month	Year	Life
Total	11	45	58	2942	58	75111	288634
Mono	0	4	3	219	3	3320	18151
Color	11	41	55	2723	55	71791	270483
Fax	0	0	0	0	0	0	0
Scan	0	0	0	0	0	0	0
CopierMono	0	0	0	0	0	0	0
CopierColor	0	0	0	0	0	0	0
PrintMono	0	4	3	219	3	226535	18151
PrintColor	11	41	55	2723	55	71791	270483
11x17COLORDUPLEX	0	0	0	59	0	1206	3532
11x17COLORSIMPLEX	9	9	18	46	18	384	3965
11x17MONODUPLEX	0	0	0	0	0	0	2
11x17MONOSIMPLEX	0	0	0	1	0	11	114
A4COLORDUPLEX	0	0	0	0	0	0	12
A4COLORSIMPLEX	0	0	0	0	0	0	43
A4MONODUPLEX	0	0	0	0	0	0	1
A4MONOSIMPLEX	0	0	0	0	0	0	15
LEGALCOLORSIMPLEX	0	0	0	0	0	20	357
LEGALMONOSIMPLEX	0	0	0	0	0	2	24
LETTERCOLORDUPLEX	0	0	0	936	0	18990	80476
LETTERCOLORSIMPLEX	2	32	42	717	42	11155	101515
LETTERMONODUPLEX	0	0	0	1	0	15	1438
LETTERMONOSIMPLEX	0	4	4	194	4	995	10744

- **Help Desk/Dispatch**
  - Staffed by certified technicians, trained in phone triage
  - Objective is to resolve issue online with end user (or staffed resource) whenever possible
  - Dispatch technician on unresolved issues, armed with knowledge on issue and probable cause(s) repair
  - Service Hours – 8:00am – 5:00pm, local time. Mon-Fri, Weekends and Federal Holidays available by special exception and billed at time and a half.
  - Response times – average 9 hours business hours

D. Ongoing Print Output Optimization

Ongoing Optimization is an essential element in the project management process. Milestones are managed and realigned periodically and scheduled reviews ensure resources and objectives and process improvements are on target. Reporting is provided as part of the review process but can also be incorporated into the Fleet Management/Daily Operations.

Resources **- The MPS Specialist monitors and documents planned improvements for the quarterly review process. The Project Manager evaluates project performance and designs implementation strategy and timelines for the planned improvements identified in the review process.**

- **Quarterly Environment Reviews**
  - Analysis of key document output environment variables
    - Device utilization
    - Device performance—uptime, failure, repair history, etc.
    - Equipment additions, removal, moves
    - Monochrome, color volumes
    - User analysis: by volume, application, device
    - Analysis by function, department, location
    - Trends, period comparisons
  - Environment recommendations
    - Utilization improvements (move, remove, add)
    - Workflow, document output improvements, changes

- **Annual Executive Reviews**
  - Environment summaries, extracted from quarterly reviews
  - Changes in objectives, requirements for upcoming fiscal year
  - Updated fleet deployment plan based on environment review and objectives requirements aligned with funding cycles

The Key Elements and Resources involved in delivering the ABM Federal Program:

- Element 1: Print Management Software – Device and User Optimization
  The ABM Federal remote monitoring system is comprised of a robust, yet easy-to-use software suite that is designed to monitor, report, and manage fleets of printers, copiers, and multi-function devices. Additionally, we have the capability to collect user data that provides visibility into who printed what, where and to what device. This powerful combination of device data and user data enables the ABM Federal Program to design and deliver an optimized fleet and enable behavioral change options for users to reduce the overall cost of printing.
  - Secure data transfers—HIPAA compliant
  - Automated real-time snapshot of fleet including number of printers, models, print volumes, service alerts, general status of printers, etc
  - User data – who printed what, where, and to what device
  - Automated supplies ordering
  - Superior supplies routing, directly to the floor, cubicle, contact, etc
  - Reports for usage, errors, toner levels, mono vs. color usage, device utilization, carbon footprint reporting

- Element 2: Supply Management – Toner & Consumables
  - OEM Brands including HP, Lexmark, Xerox, Dell, Brother, Konica Minolta, Ricoh, and Canon
  - ABM Federal brand compatible available - 100% warranty against defective parts and damage
  - Exclusive algorithms analyze key variables to determine just in time toner delivery

