



CONTRACT NO. 200866
(RFP 307876)
MAGNETIC TICKETS AND PASSES

CONTRACTOR: EDM Technology Inc.
210 Old Thomasville Rd.
High Point, NC 27260
Phone: 336-882-8815
Fax: 336-882-0106
heatherc@electronicdata.com

AWARD DATE: August 17, 2022

CONTRACT TERM: Two (2) Years from Notice to Proceed

PRICE: \$502,580.00

PROJECT MANAGER: Sibyl Williams
(512)-369-6279
sibyl.williams@capmetro.org

CONTRACT ADMINISTRATOR: Denny Ross
(512) 369-7724
dennyross@capmetro.org

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**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
AUSTIN, TEXAS**

AWARD/CONTRACT FORM

1. SOLICITATION NO: RFP 307876 2. CONTRACT NO: 200866 3. EFFECTIVE DATE: Upon Execution

4. CONTRACTS ADMINISTRATOR: Denny Ross PHONE: 512-369-7724

5. SHIP TO ADDRESS: Capital Metro 2910 East 5 th Street Austin, Texas 78702	6. DELIVERY TERMS: F.O.B. Destination
	7. DISCOUNTS FOR PROMPT PAYMENT: N/A

8. CONTRACTOR NAME & ADDRESS: 9. REMITTANCE ADDRESS: (If different from Item 8)

EDM Technology Inc.
210 Old Thomasville Rd.
High Point, NC 27260

PHONE: 972-206-1110

EMAIL: heatherc@electronicdata.com

10. DBE GOAL: N/A

CONTRACT EXECUTION


CAUTION: A false statement in any bid or proposal submitted to CMTA may be a criminal offense in violation of Section 37.10 of the Texas Penal Code.

NEGOTIATED AGREEMENT: (Contractor is required to sign below and return to the Contracting Officer within three (3) calendar days of receipt.)

Contractor agrees to perform, furnish, and deliver all the services set forth or otherwise identified in the following items and all relevant attachments and addenda for the base and option years. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this Award/Contract, (b) the solicitation, as amended, and (c), such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein.

- Contractor's Final Proposal Revision dated June 29, 2022
- Contractor's Initial Proposal dated May 19, 2022
- Exhibit A - Revised-1
- Exhibit B
- Exhibit E
- Exhibit F

SIGNATURE OF CONTRACTOR:

Name/Title: R. BRIAN HALLMAN General Manager Signature:  Date: 8/11/22

AWARD: Items listed below are changes from the original offer and solicitation as submitted.

This Award/Contract Form may be executed in multiple originals, and an executed facsimile or email copy shall have the same force and effect as an original document.

ALTERATIONS IN CONTRACT: Changes are as follows:

Refer to Exhibit E – Revised-1, section 45. Order of Precedence, which is updated to reflect the most recent version of the following highlighted Exhibits:

1. Exhibit A – Revised -1 - Pricing Schedule
2. Exhibit E – Contractual Terms and Conditions
3. Exhibit F – Scope of Services
4. Exhibit B – Representations and Certifications
5. Other provisions or attachments to the Contract

11. **ACCEPTED AS TO:** Exhibit A-Revised-1, Section 6, Base Period One, Items 1-36 inclusive in the amount of \$251,290.00, and Section 7, Base Period Two, Items 1-36 inclusive in the amount of \$251,290.00 for a Total Not To Exceed Price for the Two Base Periods of \$502,580.00.

