



OMNI BUSINESS SYSTEMS

GROUP 36

SMALL BUSINESS

OFFICE IMAGING AND DOCUMENT SOLUTIONS

GSA CONTRACT # GS-25F-0051S

CONTRACT PERIOD: SEPTEMBER 28, 2016 – SEPTEMBER 27, 2021

REVISED AUGUST 22, 2016 TO INCLUDE MOD 0089

SIN 51-58	Lease to Ownership Plan (LTOP)
SIN 51-58a	Operating Lease Plan
SIN 51-100	Purchase of Copiers and Accessories
SIN 51-100c	Cost Per Copy Plans
SIN 51-100f	Flat-Rate Monthly-Fee Plans
SIN 51-57	Maintenance Service Plans
SIN 51-101-2	Supplies
SIN 51-500	Managed Print Services (MPS)

1011 ARLINGTON BLVD., SUITE 375 | ARLINGTON, VA 22209

P. 703-807-1000 | F. 703-527-4308

www.omnibsi.com

CUSTOMER INFORMATION

1a. **Awarded Special Item Number(s):**

SIN 51-58	Lease to Ownership Plan (LTOP)
SIN 51-58a	Operating Lease Plan
SIN 51-100	Purchase of Copiers and Accessories
SIN 51-100c	Cost Per Copy Plans
SIN 51-100f	Flat-Rate Monthly-Fee Plans
SIN 51-57	Maintenance Service Plans
SIN 51-101-2	Supplies
SIN 51-500	Managed Print Services (MPS)

1b. **Identification of the Lowest Priced Model Number:**

SIN 51-100	1018 Handset \$38.00
SIN 51-57	GBCDIESET \$ 3.00
SIN 51-101-2	Maintenance Kit 3800E \$ 7.00

1c. **Hourly Rates:** N/A

2. **Maximum Order:**

SIN 51-100	\$ 350,000
SIN 51-57	\$ 350,000
SIN 51-101-2	\$ 350,000

3. **Minimum Order:** The minimum amount for any individual Purchase Order is \$100.00.

4. **Geographic Coverage:** 48 contiguous States and the District of Columbia. OMNI Business Systems – FaxPlus, Inc. reserves the right to accept or refuse any Purchase Order, requiring delivery, installation, training or service in those areas beyond a sixty (60) mile radius of any Authorized Dealer location.

5. **Point(s) of Production (city, county, and State or foreign country):** All products offered are either U.S. made end products, Designated Country end products, Caribbean Basin Country or North America Free Trade Agreement (NAFTA) country end products as defined FAR 52.225-5, Trade Agreement.

6. **Discount:** All prices shown herein are net prices. Government discounts have been previously deducted.

7. **Quantity Discounts:** All quantity discounts are as indicated on individual pricing pages.

8. **Prompt Payment Terms:** Net 30 Days.

9a//b. **Government Credit Card:** The Government purchase card is accepted for all transactions under the terms of this contract.

10. **Foreign Items:** All of the foreign items contained in this Federal Supply Schedule have been excluded for the Buy American procedures under the Trade Agreement Act of 1979.

11a. **Time of Delivery:** Delivery of those products contained herein will be made within thirty (30) days after receipt of Purchase Order (ARO) by OMNI Business Systems - FaxPlus, Inc.

11b. **Expedited Delivery:** By mutual agreement between ordering agency & contractor.

11c. **Overnight and 2-day Delivery:** By mutual agreement between ordering agency & contractor

11d. **Urgent Requirements:** By mutual agreement between ordering agency & contractor

12. **F.O.B. Point(s).** FOB Destination to the 48 Contiguous States and Washington DC and port of exit to Alaska, Hawaii and Puerto Rico.

13a. **Ordering Address:**

OMNI Business Systems - FaxPlus, Inc.
1011 Arlington Blvd., Suite 375
Arlington, VA 22209

Authorized Dealer for SIN 51-500, "Managed Print Services".

RICOH USA, INC.
70 Valley Stream Parkway
Malvern, PA 19355-1407
Office Phone: (610) 407-4951

13b. **Ordering Procedures:** For supplies and services, the ordering procedures, information on Blanket Purchase Agreements (BPA's), and a sample BPA can be found at the GSA/FSS Schedule homepage (fss.gsa.gov/schedules).

14. **Payment Address:**

PURCHASE: SIN 51-100, SIN 51-57 & SIN 51-101-2

Remit to:

OMNI Business Systems - FaxPlus, Inc.
1011 Arlington Blvd., Suite 375
Arlington, VA 22209

Small Business

DUNS Number: 19-380-3103
Federal ID Number: 52-1568684
Cage Code: 0PZ31

LEASE: SIN 51-58, 51-58a, 51-100c & 51-100f

Remit to:

OMNI Business Systems - FaxPlus, Inc.
1011 Arlington Blvd., Suite 375
Arlington, VA 22209

DUNS Number: 19-380-3103 - 2011
Federal ID Number: 52-1568684 - 01
Cage Code: 67WA8

15. **Warranty Provision:** OMNI Business Systems - FaxPlus, Inc., guarantees that the items covered by this contract for Purchase shall be free from defects in workmanship and material for a period of ninety (90) days from date of delivery. Date of delivery is not the same date of installation, which may be at some later time. OMNI Business Systems - FaxPlus's obligation there under is expressly limited to the repair or replacement, at OMNI Business Systems - FaxPlus's election, of such defective items. OMNI Business Systems - FaxPlus, Inc. must be notified, in writing, within the ninety (90) day guarantee period, and those items stated as defective must be established as defective upon inspection by OMNI Business Systems - FaxPlus. Replaced parts remain the property of the Government. If not repaired or replaced by OMNI Business Systems - FaxPlus, OMNI Business Systems - FaxPlus's liability shall be limited to the stated contract selling price of such items. Those items returned to OMNI Business Systems - FaxPlus, must be returned within ten (10) working days of the guarantee period at such place as may be designated by OMNI Business Systems - FaxPlus. This guarantee does not extend to any item that has been subject to Government misuse, neglect or accident, nor does it extend to any item that has been repaired, altered or replaced by other than OMNI Business Systems - FaxPlus. Other repairs, not under guarantee provisions, may be made as such changes to the Government as OMNI Business Systems - FaxPlus, Inc. may from time to time generally establish. The remedies provided herein are the Government's sole and exclusive remedies. In no event shall OMNI Business Systems - FaxPlus, Inc. be liable for direct, indirect, special, incidental or consequential damages based on contract, tort or any other legal theory, arising out of delays in repair to, or loss of use of the items stated. The foregoing warranties are in lieu of all other guarantees, expressed or implied, and OMNI Business Systems - FaxPlus, Inc. specifically disclaims the implies guarantees of merchantability and fitness for a particular purpose.