- Element 3: Printer Service & Parts - One of the key components of ABM Federal is the highly trained and certified technicians that participate in the National Service Provider Network (NSPN).
  - Highest rated HP service provider network in the U.S.
  - Over 350 authorized service agents across the U.S.
  - All technicians must meet stringent certification requirements as established by the manufacturer
  - 93.5% first time fix rate across all brands —among the top in the industry
  - Return visits are kept under .057%
  - Less than 8-hour response service

- Element 4: Ongoing Print Management Consulting – Printing Environments are constantly changing based upon the business lines being supported. Formal quarterly reviews are conducted to review strategies for maintaining an optimized printing infrastructure. These quarterly reviews provide the opportunity for ABM and the customer to review print volumes, device placements, workflow improvements, and new opportunities for increasing overall output efficiencies.

- Element 5: Trusted Sales Support –Single Point of Contact - Although many support contacts are behind the scenes facilitating each ABM Federal Print Management Engagement, you can be assured that one single point of contact will manage and oversee all of your unique print management needs. Each ABM Federal Program is custom designed to specifically address each end-user environment.

Management Capabilities

ABM has assembled a cross-disciplinary team to support both the MPS SIN 541611MPS and the Needs Assessment and Analysis Services Offering within our Managed Print Services Business Unit. The team is made up of highly qualified and cross-trained professionals of considerable experience to ensure the maximum level of support.

Key roles on the ABM Project Team are described here:

MPS Specialist **GSA Hourly Rate $85.00**

Role/Responsibilities under 541611MPS – Primary Customer interface for the contract. Operational role coordinates meetings, training, and all activities associated with the daily care and feeding of the fleet. Specialist provides oversight to Project Manager for overall quality delivery of the MPS Service. In advanced implementations, supervises change management process, monitors project milestones, escalates issues, and identifies new opportunities to optimize the environment. Specialist works under supervision of assigned Project Manager and Subject Matter Expert.

Minimum/General Experience: Six (6) months to five (5) years of related experience in providing assistance in assessment support functions, including data collection, conducting interviews and site surveys, input data, project plan maintenance, meeting management, project milestone monitoring and customer relationship management.

Minimum Education: Associates degree in related field or 5 years of related experience.

MPS Subject Matter Expert **GSA Hourly Rate $175.00**

Role/Responsibilities under 541611MPS – Defines project elements and resources required based upon customer requirements. SME develops implementation plan in coordination with the MPS Specialist and Project Manager. SME reviews environments for workflow improvements, device optimizations. SME recommends solutions that enable customers to achieve continual process and operational improvements.

Minimum/General Experience: Eight (8) years experience applying standardized statistical methodology and principles to technological problems.

Minimum Education: Bachelor's degree in statistics, mathematics or related field.

Project Manager **GSA Hourly Rate $185.00**

Role/Responsibilities under 541611MPS - The Project Manager (PM) supervises the overall MPS implementation according to the Project Plan identified in the SOW. The Project Manager leads scope and kickoff meetings with the agency personnel. The Project Manager is the Senior Level resource interfacing with peer counterparts at the customer site. The PM constantly monitors scheduled milestones for contract compliance. This includes ensuring contract deliverables are completed, financial obligations are met and any other terms or conditions that require action are tracked and recorded The Project Manager overseas all aspects of Level I and Level II support for the ABM Federal Services component. This is the daily operational infrastructure for servicing, supplying and reporting on the printer fleets for the defined implementation.

Minimum/General Experience: Five (5) years with a minimum of three (3) years experience as a lead/project manager.

Minimum Education: Bachelor's degree in engineering, mathematics, business administration or a related field.

Help Desk/Dispatch – Level I Support **GSA Hourly Rate $55.00**

Role/Responsibilities under 541611MPS – The Help Desk Dispatcher answers incoming calls responding to first level service issues from end users of printer and copier equipment to determine the problems, provides instructional repair or service advice to customer over the phone and determines status of machines. The Help Desk technician maintains record of call history and problem resolutions and prepares status reports. The ability to troubleshoot printer and copier issues and resolve remotely is the primary focus. If after following triage protocols, the issue is not resolved; a Field Service Technician is dispatched, armed with knowledge on issue and probable cause(s) repair.

Minimum/General Experience: Minimum of one (1) year of related experience specifically in help desk support repairing copiers, printers, scanners, fax machines and/or computers.