SIGNATURE OF CONTRACTING OFFICER:

Muhammad Abdullah, C.P.M., CTCM,
Sr. Director & Chief Contracting Officer

E-SIGNED by Muhammad Abdullah
on 2022-08-29 18:21:09 GMT

August 29, 2022

Signature: _____ Date: _____

EXHIBIT A-REVISED-1

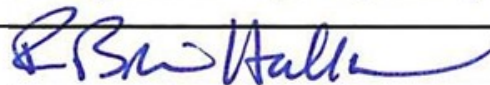
FPR

PRICING SCHEDULE

RFP 307876

THE OFFEROR IS REQUIRED TO SIGN AND DATE EACH PAGE OF THIS SCHEDULE

1. IDENTIFICATION OF OFFEROR AND SIGNATURE OF AUTHORIZED AGENT

Company Name (Printed)	EDM TECHNOLOGY INC.		
Address	210 OLD THOMASVILLE RD.		
City, State, Zip	HIGH POINT , NC, 27260		
Phone, Fax, Email	336-882-8115	336-882-0106	heatherc@electronicdata.com
The undersigned agrees, if this offer is accepted within the period specified, to furnish any or all supplies and/or services specified in the Schedule at the prices offered therein.			
Authorized Agent Name and Title (Printed)	R. BRIAN HALLEMAN, General Manager / Corp Secretary		
Signature and Date			6.29.2022

2. ACKNOWLEDGEMENT OF AMENDMENTS

The offeror must acknowledge amendment(s) to this solicitation in accordance with the ACKNOWLEDGMENT OF AMENDMENTS section of Exhibit C.

3. PROMPT PAYMENT DISCOUNT

# of Days	N/A	Percentage	N/A
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Note, payment terms are specified in Exhibit E, Contractual Terms and Conditions.

4. AUTHORITY'S ACCEPTANCE (TO BE COMPLETED UPON AWARD BY CAPITAL METRO)

The Authority hereby accepts this offer

Authorized Agent Name and Title (Printed)	
Signature and Date	
Accepted as to:	

5. DOCUMENTS ENCLOSED WITH THE PROPOSAL

The remainder of Exhibit A – Pricing Schedule has been redacted.

For further information regarding Exhibit A, you may:

- Reach out to the Contractor directly via the Contractor contact details provided on the cover page of this contract.

OR

- Submit a public information request directly to PIR@capmetro.org.

For more information regarding the Public Information Act and submitting public information requests, follow this link to our website: <https://www.capmetro.org/legal/>

EXHIBIT B

REPRESENTATIONS AND CERTIFICATIONS

(LOCALLY FUNDED SUPPLY/SERVICE/CONSTRUCTION CONTRACTS)

MUST BE RETURNED WITH THE OFFER

1. TYPE OF BUSINESS

(a) The offeror operates as (mark one):

- An individual
- A partnership
- A sole proprietor
- A corporation
- Another entity _____

(b) If incorporated, under the laws of the State of:

DELAWARE

2. PARENT COMPANY AND IDENTIFYING DATA

(a) The offeror (mark one):

- is
- is not

owned or controlled by a parent company. A parent company is one that owns or controls the activities and basic business policies of the offeror. To own the offering company means that the parent company must own more than fifty percent (50%) of the voting rights in that company.

(b) A company may control an offeror as a parent even though not meeting the requirements for such ownership if the company is able to formulate, determine, or veto basic policy decisions of the offeror through the use of dominant minority voting rights, use of proxy voting, or otherwise.

(c) If not owned or controlled by a parent company, the offeror shall insert its own EIN (Employer's Identification Number) below:

(d) If the offeror is owned or controlled by a parent company, it shall enter the name, main office and EIN number of the parent company, below:

PARAGON ID SA
FRENCH REGISTRATION [REDACTED]
SCR CANNES

3. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION

(a) The offeror (and all joint venture members, if the offer is submitted by a joint venture) certifies that in connection with this solicitation:

(1) the prices offered have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition, with any other offeror or with any other competitor;

(2) unless otherwise required by law, the prices offered have not been knowingly disclosed by the offeror and will not knowingly be disclosed by the offeror prior to opening of bids in the case of an invitation for bids, or prior to contract award in the case of a request for proposals, directly or indirectly to any other offeror or to any competitor; and

(3) no attempt has been made or will be made by the offeror to induce any other person or firm to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory:

(1) is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this provision; or

(i) has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this provision ^{R. BRIAN HALLMAN} ~~GENERAL MANAGER~~ [insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization];

(ii) as an authorized agent, does certify that the principals named in subdivision (b)(2)(i) of this provision have not participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this provision; and

(iii) as an agent, has not personally participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this provision.