16. **Export Packing Charges:** By mutual agreement between ordering agency & contractor.

17. **Terms and Conditions of Government Purchase Card Acceptance:** Yes, Net 30

18. **Terms and Conditions of Maintenance and Repair:**

A. Order: A written Purchase Order or Government Purchase Card shall be the only basis for a Maintenance Service Agreement in accordance with the terms of this contract, and shall refer to Corporate Contract Number GS-25F-0051S. Federal Requisitions or Letters of Intent are not Purchase Orders.

Maintenance may commence on the day following warranty expiration. The Purchase Order shall include a mutually agreed-upon commencement date, the machine type, model, serial number, meter reading, point of contact personnel, telephone number, and separate maintenance charges for attachments, if applicable.

In the event that the effective date of a OMNI Business Systems - FaxPlus, Inc. Annual Maintenance Service Agreement is other than October 1st, the charge for an Annual Copy Allowance shall be prorated to exclude the period of time between the start of the fiscal year (October 1st) and the actual Maintenance Service Agreement purchase date. Maintenance Service Agreements effective at the

beginning of a fiscal year shall be for a full year and will not be prorated. The maintenance charge entitles the Government customer to copier maintenance for the balance of the fiscal year, or for the total prorated copy allowance, whichever occurs first.

B. Coverage: Geographical coverage for maintenance is based on ONE zone – 0 to 60 miles' distance from the servicing location. Maintenance performed beyond the 60-mile radius will be at a higher rate by mutual agreement between ordering agency & contractor.

OMNI Business Systems - FaxPlus's maintenance service coverage rates provide full coverage (drum included). Standard coverage (drum excluded) is not available under the terms of this contract. Service includes one annual Preventive Maintenance, determined by specific needs of the individual machine. Preventive Maintenance will include lubrication and necessary adjustments. Preventive Maintenance may be performed during a regular routine maintenance service call.

C. Upgrade: The Government shall have the right to upgrade, once during the fiscal year, from the Maintenance Agreement purchased, to an agreement with a higher copy allowance. The Government shall be responsible for all administration required to modify the original Purchase Order, and agrees to pay the prorated difference between the published charges for the new Maintenance Agreement and the original Maintenance Agreement. The Cost-Per-Copy charge for the upgraded agreement shall apply to all copies made in excess of the prorated copy allowance.

D. Invoice: OMNI Business Systems - FaxPlus, Inc. shall bill, and the Government agrees to pay, for all copies made during the fiscal year in excess of the allowance, at the published Cost-Per-Copy rate corresponding to the allowance referenced in the Maintenance Agreement. Excess charges to be billed at the conclusion of the agreement period, or upon achieving annual copy allowance, whichever occurs first.

Alternately, OMNI Business Systems - FaxPlus, Inc. shall bill, and the Government agrees to pay Maintenance charges, together with excess copy charges on a monthly basis. Payment will be prorated on the basis of 1/12th of the offered price for each month the service is rendered, plus 1/30th of the monthly rate for each day less than a complete month.

E. Renewal: The price stated at the beginning of a Maintenance Agreement shall remain the same only for the fiscal year in which it was issued. In the event of a price change, the newer price shall apply to existing Maintenance Agreement at the beginning of each new fiscal year. Price changes for new Maintenance Agreements to be effective as of the date of award. Price changes apply too basic copier units and any attachments included thereon. OMNI Business Systems - FaxPlus, Inc., will renew Maintenance Service Agreements through the fifth year of continuous use without reconditioning the copier as a requirement for renewal. However, should the Government desire to continue under a Maintenance Agreement beyond five (5) continuous years, equipment will be subject to inspection for reconditioning at Government's expense.

F. Discontinuance: Cancellation of Maintenance Service may be at any time during the contract period. Notice must be received in writing by OMNI Business Systems - FaxPlus's Service Manager, thirty (30) calendar days in advance of cancellation date. There are no penalty charges for early cancellation of a Maintenance Agreement. Any balance due, prior to cancellation date, must be paid in full to OMNI Business Systems - FaxPlus, Inc. within thirty (30) calendar days after the cancellation date.

G. Service: Service will be provided during normal business hours and begin no later than nine (9) working hours after receipt of written or oral notice. Normal working hours are 8 a.m. to 5 p.m., Monday through Friday.

Service will be performed on an on-call basis that includes replacement of unserviceable parts with new or rebuilt parts. Replaced parts on Government owned equipment would remain in the possession of the Government, with the exception of printed circuit boards and copy drums. Failure to render service within nine (9) working hours (maximum) after written or oral notification, will be subject to a deduction of 1/30th of the monthly rate for each day the equipment is inoperative.

Emergency service (within four (4) hours) can be provided outside the Maintenance Agreement on an "Open Market" basis. In the event of extensive maintenance, OMNI Business Systems - FaxPlus, Inc., will provide a temporary replacement unit, if available. The replacement machine may, or may not, have the same features as the machine being replaced.

H. Service Credit: OMNI Business Systems - FaxPlus, Inc., shall grant a credit to the Government for any machine that fails to perform at an effectiveness level of 90% during any month. The effectiveness level for a machine is computed by dividing the total productive time, by the sum of that time, plus machine failure downtime. The credit shall be a percentage amount of the fixed monthly maintenance charge, which is determined by subtracting the actual percentage of effectiveness level attained during the month from 90%. Example: if the effectiveness level for a machine is 87% for the month, the credit would be 3% of the fixed monthly maintenance charge; if the effectiveness level is 90% or higher, there is no credit due under this provision. It is the responsibility of the Government to prove default.

I. Accessories: Maintenance pricing for OMNI Business Systems - FaxPlus, accessories are as listed, and are in addition to copier maintenance charges for basic unit.