Minimum Education: High School Diploma/GED and one (1) year of technical school training

Field Service Technician – Level II Support **GSA Hourly Rate $150.00**

Role/Responsibilities under 541611MPS -The Field Service Technician is certified to perform a full range of servicing and repair service procedures including diagnostics, installation, removal and retrofits on connectable Black and White and/or Graphics equipment at customer locations. The technician provides on-site maintenance and repair services within 8 Hours, (same day) or Next Business Day coverage. Service includes standard device maintenance during "Regular Service Hours". "Standard Maintenance" includes inspection, adjustment, parts replacement and cleaning required for proper operation. Technician utilizes diagnostic software to troubleshoot and isolate system failures to expedite systems recovery; troubleshoots software, hardware, and connectivity- related issues, performs Basic Connected installations, sets up IP address, downloads printer drivers and provides basic customer training on printing functions.

Minimum/General Experience: Requires high level technical skills typically gained through completion of technical school and a minimum of four (4) years of related experience.

Minimum Education: Associates degree and all technical certifications required to support covered devices

Device Support Specialist **GSA Hourly Rate $85.00**

Device Support Specialist manages fleets of business document output devices (printers, copiers and fax machines) at a customer location(s) with a focus to maximizing uptime, utilization and user satisfaction while minimizing costs. The Device Support Specialist manages inventory and device service, assists site team members in developing, implementing and managing ongoing site operations. Understands and utilizes various device management software tools. This is the daily operational infrastructure for servicing, supplying and reporting on the printer fleets. The Specialist monitors all facets of the fleet program to ensure that performance standards are maintained and client requirements (contracted service levels) are consistently met. Monitors Call/Support Center activity to ensure service response requirements are met and that parts arrive in support of dispatched service technicians at the appropriate place and time. The Device Support Specialist works closely with and takes direction from the Project Manager to support the ABM Federal service offering.

Role/Responsibilities under 541611MPS- *Provides back office support function for Fleet Management in an MPS Implementation.*

Minimum/General Experience: Two (2) years project/program management experience; basic Printer, Multi-Function Printer and Multi-Function Device knowledge and prior experience managing large-scale fleet implementations.

Minimum Education: Four (4) year college degree or equivalent work experience

Terms & Conditions for SIN 532420LTOP Lease-to-Own Plan (LTOP) and SIN 532420LC Operating Lease Plan (OLP)

1. STATEMENT OF GOVERNMENT INTENT

For the purpose of this solicitation, Lease Term is defined as the duration of the lease in months (not to exceed 60 months) as shown on the Ordering Agency's initial delivery order. It is understood by all parties to this contract that this is a leasing arrangement. In that regard, the Government anticipates fulfilling the leasing agreement subject to the availability of appropriated funds and the continued needs of the Ordering Agency. The Ordering Agency, upon issuance of any delivery order pursuant to Special Item Numbers (SIN's) 532420LTOP and 532420LC, intends to use the equipment for the lease term specified in the initial delivery order so long as the needs of the Ordering Agency for the equipment or functionally similar equipment continues to exist and adequate funds are appropriated. Each lease hereunder shall be initiated by a delivery order which shall, either through a statement of work or other attachment specify the equipment being leased, and the terms of the transaction as required in other sections of SIN's 532420LTOP and 532420LC. The lease commencement is the date of acceptance as defined by FAR Subpart 12.4

The first period or initial term of the leasing agreement will be through September 30th of the fiscal year in which the order is placed, or as extended by act of Congress, unless the ordering office has multi-year funding.

Ordering Agencies are advised to follow the guidance provided in Federal Acquisition Regulation (FAR) Subpart 7.4 Equipment Lease or Purchase, and to review the lease terms and conditions prior to ordering and obligating funding for a lease. Ordering Agencies are responsible for the obligation of the funding consistent with fiscal law when entering into any lease arrangement.

2. ORDERING PROCEDURES

(a) Ordering Agencies are strongly encouraged to conduct a needs assessment prior to the procurement of devices.

(b) When the Ordering Agency expresses an interest in leasing a product(s), the Ordering Agency will provide the following information to the prospective vendors:

(i) Which product(s) is (are) required.
(ii) The required delivery date.
(iii) The proposed term of the lease.
(iv) Where the equipment will be located.
(v) Description of the intended use of the equipment.

(c) The contractor will respond with:

(i) Whether the contractor can provide the required equipment.
(ii) The monthly payment based on the rate and the initial and residual values of the equipment.
(iii) The estimated cost, if any, of applicable State or local taxes.
(iv) A confirmation of the availability of the equipment on the required delivery date.
(v) Extent of warranty coverage, if any, of the leased products.
(vi) Cite the cost of any mandatory maintenance as applicable.