(c) If the offeror deletes or modifies paragraph (a)(2) of this provision, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

4. DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

(a) In accordance with the provisions of 2 C.F.R. (Code of Federal Regulations), part 180, the offeror certifies to the best of the offeror's knowledge and belief, that it and its principals:

(1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(2) have not within a three (3) year period preceding this offer been convicted of or had a civil judgment rendered against them for the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes, or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in (a)(2) above; and

(4) have not within a three (3) year period preceding this offer had one or more public transactions (Federal, State, or local) terminated for cause or default.

(b) Where the offeror is unable to certify to any of the statements above, the offeror shall attach a full explanation to this offer.

(c) For any subcontract at any tier expected to equal or exceed \$25,000:

(1) In accordance with the provisions of 2 C.F.R. part 180, the prospective lower tier subcontractor certifies, by submission of this offer, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to the statement, above, an explanation shall be attached to the offer.

(3) This certification (specified in paragraphs (c)(1) and (c)(2), above) shall be included in all applicable subcontracts and a copy kept on file by the prime contractor. The prime contractor shall be required to furnish copies of the certifications to the Authority upon request.

5. COMMUNICATIONS

(a) All oral and written communications with the Authority regarding this solicitation shall be exclusively with, or on the subjects and with the persons approved by, the persons identified in this solicitation. Discussions with any other person not specified could result in disclosure of proprietary or other competitive sensitive information or otherwise create the appearance of impropriety or unfair competition and thereby compromise the integrity of the Authority's procurement system. If competition cannot be resolved through normal communication channels, the Authority's protest procedures shall be used for actual or prospective competitors claiming any impropriety in connection with this solicitation.

(b) By submission of this offer, the offeror certifies that it has not, and will not prior to contract award, communicate orally or in writing with any Authority employee or other representative of the Authority (including Board Members, Capital Metro contractors or consultants), except as described below:

Individual's Name	Date/Subject of Communication

(Attach continuation form, if necessary.)

6. CONTINGENT FEE

(a) Except for full-time, bona fide employees working solely for the offeror, the offeror represents as part of its offer that it (mark one):

- has
- has not

employed or retained any company or persons to solicit or obtain this contract, and (mark one):

- has
- has not

paid or agreed to pay any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

- (b) The offeror agrees to provide information relating to (a) above, when any item is answered affirmatively.

7. CODE OF ETHICS

(a) Statement of Purpose

The brand and reputation of Capital Metro is determined in large part by the actions or ethics of representatives of the agency. Capital Metro is committed to a strong ethical culture and to ethical behavior by all individuals serving Capital Metro as employees, members of the Board of Directors or volunteers. Individuals serving Capital Metro will conduct business with honesty and integrity. We will make decisions and take actions that are in the best interest of the people we serve and that are consistent with our mission, vision and this policy. The Code of Ethics (the "Code") documents Capital Metro's Standards of Ethical Conduct and policies for Ethical Business Transactions. Compliance with the Code will help protect Capital Metro's reputation for honesty and integrity. The Code attempts to provide clear principles for Capital Metro's expectations for behavior in conducting Capital Metro business. We have a duty to read, understand and comply with the letter and spirit of the Code and Capital Metro policies. You are encouraged to inquire if any aspect of the Code needs clarification.

(b) Applicability

The Code applies to Capital Metro employees, contractors, potential contractors, Board Members and citizen advisory committee members. Violation of the Code of Ethics may result in discipline up to and including termination or removal from the Board of Directors.