The Maintenance Service Agreement does not include service or adjustment of parts which were not furnished by OMNI Business Systems - FaxPlus, except for common hardware items such as screws, nuts, bolts, clasps and commercially available parts, e.g. light bulbs, etc.

OMNI Business Systems - FaxPlus, Inc. may provide to the Government, and install a non-Brand attachment that has OMNI Business Systems - FaxPlus's approval and Underwriters Laboratory (UL) combination listing for compatibility use in conjunction with the Branded equipment to which it is to be attached on an "Open Market" basis.

J. Excess Use: Maintenance Agreements on machines performing sixteen (16) hour shifts will be two (2) times the published rate, see Section B - "MAINTENANCE PRICES". Maintenance Agreements on machines performing in excess of sixteen (16) hour shifts will be on an Open Market Basis.

NOTE: In states where tax is imposed on repair and maintenance contracts, the proportional cost for repairs and labor is as follows: 75% labor, 25% parts.

K. Geographical Zone Limitations: Service performance beyond a sixty (60) mile radius shall be on an Open Market basis. All mileage figures are based on distance from an Authorized Brand Dealer. Service to Alaska and Hawaii will be at a rate 25% higher than rates as shown.

L. Access To Equipment: OMNI Business Systems - FaxPlus, Inc., shall have full access to the machines to provide service thereon.

M. Movement Of Installed Equipment Under Maintenance Service: Machines under this contract for Maintenance Service shall not be moved from the general location in which installed, except in an emergency, unless OMNI Business Systems - FaxPlus's Service Manager has been notified, in writing, thirty (30) calendar days in advance that a move is to be made. Upon receipt of notice, and approval by OMNI Business Systems - FaxPlus, machines may be transferred from one Government location to another, but without cessation of maintenance charges during the period of transfer. Charges for machine movement and transfer to be on an Open Market basis, when relocation is made by OMNI Business Systems - FaxPlus. Machine movement and transfer of equipment made by the Government, without notice to OMNI Business Systems - FaxPlus, will incur a charge of two (2) times the monthly maintenance rate for each month of infraction, or part thereof.

N. Lapse In Maintenance Coverage: OMNI Business Systems - FaxPlus, Inc. reserves the right to recondition any machine that is to be placed under Maintenance Agreement, if thirty (30) days or more have elapsed between the purchase warranty expiration date and the maintenance commencement date, or if thirty (30) days or more have elapsed between Maintenance Agreements. When, in OMNI Business Systems - FaxPlus's opinion, a shop reconditioning is necessary because normal repair and parts replacement cannot keep the equipment in satisfactory operating condition, OMNI Business Systems - FaxPlus, Inc. will submit an Open Market cost estimate. Such work, if authorized by the Government, will be provided in addition to the applicable maintenance service rate.

O. Liability: If a person other than a OMNI Business Systems - FaxPlus, Inc. trained technician, or an Authorized Brand Dealer, performs service or repair on a Branded machine, and as a result further repair by OMNI Business Systems - FaxPlus, Inc. is required to restore the machine to good operating condition, such repair shall be at the Government's expense on an hourly basis at "Open Market" rates. If a person other than a OMNI Business Systems - FaxPlus, Inc. trained technician, or an Authorized Brand Dealer, performs service or repair on a OMNI Business Systems - FaxPlus, Inc. machine during the warranty period, such warranty becomes null and void as of the date of service rendered.

P. Exclusions: Service does not include:

- a) Machines located in an unsafe or hazardous environment as determined by OMNI Business Systems – FaxPlus, Inc.
- b) Furnishing supplies, attachments, painting, refinishing or furnishing material for making specification changes. Performing service connected with relocation of machines and adding or removing attachments, is also excluded.
- c) Electrical work external to the machine or maintenance of attachments or attachments to the machine or other devices not furnished by OMNI Business Systems – FaxPlus, Inc.
- d) Repair or damage resulting from accident, transportation, neglect or misuse, failure of electrical power, air conditioning or humidity control, or other causes other than ordinary use.
- e) Maintenance Agreements for shipboard or airborne-based equipment. However, on-call service on an "Open Market" basis will be provided if equipment is located within the geographical scope of this contract.

19. Terms and Conditions of Installation: It is the Government's responsibility to provide a suitable space and environment for installation.

Installation in those areas beyond a sixty (60) mile radius will be on an Open Market basis. OMNI Business Systems-FaxPlus, Inc. will deliver, unpack and install the equipment, which includes checking the equipment for proper machine operation. An additional open market charge will be included for inside drayage in the event of unusual circumstances such as inoperable elevators confined passage, narrow clearance, restricted stairwells, excessive incline, etc. These charges, if applicable, will be itemized on the invoice for delivery. Installation charges apply to Special Item Number 51-100 (Purchase).

Accessories installed originally with the basic system, will not require an installation charge. Installation charges are assessed to the Government when the accessory is not included on a previously installed system. If an accessory is not included with initial installation due to a OMNI Business Systems - FaxPlus, Inc. related situation, then no additional charge will apply upon completion of the installation.

20. Terms and Conditions of Repair Parts Indicating Date of Parts Price Lists and any Discounts from List Prices: By mutual agreement between ordering agency & contractor.

20a. Terms and Conditions for any Other Services: By mutual agreement between ordering agency & contractor.

21. List of Service and Distribution Points:

OMNI Business Systems-FaxPlus, Inc.
1011 Arlington Blvd., Suite 375
Arlington, VA 22209

For other Service Points: All Authorized Service Dealers

22. List of Participating Dealers: None.

23. Preventive Maintenance: Preventive Maintenance is offered to all Maintenance customers at the interval recommended by the manufacturer for that specific model.

24. Special Attributes such as Environmental Attributes: The manufacturers recycling center is ISO 9002 Certified for Quality Management and ISO 14001 Certified for Environmental Management.

The products utilize quick startup technology allowing the products to run at full operation quickly while reducing energy consumption when in the Sleep Mode.

The Manufacturer has won multiple Environmental Awards. Among them are: All products are Energy Star compliant and the Manufacturer has won the "Office Equipment Partner of the Year" for 5 consecutive years. Innovest's "EcoValue 21" Environmental Rating ranked our Manufacturer #1 out of 11 companies with an AAA rating for demonstrating a balance between business and environmental conservation. (See Brochure #S1925 for complete list)

24b. If Applicable, Indicate that Section 508 Compliance: Voluntary Product Accessibility Templates are available for all products.