(vii) The Termination Ceiling Charges, as applicable. (See Section 13, Early Termination Charges).

(d) The ordering agency and the contractor shall agree upon a termination ceiling charge which is established in accordance with the appropriate formula in Section 13. Early Termination Charges (See FAR Subpart 17.1)

(e) The Contracting Officer shall insert the agreed upon termination ceiling charge for the first year in the order and modify it for successive years upon availability of funds.

3. ORDERS AND PERIOD OF LEASING ARRANGEMENTS

(a) **Lease Options**: At a minimum, Ordering Agencies placing orders for equipment under a leasing arrangement must specify on the delivery order the applicable leasing SIN (532420LTOP or 532420LC) or a description (LTOP or OLP) under which the equipment is being leased.

(i) SIN 532420LTOP - Lease to Ownership Plan (LTOP) (Lease/Purchase)
(ii) SIN 532420LC - Lease with Option to Own (Operating Lease)

(b) **Annual Year Funding**. When using annually appropriated funds when placing an order for leasing, the following applies:

(i) Any lease executed by the Ordering Agency shall be on the basis that the known requirements exceed the remainder of the fiscal year. Due to funding constraints, however, the Ordering Agency cannot normally commit to a term longer than one fiscal year at the commencement of the lease. To facilitate the exercise of renewal options for future fiscal years, the lease term will be specified in the delivery order. All orders for leasing shall remain in effect through the Government fiscal year (or as extended by Act of Congress), or the planned expiration date of the lease, whichever is earlier, unless the Ordering Agency exercises its rights hereunder to acquire title to the equipment prior to the planned expiration date. Despite the fact that the delivery order will specify the total lease term, orders under the lease shall not be deemed to obligate succeeding fiscal year's funds or to otherwise commit the Ordering Agency to a renewal.
(ii) All orders for leasing automatically terminate at the end of the Government fiscal year (or as extended by Act of Congress) or the contract term, whichever is earlier. However, Ordering Agencies should notify ABM in writing thirty (30) calendar days prior to the expiration of such orders as to the Government's intent to renew. Ordering Agencies are instructed to follow the guidelines set forth in Paragraph 14 of this section with regard to termination of lease terms for non-appropriation or agency decisions not to renew. Should Ordering Agencies decide to terminate the lease prior to the expiration of the lease term under any other condition other than those set forth in Paragraph 14, early termination charges shall apply, (See Section 13, Early Termination).

(c) **Multi-Year Funding Within contract Period:** Where an Ordering Agency's specific appropriation authority provides for funds in excess of a 12 month (fiscal year) period, the Ordering Agency may place a schedule contract order for leasing for a period up to the expiration of its period of appropriation availability, or the expiration of the contract period whichever comes first, notwithstanding the intervening fiscal years.

(d) In recognition of the types of products on this Schedule and the potential adverse impact to the Government's mission, the Government's quiet and peaceful possession and unrestricted use of the equipment shall not be disturbed in the event the equipment is sold by the contractor, or in the event of bankruptcy of the contractor, corporate dissolution of the contractor, or other event, so long as the Government is not in default. The equipment shall remain in the possession of the Government until the expiration of the lease. Any assignment, sale, bankruptcy, or other transfer of the leased equipment by the

contractor will not relieve the Contractor of its obligations to the Government, and will not change the Government's duties or increase the burdens or risks imposed on the Government.

(e) **Assignment of Claims:** In accordance with GSAR 552.232-23 Assignment of Claims under this contract, the Ordering Agency Contracting Officer may approve the assignment of claim for an order under these leasing Special Item Numbers (SINs) in accordance with FAR 32.803. Contractors cannot prohibit or otherwise limit the Government's ability to setoff lease payments under any lease or assignment of a lease.

(f) **Government Rights under Lease:** The Government does NOT waive any performance requirements, warranty rights nor other contract or statutory rights, such as the right to set off payments against other Government debt, as a part of the lease. The Government's acceptance of an assignment of a lease, does not waive any of the Government contract provisions.

4. MAINTENANCE AND INSTALLATION

(a) Maintenance and installation, when applicable, are not included in the lease payments. The Ordering Agency will obtain installation and/or maintenance from the contractor or a designated authorized service provider.