(c) Standards of Ethical Conduct

The public must have confidence in our integrity as a public agency and we will act at all times to preserve the trust of the community and protect Capital Metro's reputation. To demonstrate our integrity and commitment to ethical conduct we will:

- (1) Continuously exhibit a desire to serve the public and display a helpful, respectful manner.
- (2) Exhibit and embody a culture of safety in our operations.
- (3) Understand, respect and obey all applicable laws, regulations and Capital Metro policies and procedures both in letter and spirit.
- (4) Exercise sound judgment to determine when to seek advice from legal counsel, the Ethics Officer or others.
- (5) Treat each other with honesty, dignity and respect and will not discriminate in our actions toward others.
- (6) Continuously strive for improvement in our work and be accountable for our actions.
- (7) Transact Capital Metro business effectively and efficiently and act in good faith to protect the Authority's assets from waste, abuse, theft or damage.
- (8) Be good stewards of Capital Metro's reputation and will not make any representation in public or private, orally or in writing, that states, or appears to state, an official position of Capital Metro unless authorized to do so.
- (9) Report all material facts known when reporting on work projects, which if not revealed, could either conceal unlawful or improper practices or prevent informed decisions from being made.
- (10) Be fair, impartial and ethical in our business dealings and will not use our authority to unfairly or illegally influence the decisions of other employees or Board members.

(11) Ensure that our personal or business activities, relationships and other interests do not conflict or appear to conflict with the interests of Capital Metro and disclose any potential conflicts.

(12) Encourage ethical behavior and report all known unethical or wrongful conduct to the Capital Metro Ethics Officer or the Board Ethics Officer.

(d) Roles and Responsibilities

It is everyone's responsibility to understand and comply with the Code of Ethics and the law. Lack of knowledge or understanding of the Code will not be considered. If you have a question about the Code of Ethics, ask.

It is the responsibility of Capital Metro management to model appropriate conduct at all times and promote an ethical culture. Seek guidance if you are uncertain what to do.

It is Capital Metro's responsibility to provide a system of reporting and access to guidance when an employee wishes to report a suspected violation and to seek counseling, and the normal chain of command cannot, for whatever reason, be utilized. If you need to report something or seek guidance outside the normal chain of command, Capital Metro provides the following resources:

(1) Anonymous Fraud Hotline – Internal Audit

(2) Anonymous Online Ethics Reporting System

(3) Contact the Capital Metro Ethics Officer, Vice-President of Internal Audit, the EEO Officer or Director of Human Resources

(4) Safety Hotline

The Capital Metro Ethics Officer is the Chief Counsel. The Ethics Officer is responsible for the interpretation and implementation of the Code and any questions about the interpretation of the Code should be directed to the Ethics Officer.

(e) Ethical Business Transactions

Section 1. Impartiality and Official Position

(1) A Substantial Interest is defined by Tex. Loc. Govt. Code, § 171.002. An official or a person related to the official in the first degree by consanguinity or affinity has a Substantial Interest in:

(i) A business entity if the person owns ten percent (10%) or more of the voting stock or shares of the business entity or owns either 10% or more or \$15,000 or more of the fair market value of the business entity OR funds received by the person from the business entity exceed 10% of the person's gross income for the previous year; or

(ii) Real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more.

Capital Metro will not enter into a contract with a business in which a Board Member or employee or a Family Member of a Board Member or employee as defined in Section 8 has a Substantial Interest except in case of emergency as defined in the Acquisition Policy PRC-100 or the business is the only available source for essential goods and services or property.

(2) No Board Member or employee shall:

(i) Act as a surety for a business that has work, business or a contract with Capital Metro or act as a surety on any official bond required of an officer of Capital Metro.

(ii) Represent for compensation, advise or appear on behalf of any person or firm concerning any contract or transaction or in any proceeding involving Capital Metro's interests.

(iii) Use his or her official position or employment, or Capital Metro's facilities, equipment or supplies to obtain or attempt to obtain private gain or advantage.

(iv) Use his or her official position or employment to unfairly influence other Board members or employees to perform illegal, immoral, or discreditable acts or do anything that would violate Capital Metro policies.