25. Data Universal Number System (DUNS) Number: 19-380-3103
Tax ID Number: 52-1568684.

26. Notification Regarding Registration in Central Contractor Registration: Contractor is registered in the (CCR) database 1998B025035.

LEASING OF GENERAL PURPOSE COMMERCIAL EQUIPMENT

SINs: 51 58 Lease-to-Ownership Plan (LTOP) – Copiers
51 58a – Operating Lease Plan – Copiers Only

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) 51 58, 51 58a or 51 58b, 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 51 58, 51 58a or 51 58b. 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 copiers.
- 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:
 - 1) Which product(s) is (are) required.
 - 2) The required delivery date.
 - 3) The proposed term of the lease.
 - 4) Where the equipment will be located.
 - 5) Description of the intended use of the equipment.
- c) The contractor will respond with:
 - 1) Whether the contractor can provide the required equipment.
 - 2) The monthly payment based on the rate and the initial and residual values of the equipment.
 - 3) The estimated cost, if any, of applicable State or local taxes.
 - 4) A confirmation of the availability of the equipment on the required delivery date.
 - 5) Extent of warranty coverage, if any, of the leased products.
 - 6) Cite the cost of any mandatory maintenance as applicable.
 - 7) The Termination Ceiling Charges, as applicable. (See Section 13, Early Termination Charges).
- d) The ordering agency and 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 under which the equipment is being leased.

51 58	Lease to Ownership Plan (LTOP) (Lease/Purchase) (Copier)
51 58A	Lease with Option to Own (Operating Lease) (Copier)
51 58B	Lease with Option to Own (Operating Lease) (All Other Products under the 36 Schedule)

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

- 1) 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.
 - 2) 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 the contractor 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: Examples: Lease factor one (1) percent over the rate for the three-year (or other term) Treasury Bill (T-bill) at the most current U. S. Treasury auction.

or

The Contractor's most favored finance rate factor as agreed to during contract negotiations.

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).
- 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 to date 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.

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 15-18 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.

For example:

Lease to ownership

Price of the modification - \$1,000

Months remaining on the equipment lease - 19

Current contract lease factor at the time of the modification - 0.045 for 24-month lease, the term closest to remainder of lease.

Interest equivalent (i) for lease factor is 0.625% per month $[\text{rate}(N, -\text{pmt}, \text{Price}) / \text{rate}(24, -0.045, 1)]$

Modification Payment \$55.98 $[\text{PMT}(i, N, P) / \text{PMT}(.625\%, 19, 1000)]$

- b) The Ordering Agency may affix or install any accessory, addition, equipment or device on the equipment ("additions") provided that such additions:
 - (1) can be removed without causing material damage to the equipment;
 - (2) do not reduce the value of the equipment; and
 - (3) are obtained from or approved by the contractor, and are not subject to the interest of any third party other than the contractor.
- c) Any other additions may not be installed without the contractor's prior written consent. At the end of the lease term, the Government shall remove any additions which:
 - (1) were not leased from the contractor, and
 - (2) 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 the contractor'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 the Contractor 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.
 - 1) 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.
 - 2) 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: The contractor shall provide preventive maintenance at least equal to the commercial practice. Intervals between scheduled maintenance services shall be no greater than those provided to commercial customers for the same model of copier.

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 or written requests for service calls. The contractor shall repair the copier 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 copiers identified as critical, the contractor shall respond to verbal requests for service calls and shall repair the copier within four (4) working hours. Copiers designated critical will be identified by the ordering activity in the order and shall not exceed 5% of the total number of copiers 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 copiers and to avoid extended delays for repair or replacement of copiers.

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 Government'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 contractor 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 Lease To Own (LTOP) SIN 51-58

Termination Fee = $pmt(i,n,P) * n - \text{sum of PMT} - \text{FMV}$

"P" = Schedule Price of equipment at time of order, inclusive of Ordering Agency negotiated price reductions should be considered.

"PMT" = Actual Monthly Payment paid on order to termination

"i" = Monthly Interest Rate applicable to the order

"n" = number of months from order to termination

"pmt" = Monthly payment corrected to actual lease term"

"FMV" = Fair Market Value of equipment if returned at termination. Unit price adjustments, residual or FMV values used to calculate operating leases, should not be considered

Formula 2: For Operating leases SIN 51 58a and 51 58b

Termination Fee = $PV(i, n, -PMT)$

"PV"= Present Value

"i" = Interest rate per month, equal to the interest rate applicable to the calculation of the payment on the delivery order

"n"= Number of months remaining from termination date to the end of the lease term

"PMT" = Current monthly payment amount of the original payments through end of the lease

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 51 58/Lease to Own (Copiers), 51 58a/Operating Lease (Copier), and 51 58b/all other equipment 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 copier requirements shall be procured in accordance with FAR 8.4, FSS Ordering Procedures.

16. LEASE EXPIRATIONS – SIN 51 58/LEASE TO OWN: Title to equipment installed under SIN 51 58 automatically transfers to the Government upon conclusion of the Lease Term Agreement.

17. LEASE EXPIRATIONS – SIN 51 58A/OPERATING LEASE AND 51 58B/ALL OTHER EQUIPMENT

Extension of the present lease term is not permitted. Future copier 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.