(b) When installation and/or maintenance are to be performed by the Contractor, the payments, terms and conditions will be as stated in this contract. Maintenance payments and terms and conditions during subsequent renewal periods of this lease will be those of the prevailing GSA Schedule contract in effect.

5. MONTHLY PAYMENTS

(a) Prior to the placement of an order under this SIN, the Ordering Agency and the contractor must agree on a "base value" for the products to be leased. The base value will be the contract purchase price (less any discounts). For operating leases, the residual value is independent of the purchase option price. The residual value will be used in the calculation of the original lease payment.

(b) To determine the initial lease term payment, the Contractor agrees to apply the negotiated lease factor to the agreed upon base value:

Published Rates valid through September 30, 2016

532420LTOP Lease to Own Plan Rates				
Lease Term (in months)				
Equipment Cost	**24**	**36**	**48**	**60**
$1,000 to $9,999				
Lease Rate Factor	**0.05100**	**0.03760**	**0.03140**	**0.02860**
Annual Percentage Rate Factor	20.21%	20.85%	21.85%	23.71%
$10,000 to $19,999				
Lease Rate Factor	**0.05000**	**0.03640**	**0.02980**	**0.02649**
Annual Percentage Rate Factor	18.16%	18.49%	18.81%	19.99%
$20,000 to $249,999				
Lease Rate Factor	**0.04890**	**0.03520**	**0.02860**	**0.02500**
Annual Percentage Rate Factor	15.87%	16.09%	16.51%	17.27%
$250,000 to $499,999				

Lease Rate Factor	**0.04590**	**0.03250**	**0.02660**	**0.02330**
Annual Percentage Rate Factor	9.47%	10.49%	12.54%	14.06%
$500,000 and above				
Lease Rate Factor	**0.04570**	**0.03230**	**0.02640**	**0.02290**
Annual Percentage Rate Factor	9.03%	10.06%	12.13%	13.29%

532420LC Operating Lease Plan Rates				
Lease Term (in months)				
Equipment Cost	**24**	**36**	**48**	**60**
$1,000 to $9,999				
Lease Rate Factor	**0.04700**	**0.03460**	**0.02930**	**0.02630**
Annual Percentage Rate Factor	11.84%	14.87%	17.86%	19.65%
$10,000 to $19,999				
Lease Rate Factor	**0.04660**	**0.03400**	**0.02770**	**0.02430**
Annual Percentage Rate Factor	10.98%	13.63%	14.74%	15.97%
$20,000 to $249,999				
Lease Rate Factor	**0.04570**	**0.03250**	**0.02590**	**0.02230**
Annual Percentage Rate Factor	9.03%	10.49%	11.11%	12.11%
$250,000 to $499,999				
Lease Rate Factor	**0.04460**	**0.03130**	**0.02470**	**0.02150**
Annual Percentage Rate Factor	6.61%	7.92%	8.61%	10.51%
$500,000 and above				
Lease Rate Factor	**0.04440**	**0.03110**	**0.02450**	**0.02130**
Annual Percentage Rate Factor	6.18%	7.49%	8.18%	10.10%

The lease payment may be calculated by using a programmed business calculator or by using "rate- functions" provided in commercial computer spreadsheets (e.g., Lotus 1-2-3, Excel). The quoted rate factors are valid through September 30, 2016, if the rate of SWAP rates published in Federal Reserve Statistical Release h.15 increases or decreases by 50+ basis points (+.50%), the quoted rates will be refreshed to conform to the movement of the SWAP rate corresponding to the Lease Term in question. Rates assume a monthly lease payment, and shall not apply to annual, quarterly, or semi-annual payments. If the frequency of payments is to be anything other than monthly, the interest rate (corresponding to the rate factor and lease term in question) will be used, compounding over a period of time equal to the ordering agency's desired frequency of payments

(c) The purchase option price will be based upon the unamortized principle of the product. The payment will be based upon the unamortized principle, as shown on the payment schedule as of the last payment prior todate of transfer of ownership. In the event the Government desires, at any time, to acquire title to equipment leased hereunder, the Government may make a one-time lump sum payment.

Lease Payments – Monthly Calculation Example

The monthly payments can be calculated using Microsoft Excel.

1. LTOP Monthly Payment

Example -

In cell B4, type the principal or schedule price of the equipment at time of order: $20,000
In cell D4, type your term in months: 48
In cell D5, type your lease factor: 0.095
In cell F4, type the following function to calculate the monthly payment: =PMT(D5/12, D4,-B4)
Your monthly payment should equal: $502.46.