GENERAL REQUIREMENTS FOR SIN 51-100C AND SIN 51-100F

1. **MAINTENANCE COVERAGE:** The contractor shall not sell, rent, or lease any equipment to any activity for which the contractor cannot meet the provision of repair and maintenance services.
2. **SECURITY** will be handled at the task order level.
3. **EQUIPMENT LOCATION:** To facilitate prompt servicing of equipment, ordering activities must specify the type of equipment and whether equipment is for purchase, lease/rent or maintenance service, location of the equipment, and will advise the contractor of any subsequent change of equipment location.
4. **PURCHASE ORDER/BILLING:** The contractor shall bill the ordering agency as agreed upon.
5. **TERMINATION:** The CPC and FRFF plans are based on SIN 51-58A, for termination, see Provisions Applicable to SIN 51-58A Operating Lease.
6. **SAFETY PRECAUTIONS:** The contractor shall identify to the ordering activity in writing (e.g., via instruction sheet, operators' manual, maintenance manual) those safety precautions and hazardous materials as it relates to the purchase product made against this schedule.
7. **OPERATOR'S TRAINING:** Unless waived in the purchase order, the contractor shall provide operator training and operator manual for key operators as identified by the Government's authorized representative at the time of or prior to installation of the initial equipment. On an "as needed" basis within 3-5 working days of such request by the Government, additional training may be required to maintain qualified key operators when personnel are relocated or retire etc. It is estimated that one key operator per equipment per year will require training (e.g., for equipment that is in place for 4 years, it is estimated that 4 key operators will require training for that equipment).
8. **EQUIPMENT DEMONSTRATION:** Unless waived in the purchase order, the contractor shall demonstrate that the equipment is properly functioning at the time of installation. This demonstration shall be accomplished pursuant to the operating instructions furnished with the equipment and in the presence of the Government's authorized representative.
9. **EQUIPMENT ACCEPTANCE:** Upon determination that the equipment is acceptable, the Government's authorized representative, having responsibility for accepting the equipment under the purchase order, will sign the equipment acceptance document.
10. **COPIER PAPER:** Copier equipment shall be fully capable of operating satisfactorily and producing acceptable copies
11. **REMANUFACTURED EQUIPMENT:** Remanufactured equipment is equipment which has been subjected to certain processes including, but not limited to, the following: disassembly, cleaning, refinishing to the appearance of new equipment, replacement of all worn or defective components, and inspected and tested to new machine standards. No components other than those newly manufactured will be used as replacements, except in applications that does not affect machine performance.
12. **SPECIAL REQUIREMENTS**

GUARANTEED MINIMUM MONTHLY VOLUMES FOR EACH VOLUME BAND (OCT 1999)

- a) SIN 51 100C – For Cost-Per-Copy, the Guaranteed Monthly Minimum Volume (i.e., guaranteed number of copies per month) for each copying machine volume band are as follows:

VOLUME BAND GUARANTEED MONTHLY MINIMUM VOLUME

Volume Band 1	750 copies per month
Volume Band 2	5,001 copies per month
Volume Band 3	15,001 copies per month
Volume Band 4	30,001 copies per month
Volume Band 5	50,001 copies per month
Volume Band 6	80,001 copies per month
Volume Band 7	100,001 copies per month

- b) SIN 51 100C – Excluding the copying machines described in (c) and (d) below, if the actual monthly volume (i.e., actual total number of copies) is less than the “Guaranteed Monthly Minimum Volume” the Government agrees for the number of copies identified under the “Guaranteed Monthly Minimum Volume” at the order cost-per-copy price.
- c) SIN 51 100C – The “Guaranteed Monthly Minimum Volume” is not applicable to copier machines installed less than the total billing month. The actual copies from these machines will be paid at the order cost-per-copy price.

SIN 51 100C – In any month in which the Monthly Effectiveness Level (MEL) is less than 95 percent, the Government will not be responsible for paying any charge for lack of monthly volume.

- d) SIN 51 100F – Neither guaranteed or copy charges are applicable.

OFFEROR’S PRICING - COST-PER-COPY (CPC) (SIN 51-100c) & FLAT-RATE MONTHLY-FEE (FRMF) (SIN 51-100f)

Pricing for each volume band and tier for copiers will include:

- Consumables (except paper and transparencies);
- Full maintenance and repair services (including both preventive and emergency repairs during normal working hours); and
- Training for key operators, at the time of machine installation, as well as later as required by an ordering activity to maintain availability of trained key operators.

Offer pricing should be based on order quantities from 1 to 500 copiers located in a single urban area. For pricing purposes, the number of copiers shall be grouped into the following tiers:

Tier 1: 1 - 24 copiers

Tier 2: 25 - 99 copiers

Tier 3: 100 - 199 copiers

Tier 4: 200 - 299 copiers

Tier 5: 300 - 500 copiers

If this additional copier quantity increases the aggregate number of ordered copiers such that the quantity falls into a higher tier, the lower prices available in the higher tier will apply to the aggregate (total) number of ordered copiers. The lower prices for the aggregate number of copiers will commence upon Government acceptance of that copier which causes the aggregate number of ordered copiers to fall into a higher tier. The term of placement for the additional copiers will have the same agreement end date as that of the initial copiers.

NOTE TO OFFERORS: Your attention is called to the fact that the requirements for each volume band of copier includes both a requirement for a minimum number of copies per minute and a requirement for a monthly volume production capability. There is no direct relationship, either stated or implied, between these two requirements. The fact that any copier model meets the copies-per-minute requirement for a particular VB does not, in any way, imply that it automatically qualifies to meet the monthly volume requirement. **The offeror’s certification relative to monthly volume capability is to be based solely upon the offeror’s engineering knowledge and in-service experience with the copier model being offered for a particular VB.** Offerors are cautioned that compliance with the words “Capable of producing” in the monthly volume requirement for each VB defines a machine that will regularly produce, as a minimum, the upper limit of the stated number of copies per month without excessive malfunctions, breakdowns, or service calls. A high incidence of such problems with any copier model supplied may indicate probable noncompliance with the monthly volume requirement and may result in (1) requests for replacement of all units of this model with other models that can produce the required volumes of copies in a more reliable manner, (2) a decision not to renew the contract, or (3) termination for default proceedings.

CONSUMABLE SUPPLIES (CPC & FRMF): All consumable supplies (with the exception of paper and transparencies) required for copier operations shall be included in the resulting price. This includes consumables (e.g., staples needed to operate stapling devices) whether optional or standard with the copiers covered under the contract. The Government will not be responsible for providing any consumable supplies (with the exception of paper and transparencies) and for moving, storing, inventorying, or issuing the contractor’s consumable supplies. Paper and transparencies for use in the copiers will be purchased by the Government and made available at the using activity’s location(s). On or about the same day of each month, the contractor shall ensure that each copier is furnished with sufficient consumable supplies (excluding paper and transparencies) to produce a volume of copies equal to that stated as the lower limit of the Volume Band for that particular copier. In addition, the contractor shall respond to verbal orders for additional consumable supplies under the following conditions: Orders for additional consumable supplies shall be accepted only from persons identified on the user activity’s list of personnel authorized to order supplies. Orders will state the quantity and type of consumable supplies required and the location and serial number of the copier for which the additional consumable supplies are being ordered. The contractor shall deliver additional consumable supplies within a period of twenty-four hours after receipt of a verbal order. Consumable supplies from the contractor shall be delivered during normal business hours, Monday through Friday (excluding holidays observed by the Government), as specified by the using activity. The contractor shall identify a point of contact for consumable supplies (e.g., for order, receipt, coordination, delivery, and maintenance of supplies).