2. Operating Lease Monthly Payment

Example -

In cell B4, type the principal or schedule price of the equipment at time of order: $14,500
In cell B5, type your residual value: $1450
In cell D4, type your term in months: 60
In cell D5, type your lease factor: 0.085
In cell F4, type the following function to calculate the monthly payment: =PMT(D5/12, D4,-B4,B5)
Your monthly payment should equal: $278.01.

6. EXPIRATION OF LEASE TERM:

(a) Upon the expiration of the Lease Term, the Ordering Agency will:

(i) Upon 30 day written notice, return the Equipment to the Contractor or -
(ii) Purchase the equipment at the fair market value of the equipment or;
(iii) Obtain requirements in accordance with FAR 8.4 (Ordering Procedures) by issuing a new request for quote.

Note: Customers are advised to see paragraph 13-18 for additional lease expiration provisions.

7. ADDITIONS

For the purpose of this solicitation the definition of an addition is defined as follows:

Additions: The addition of accessories features or other enhancements available for lease under this contract to an existing model (base unit) already installed. Additions shall not change the functionality of the installed equipment.

(a) The ordering agency may require the contractor to modify existing leased equipment through order modifications, provided the modifications are customarily offered by the contractor for the equipment leased. The price of the modification will be mutually agreed upon by the ordering agency and the contractor. The ordering agency may pay for the modification at full price upon acceptance, or the modification price may be leased coterminous with the initial lease term. The contract lease interest rate in effect at the time of order of the modification will be used to calculate the monthly payment applicable to the modification. For Operating leases, a residual value should be negotiated for the modification.

The modification payment can be calculated using Microsoft Excel. The modification payment can then be added on to your existing monthly lease payment. You will need to know the following three (3) variables: the price of the modification, the months remaining on the equipment lease, and the current contract lease factor at the time of modification.

Example:
Lease to ownership

In cell A1, type the price of the modification: $1000
In cell A2, type the months remaining on the equipment lease: 19
In cell A3, type the current contract lease factor at the time of the modification: 0.625 percent
In cell A4, type the following payment function: =PMT(A3, A2,-A1)
Your modification payment should equal $55.98.

(b) The Ordering Agency may affix or install any accessory, addition, equipment or device on the equipment ("additions") provided that such additions:

(i) can be removed without causing material damage to the equipment;
(ii) do not reduce the value of the equipment; and
(iii) are obtained from or approved by ABM, and are not subject to the interest of any third party other than ABM.

(c) Any other additions may not be installed without contractor's prior written consent. At the end of the lease term, the Government shall remove any additions which:

(i) were not leased from ABM, and
(ii) are readily removable without causing material damage or impairment of the intended function, use, or value of the equipment, and restore the equipment to its original configuration.

(d) Any additions, which are not removable, will become ABM's property (lien free).

(e) Payment may be modified based on the schedule price adjusted to reflect the actual period until the end of the lease term.

(f) Should the Ordering Agency elect to replace equipment under the lease, a new FAR 8.4 competition is required. This does not preclude substitution for failure to perform. Ordering Agencies are advised that when making the decision to conduct a new competition, consideration must be given to the early termination of existing equipment and/or the financial considerations involved with the rollover of existing equipment should the current contractor prevail. Ordering Agencies are strongly advised to perform a cost benefit analysis in accordance with their agency procedures and policies with regard to rollovers.

8. RISK OF LOSS OR DAMAGE

The Government is relieved from all risk of loss or damage to the equipment during periods of transportation, installation, and during the entire time the equipment is in possession of the Government, except when loss or damage is due to the fault or negligence of the Government. The Government shall assume risk of loss or damage to the equipment during relocation unless ABM shall undertake such relocation.

9. WARRANTY

In accordance with Clause 552.246-73 under this contract, the contractor's warranty, as stated in the Contractor's GSA Authorized Price List, is applicable to the lease.

10. EQUIPMENT PERFORMANCE

(a) The equipment supplied must be in operational or repairable condition throughout the term of the lease.

(i) Operational condition means the equipment is producing clear and clean copies, all mechanical accessories are operating as intended and in all respects the equipment is performing up to the standards in the manufacturer's specifications.

(ii) Repairable condition means that the equipment can be repaired by a qualified technician within the terms of the maintenance agreement. Additionally, all required replacement parts are available and the equipment down time does not exceed that specified in the maintenance agreement.

(b) After a thirty (30) day notice and cure period, if the equipment continues to fail to be operational or repairable as defined above, the Ordering Agency may take those remedies available to it under either the contractor warranty provisions or default clause set forth in FAR 52.212-4(m). Such recourse will not be the basis for increasing the monthly payment or extending the term of the lease.

(c) Maintenance and Support:

Preventive Maintenance: Contractor shall provide preventive maintenance at least equal to the commercial practice. Intervals between scheduled maintenance services shall be defined at the task order level.

Response to Service Calls: At minimum, during normal working hours (as specified by the using activity), Monday through Friday (excluding holidays observed by the Government), the contractor shall respond to verbal, written or electronic requests for service calls. The contractor shall repair the products within either nine (9) working hours or sixteen (16) working hours (as specified by the User Activity) after the verbal or written request for the service call. However, for products identified as critical, ABM shall respond to verbal requests for service calls and shall repair the products within four (4) working hours. Products designated critical will be identified by the ordering activity in the order and shall not exceed 5 percent of the total number of products on the order. The contractor's response time on a service call starts, when authorized personnel of an ordering activity place a verbal request to the contractor for a service call or a written request is received by the contractor requesting a service call, whichever is earlier.

Contractors are required to submit a contingency plan to maintain full and proper operation of products and to avoid extended delays for repair or replacement of products.

Repair and Maintenance Service: Offerors shall submit and include in their pricelist's, a list of Names, addresses, and phone number(s) of authorized representatives, responsible to the contractor, who may be contacted by ordering activities for repair and maintenance of equipment. Only those authorized representatives listed may render maintenance service, unless the list is subsequently modified by mutual agreement between the contractor and the Contracting Officer, to add or terminate authorized representatives.

11. TITLE

During the Lease Term, the equipment shall always remain the property of the contractor. The Government shall have no right or interest in the equipment except as provided in this leasing agreement and shall hold the equipment subject and subordinate to the rights of the contractor.

12. STATE AND LOCAL TAXES (52.229-1):

Notwithstanding the terms of the Federal, State, and Local Taxes Clause, the contract price excludes all State and Local taxes levied on or measured by the contract or sales price of the services or completed supplies furnished under this contract. The contractor shall state separately on its invoices taxes excluded from the contract price, and the Government agrees either to pay the amount of the taxes (based on the current value of the equipment) to the contractor or provide evidence necessary to sustain an exemption. See FAR clauses 52.229-1 State and Local Taxes; 52.229-3 Federal, State, and Local Taxes, which are incorporated by reference.

13. EARLY TERMINATION CHARGES

Equipment leased under this agreement may be terminated at any time during a Government fiscal year by the Ordering Agency's Contracting Office responsible for the delivery order in accordance with FAR 52.212-4, paragraph (l) *Termination for the Ordering Activity's Convenience.*

The Termination Ceiling Charge is a limit on the amount that a contractor may claim from the Ordering Agency on the termination for convenience of a lease or failure to renew a lease prior to the end of the lease term for reasons other than those set forth in section 14, Termination for Non-Appropriation. Termination ceiling charges will apply for each year of the lease term (See FAR 17.1). The Ordering Agency and ABM shall establish a Termination Ceiling amount. The Contracting Officer shall insert the Termination Ceiling Charge for amount of the first year in the order and modify it for successive years upon availability of funds.

No claim will be accepted for future costs: supplies, maintenance, usage charges or interest expense beyond the date of cancellation. In accordance with the bona fide needs rule, all termination charges must reasonably represent the value the Ordering Agency received for the work performed at cancellation based upon the shorter lease term. No termination cost will be associated with the expiration of the lease term.

Formula 1: For SIN 532420LTOP - Lease To Own (LTOP)

The termination ceiling charge can be calculated using Microsoft Excel. You will need to know the following variables: Principal, Term, Lease Factor, Monthly Payment, Recalculated Monthly Payment, Total Recalculated Monthly Payment and Total Payment Made.

Example -

In cell B4, type the principal or schedule price of the equipment at time of order: $20,000
In cell D4, type your term in months: 48
In cell D5, type your lease factor: 0.095
In cell F4, type the following function to calculate the monthly payment: =PMT(D5/12,D4,-B4)
Your monthly payment should equal: $502.46.
In cell A9, type the month: 1
In cell B9, type the following formula to re-calculate the monthly payment at month 1: =PMT($D$5/12,A9,-$B$4)
In cell C9, type the following formula to calculate the total recalculated monthly payment: =A9*B9
In cell D9, type the following formula to calculate the total payment made: =A9*$F$4
In cell E9, type the following formula to calculate the Termination Ceiling Charge: =IF(C9-D9>0,C9-D9,0)
Your termination ceiling charge for month 1 should equal: $19,655.87.