PARTS AND SUPPLIES AVAILABILITY (CPC & FRMF): The contractor shall have parts and supplies in quantities sufficient to service the resulting contract. The contractor shall have a delivery system capable of delivery even under extreme emergency conditions.

MAINTENANCE AND SUPPORT (CPC & FRMF)

Preventive Maintenance: The contractor shall provide, at a minimum, one yearly service call as a preventive maintenance service to ensure that each copier furnished under the resulting contract is maintained in fully operational condition. However, intervals between scheduled maintenance services shall be no greater than those provided to commercial customers for the same model of copier.

Response to Service Calls: 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 or written requests for service calls. The contractor shall repair the copier within either nine (9) working hours or sixteen (16) working hours (as specified by the using activity) after the verbal or written request for the service call. However, for copiers identified as critical, the contractor shall respond to verbal requests for service calls and shall repair the copier within four (4) working hours. Copiers designated critical will be identified by the ordering activity in the order and shall not exceed 5% of the total number of copiers 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.

Backup and Replacement Copiers: The contractor shall have backup and replacement copiers available to support each Volume Band. Backup copiers are those copiers that are temporarily installed. Replacement copiers are those copiers that are installed in place of a malfunctioning copier and that are intended to remain in place for the remainder of the contract period. When a copier cannot be repaired within sixteen (16) working hours, the ordering activity may require the contractor to provide a backup copier. The contractor shall deliver backup copiers within eight (8) working hours of the ordering activity's notifying the contractor that a backup copier is required. Backup copiers must equal or exceed the capabilities of the copier being replaced. The contractor's charges for use of the backup copier shall be identical to the charges for use of the original copier being replaced. If the original copier is not satisfactory repaired and returned to the ordering activity within a total of forty (40) working hours from the time of request for a service call, the contractor shall provide a replacement copier of the same make and model as the original copier or a replacement copier satisfactory to the ordering activity. If agreed to by the ordering activity, the backup copier may be used as the replacement copier. The contractor shall provide the ordering activity with the serial number, location, and model number of the replacement copier.

Qualification of Personnel (CPC & FRMF): The contractor shall have qualified management, service technicians and delivery personnel in sufficient numbers to service and support the requirements under contract within the specified response times. Failure to maintain sufficient qualified personnel to meet the required response times may result in termination for default. The offeror shall designate and identify a program/project manager who is authorized to make decisions to ensure that the contract implementation and day-to-day operation is efficient and effective. At the time of submission of the offer, the offeror shall submit descriptions of the pertinent experience of those employees that will have principal responsibility for the Cost-per-Copy and Flat Rate Monthly Fee Programs (e.g., program/project manager; key customer service representatives, dispatchers, service technicians).

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.

COPIER OPERATIONAL EFFECTIVENESS (CPC & FRMF)

Initial Installation: If a copier is not fully operational at the time of installation, the Government may, at its option, require the contractor to provide an immediate replacement copier. A fully operational copier can satisfactorily perform all the performance functions applicable to the copier.

Replacement Copier: Replacement copiers are those copiers that are installed in place of a malfunctioning copier and that are intended to remain in place for the remainder of the contract period.

Monthly Effectiveness Level: Each copier furnished under the resulting contract shall perform at a 95 percent or higher Monthly Effectiveness Level (MEL). The Monthly Effectiveness Level percentage shall be calculated as follows: $\text{Monthly Effectiveness Level percent} = ((\text{total monthly production period in hours}) - (\text{total number of copier downtime hours over the monthly production period})) / (\text{total monthly production period in hours}) \times 100$. The total monthly production period in hours shall be calculated by multiplying 8 hours per day times the number of working days in the month (weekend and Federal holidays excluded). The total number of copier downtime hours over the monthly production period shall be calculated as the number of minutes the copier was down (unable to perform one or more of its specified functions) during the monthly production period, divided by 60.

Credit (MEL): Failure of any copier to achieve a Monthly Effectiveness Level of 95 percent or higher shall entitle the Government to unilaterally take credit against the monthly billing for that particular copier. The credit shall be calculated as the difference between 100 percent and the achieved MEL percent times the maximum monthly charge. For copiers under a cost-per-copy plan, the maximum monthly charge will be calculated based on the lower number of copies specified under the Volume Band applicable to the copier. For copiers under a flat-rate monthly-fee plan, the maximum monthly charge will be the flat-rate monthly charge. In any month in which the Monthly Effectiveness Level is less than 95 percent, the Government will not be responsible for paying any charge for lack of monthly volume. If the MEL is 95 percent or higher, the Government will take no credit. e.g., Credit calculation: If the copier was down for 1200 minutes in a month which had a total monthly production

period of 21 days and the monthly cost-per-copy charge was .005 cents per copy for a Volume Band III (30,000 copies per month) copier, the Government's unilateral credit against the monthly billing would be calculated as follows:

Total monthly production hours: 21 days' times 8 hours = 168 total monthly production hours
Total number of copier downtime hours over the monthly production period:
1200 minutes divided by 60 = 20 hours
MEL percent: (168 minus 20, divided by 168) times 100 = 88.095 percent
Credit percentage taken: 100 percent minus 88.095 percent = 11.005 percent Monthly maximum cost-per-copy charge:
(\$.015 per copy) times (30,000 copies) = \$450
Government credit: 11.005 percent of \$450 = \$ 49.52

If a copier operates at less than a 90 percent Monthly Effectiveness Level for any month, the ordering activity shall have the option to require the contractor to replace the copier with a new replacement copier and the Government's right to unilaterally take credit against the monthly billing.

In lieu of requiring a replacement of the copier, the ordering activity (e.g., Program Manager) may require the contractor's authorized representative to certify (e.g., on the repair record) that sufficient maintenance has been performed to ensure a 95 percent or higher Monthly Effectiveness Level. If the ordering activity exercises this option, the Government shall still retain the right to unilaterally take credit against the monthly billing. If after certification, the copier operates at less than 95 percent Monthly Effectiveness Level for the following month, the contractor shall replace the copier with a brand new copier or the Government may opt to terminate the contract for default.

REMANUFACTURED EQUIPMENT: Remanufactured equipment is defined as equipment which has been remanufactured/rebuilt to new machine specifications, and which has not been used at any time prior to delivery after the remanufacturing/rebuilding process. Remanufacturing/rebuilding as defined herein shall include, but not limited to: cleaning, refinishing, inspection, and testing components. Remanufactured/rebuilt components will be utilized as replacements only in applications that do not affect machine performance. Warranty, maintenance, and service terms for remanufacture/rebuilt machines shall be identical to those provided for are machines.

LEASE TERMS:

SIN 51-58 Lease to Ownership Plan (LTOP)

12 MONTH	0.00000
24 MONTH	0.04930
36 MONTH	0.03550
48 MONTH	0.02860
60 MONTH	0.02500

SIN 51-58a Operating Lease Plan (FMV)

24 MONTH	0.04510
36 MONTH	0.03275
48 MONTH	0.02650
60 MONTH	0.02300

SIN 51-100c Cost per Copy Plan

SIN 51-100f Flat Rate Monthly Fee Plan

Rates Based on \$20,000+

TERMS AND CONDITIONS APPLICABLE TO MANAGED PRINT SERVICES (MPS), SIN 51-500

Scope:

Omni Business Systems - FaxPlus, Inc., Managed Print Services (MPS) is a customized system solution design for customers who wish to maximize the utilization of their multi-functional and network printer devices deployed either divisionally or enterprise wide. MPS is a systems approach for managing output devices to achieve maximum efficiency, lower cost, lower carbon foot print, and provide comprehensive maintenance services, supply delivery and consultative services. Omni Business Systems – FaxPlus, Inc. MPS offer the following:

1. **Life Cycle Management of output devices:** Omni Business Systems – FaxPlus, Inc. utilizes data collection tools, such as Print Fleet, Print Audit, Labrador, and @Remote. These tools are used to monitor, manage and report status and performance of all devices in the organization that are under contract. Omni Business Systems – FaxPlus, Inc. provides the organization with clear, concise reports to assist agency management in making decisions regarding its fleet utilization and deployment. Omni Business Systems – FaxPlus, Inc. will establish a list of Key Contacts for the devices that need manual collects. Each month they will receive an e-mail or facsimile to print out the meter reading for their devices and forward to Omni Business Systems – FaxPlus, Inc. This data will be entered into our eAutomate System which will generate reports on usage. The usage reports can be entered into through our TCO Program to provide information to the agency management for annual TCO costs.
2. **Maintenance and Supply Services:** Omni Business Systems – FaxPlus, Inc. offers full service maintenance to include supplies for all devices under contract. Utilizing our Managed Systems approach, we offer four (4) hour response time in the Washington DC Metro Area and (8) hour response time within CONUS for all service related issues. We provide all labor and parts including process kits to achieve maximum uptime of the multi-functional / network printer fleet. Omni Business Systems – FaxPlus, Inc. offers just in time supply inventory. Data collection devices compile information in conjunction with our EAutomate Inventory System, which will enable Omni Business Systems – FaxPlus, Inc. to maintain stocking levels to satisfy sufficient inventory levels to meet the service level agreement required by the ordering agency. Automatic low toner alerts gives Omni Business Systems – FaxPlus, Inc. ample time to deliver the supply to the devices by the next business day. The deployment of Omni Business Systems - FaxPlus, Inc. MPS solutions will negate the organization from having excess obsolete supplies and will provide faster resolution of service issues since the error codes will be communicated to the MPS Program Manager and Omni Business Systems – FaxPlus, Inc. Services Coordinators simultaneously, whereby enhancing response time.
3. **Terms & Conditions:**
 1. **ITEMS INCLUDED:** This Agreement includes the following as applicable: unlimited service calls, parts (as classified by the manufacturers) and consumable supplies (maintenance kits, transfer kits, fuser kits, process kits, developer and imaging drums and toner). Supplies consumption shall be based off the manufacturer's suggested yields and fill rate. Omni Business Systems – FaxPlus, Inc. reserves the right to supply items (i.e. fuser and maintenance kits) in lieu of replacement as long as print quality is not affected.
 2. **ITEMS EXCLUDED:** This Agreement excludes the following unless otherwise specified:
 - a. Paper and staples.
 - b. Any items damaged by Customer such as, but not limited to, doors, paper trays, and covers.
 - c. Printers & MFP's: External cards, hard drives, software, and connected hardware.
 - d. Fax Machines: Thermal heads, process units and fuser units
 - e. Network Connected Equipment: Network connected equipment will be covered up to the network connection of the multi-functional device or network printer. Service calls caused by computer or network issues will be charged to the Customer at Omni Business Systems – FaxPlus, Inc. rates of \$125/hour.
 3. **SERVICE:** Omni Business Systems – FaxPlus, Inc. agrees to provide emergency service and all maintenance on the equipment listed on the Purchase Order(s) for the term of the Agreement except as follows: use of supplies, spare parts, or paper that do not meet manufacturer's specifications and cause abnormal service problems; Fire, accident, theft or damage to the machine due to repairs or movement by someone other than an authorized Omni Business Systems – FaxPlus, Inc. representative. Omni Business Systems – FaxPlus, Inc. guarantees an average 4-hour on-site response to all service calls from time of initial, within 25-mile radius of Rosslyn, VA. All other locations shall receive 8-hour response time for Tier 1 Plans.
 - a. Omni Business Systems – FaxPlus, Inc. reserves the right to inspect all equipment to be covered under this Agreement to determine that it is in good mechanical condition prior to the effective date on the front of this agreement. Should the equipment require significant repair or overhaul, such repairs are chargeable to the Customer at current Omni Business Systems - FaxPlus, Inc. rates of \$125/hour. Such repairs will be performed upon agreement of both parties.