Formula 2: For SIN 532420LC - Operating Leases

The termination ceiling charge can be calculated using Microsoft Excel. You will need to know the following variables: principal, residual value, term, lease factor, monthly payment, beginning principal, payment, principal, and interest.

Example -

In cell B4, type the principal or schedule price of the equipment at time of order: $14,500
In cell B5, type your residual value: $1450
In cell D4, type your term in months: 60
In cell D5, type your lease factor: 0.085
In cell F4, type the following function to calculate the monthly payment: =PMT(D5/12,D4,-B4,B5)
Your monthly payment should equal: $278.01.
In cell A8, type the month: 1
In cell B8, type the following formula to calculate the Beginning Principal: =B4-PV(D5/12,D4,0,-B5)
In cell C8, type the following formula to calculate the payment: =IF(A8>D$4,0,$F$4)

In cell D8, type the following formula to calculate the principal: =C8-E8
In cell E8, type the following formula to calculate the interest: =B8*$D$5/12
In cell F8, type the following formula to calculate the Termination Ceiling Charge: =B8-D8
Your termination ceiling charge for month 1 should equal: $13,176.62.

14. TERMINATION FOR NON-APPROPRIATION

The Ordering Agency reasonably believes that the bona fide need will exist for the entire lease term and corresponding funds in an amount sufficient to make all payment for the lease term will be available to the Ordering Agency. Therefore, it is unlikely that leases entered into under the SINs 532420LTOP/Lease to Own, and 532420LC/ Operating Lease will be terminated prior to the full lease term. Nevertheless, the Ordering Agency's Contracting Officer may terminate or not renew leases at the end of any initial base period or renewal period under this paragraph if (a) it no longer has a bona fide need the equipment or functionally similar equipment; or (b) there is a continuing need, but adequate funds have not been appropriated to the ordering agency in an amount sufficient to continue to make the lease payments. If this occurs, the Ordering Agency will promptly notify the contractor and the equipment lease will be cancelled at the end of the last fiscal year for which funds were appropriated. The determination of the availability of funds is made solely by the Government.

15. LEASE EXTENSIONS

Extension of the present lease term is not permitted. Future equipment requirements shall be procured in accordance with FAR 8.4, FSS Ordering Procedures.

16. LEASE EXPIRATIONS –LEASE TO OWN (SIN 532420LTOP)

Title to equipment installed under SIN 532420LTOP automatically transfers to the Government upon conclusion of the Lease Term Agreement.

17. LEASE EXPIRATIONS –OPERATING LEASE AND ALL OTHER EQUIPMENT (SIN 532420LC)

Extension of the present lease term is not permitted. Future equipment requirements shall be procured in accordance with FAR 8.4 covering Ordering Procedures.

Unless notified by the Ordering Agency that the Government intends to exercise its option to purchase the equipment, the equipment, upon the expiration of the lease term, will be removed by the contractor at the earliest practicable time. The Ordering Agency is responsible for removal charges. Unless specified under the schedule contract, removal charges will be administered outside the scope of the contract.

The equipment shall be in the same condition as when delivered, with the exception of ordinary wear and tear. The contractor shall conduct a timely inspection of the returned products and within thirty (30) days of the return, assert a claim if the condition of the equipment exceeds normal wear and tear.

In the event the Ordering Agency desires, at any time, to acquire title to equipment leased hereunder, the price will be mutually agreed upon by the parties.

18. RETURN OF EQUIPMENT

The Government will provide written instructions for the removal of the equipment. The Ordering Agency is required to provide serial numbers and exact location of equipment for pick up.

Upon receipt of this notice the contractor shall remove the equipment within thirty (30) days or a mutually agreed date and time. The Ordering Agency is responsible for removal charges. Unless specified under the schedule contract, removal charges will be administered outside the scope of the contract.

The equipment shall be in the same condition as when delivered, with the exception of ordinary wear and tear. The contractor shall conduct a timely inspection of the returned products and within thirty (30) days of the return, assert a claim if the condition of the equipment exceeds normal wear and tear.

Equipment not removed by the contractor within thirty (30) days of the date of notification by the Order Agency shall be considered as abandoned and subject to such disposal as the Government may deem appropriate.