- b. If replacement of consumable items recommended by Omni Business Systems - FaxPlus, Inc. services representative is not complied with and results in additional service calls, the customer will be charged at our normal hourly rate of \$125/hour. These consumable items are to include, but not be limited to toner, developer, drums, and supply modules.
 - c. Omni Business Systems - FaxPlus, Inc. shall not be responsible for repairs or maintenance resulting from the use of supplies or parts not obtained through Omni Business Systems will be charged to the Customer at current Omni Business Systems - FaxPlus, Inc. rates.
 - d. Omni Business Systems - FaxPlus, Inc. shall not be responsible for delays, inability to provide service calls due to strikes, accidents, act of God or any other event beyond its control. All service under this agreement shall be rendered during normal working hours of 8:00 A.M. to 5:00 P.M. Monday through Friday unless otherwise agreed upon by both parties.
 - e. In the event a manufacturer discontinues parts or supplies for a specific device, the unused portion of this Agreement can be transferred to a new device purchased by the ordering agency.
4. All equipment covered under this Agreement must adhere to the following guidelines:
- a. Equipment must be placed in a normal office setting with sufficient amount space for access, free from excessive dust, humidity, temperature and ammonia or other corrosive fumes.
 - b. Equipment must be operated on an isolated electrical line, if so noted on the Scope of Work Agreement. Equipment must always be operated on a UL approved electrical circuit, with proper current, voltage, and types of outlets as specified by the original equipment manufacturer.
 - c. Equipment should be operated within the specified operational (including usage) specifications.
 - d. Only Omni Business Systems/Omni Business Systems - FaxPlus, Inc. furnished supplies may be used.
5. METERS: Omni Business Systems - FaxPlus, Inc. will install and use monitoring software to provide meters for networked equipment. A key Customer contact shall be responsible for providing access to allow Omni Business Systems - FaxPlus, Inc. to collect meters when needed. Alternatively, the customer may report meters to Omni Business Systems - FaxPlus, Inc. upon request. If no meter received, Omni Business Systems reserves the right to estimate any required meter in order to process billing by utilizing the most recent 6-month average usage on the device(s).
6. BREACH OR DEFAULT: If the Customer does not pay all charges as provided hereunder promptly when due: (1) Omni Business Systems - FaxPlus, Inc. may (a) refuse to service the equipment or; (b) furnish service on a C.O.D. "Per Call" basis at current Omni Business Systems - FaxPlus, Inc. rates.
7. This agreement is not refundable or transferable to a third party unless agreed upon in writing by both parties.
8. OTHER THAN THE OBLIGATIONS SET FORTH HEREIN, OMNI BUSINESS SYSTEMS – FAXPLUS, INC. DISCLAIMS ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OR MERCHANTABILITY FOR USE OR FITNESS FOR A PARTICULAR PURPOSE. OMNI BUSINESS SYSTEMS - FAXPLUS, INC. SHALL NOT BE RESPONSIBLE FOR DIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, DAMAGES ARISING OUT OF THE PERFORMANCE OF THE EQUIPMENT OR THE LOSS OF THE USE OF THE EQUIPMENT AND THE CUSTOMER HEREBY WAVES ANY CLAIMS RELATED THEREBY.
9. JURISDICTION: This Agreement shall be governed by and construed according to the laws of the State of Virginia applicable to agreements wholly negotiated, executed, and performed in Virginia. It constitutes the entire Agreement between parties and may not be modified except in writing signed by duly authorized officers of Omni Business Systems and the Customer.
10. TRAINING: The customer agrees to designate a contact as the Key Operator for the training in the use of the equipment. Should the employment status of designated Key Operator change so as to affect the contact's availability to perform this assignment the customer shall inform Omni Business Systems - FaxPlus, Inc. immediately

4. Pricing Schedule for MPS Services for Government Owned Legacy Network Printers:

The pricing is offered for supported Models on a Nationwide Basis: The Pricing will be by manufacture on a Not To Exceed Cost per Copy Basis (NTE). The Maintenance Plan will be comprehensive, to include all Parts, Labor, Travel and Supplies, except Paper and Staples. The response time will be Two Tiered. Tier 1 will be an 8-hour response time in CONUS. Tier 2 will be a 2-day response time in CONUS.

The maintenance Plans can be customizable to include features to satisfy customer's needs: such as agreeable minimum allowance per device, pooling of B/W and Color CPC usage, consolidated billing.

The Pricing will be based on the utilization of compatible toner and process kits. Omni Business Systems - FaxPlus, Inc. certifies that the compatible products meet the ISO 9001 Standard for manufacturing quality. The pricing will be separated by supported manufacture models.

Replacement Printers: Omni Business Systems - FaxPlus, Inc. will provide replacement remanufactured or new printers as replacements, based on the Government needs. The remanufactured MPS Certified printers will have an 18-month warranty. The pricing for the remanufactured MPS Certified printers is as follows:

Shipping FOB Origin.

New Printers can be purchased on an as needed basis at the Mean Price of the needed model, per the published GSA Advantage Price.

The Data Collection Devices will facilitate the following reports:

Advanced Volume
Current Meters
Average Volume
Current Toner Levels
Inactive Devices
New Devices
Offline Devices
Top 10 Problem Devices
Top 10 Volume Charges
Device Age
Life Count Reports

1. **Consultative Service:** Consultative Service helps the organization achieve its goals for printer output. During installation, Omni Business Systems - FaxPlus, Inc. will establish targets for improvement in device utilization, assessment of present and future needs, service response, cost per print resolution, utilization of color versus monochrome print usage and rules based printing to reduce paper consumption. The key focus is to provide the Agency accurate information so the correct devices are in place.

SIN 51-500 PROFESSIONAL SERVICES PRICE LIST

MPS On-Site Program Manager

GSA Price \$51.50 per hour

Provide copier support services ensuring efficient work flow by monitoring usage, inventory management and tracking usage. Helps determine the processes and equipment to be used in printing/copier services, with the emphasis on Customer Satisfaction, Cost Effective and Professional Support.

- Service Level Agreement (SLA) Management
- Drive Customer Training initiatives
- Fleet optimization / Data Collection Device Reporting
- Oversee and report on usage deployed software solutions such as PCS Director, Equitrac Office, Smart Accounting, Enhanced Lock Print, etc.
- Work with Key Management to implement change management strategies
- Coordinates / Communicates with all areas of the organization that impacts the scope, budget, risk and recourses of the work effort being organization
- The MPS on site Program Manager will have a BA / BS Collage Degree or may also be a non-degreed professional who has technical experience in the Copier / Printer field