(v) Use Capital Metro's resources, including employees, facilities, equipment, and supplies in political campaign activities.

(vi) Participate in a contract for a contractor or first-tier subcontractor with Capital Metro for a period of one (1) year after leaving employment on any contract with Capital Metro.

(vii) Participate for a period of two (2) years in a contract for a contractor or first-tier subcontractor with Capital Metro if the Board Member or employee participated in the recommendation, bid, proposal or solicitation of the Capital Metro contract or procurement.

Section 2. Employment and Representation

A Board Member or employee must disclose to his or her supervisor, appropriate Capital Metro staff or the Board Chair any discussions of future employment with any business which has, or the Board Member or employee should reasonably foresee is likely to have, any interest in a transaction upon which the Board Member or employee may or must act or make a recommendation subsequent to such discussion. The Board Member or employee shall take no further action on matters regarding the potential future employer.

A Board Member or employee shall not solicit or accept other employment to be performed or compensation to be received while still a Board Member or employee, if the employment or compensation could reasonably be expected to impair independence in judgment or performance of their duties.

A Board Member or employee with authority to appoint or hire employees shall not exercise such authority in favor of an individual who is related within the first degree, within the second degree by affinity or within the third degree by consanguinity as defined by the Capital Metro Nepotism Policy in accordance with Tex. Govt. Code, Ch. 573.

Section 3. Gifts

It is critical to keep an arms-length relationship with the entities and vendors Capital Metro does business with in order to prevent the appearance of impropriety, undue influence or favoritism.

No Board Member or employee shall:

(1) Solicit, accept or agree to accept any benefit or item of monetary value as consideration for the Board Member's or employee's decision, vote, opinion, recommendation or other exercise of discretion as a public servant. [Tex. Penal Code §36.02(c)]

(2) Solicit, accept or agree to accept any benefit or item of monetary value as consideration for a violation of any law or duty. [Tex. Penal Code §36.02(a)(1)]

(3) Solicit, accept or agree to accept any benefit or item of monetary value from a person the Board Member or employee knows is interested in or likely to become interested in any Capital Metro contract or transaction if the benefit or item of monetary value could reasonably be inferred as intended to influence the Board Member or employee. [Tex. Penal Code §36.08(d)]

(4) Receive or accept any gift, favor or item of monetary value from a contractor or potential contractor of Capital Metro or from any individual or entity that could reasonably be inferred as intended to influence the Board Member or employee.

Exception: Consistent with state law governing public servants, a gift does not include a benefit or item of monetary value with a value of less than \$50, excluding cash or negotiable instruments, unless it can reasonably be inferred that the item was intended to influence the Board Member or employee. A department may adopt more restrictive provisions if there is a demonstrated and documented business need. [Tex. Penal Code § 36.10(a)(6)]

Exception: A gift or other benefit conferred, independent of the Board Member's or employee's relationship with Capital Metro, that is not given or received with the intent to influence the Board Member or employee in the performance of his or her official duties is not a violation of this policy. The Capital Metro Ethics Officer or Board Ethics Officer must be consulted for a determination as to whether a potential gift falls within this exception.

Exception: Food, lodging, or transportation that is provided as consideration for legitimate services rendered by the Board Member or employee related to his or her official duties is not a violation of this policy.

If you are uncertain about a gift, seek guidance from the Ethics Officer.

Section 4. Business Meals and Functions

Board Members and employees may accept invitations for free, reasonable meals in the course of conducting Capital Metro's business or while attending a seminar or conference in connection with Capital Metro business as long as there is not an active or impending solicitation in which the inviting contractor or party may participate and attendance at the event or meal does not create an appearance that the invitation was intended to influence the Board Member or employee.

When attending such events, it is important to remember that you are representing Capital Metro and if you chose to drink alcohol, you must do so responsibly. Drinking irresponsibly may lead to poor judgment and actions that may violate the Code or other Capital Metro policies and may damage the reputation of Capital Metro in the community and the industry.

Section 5. Confidential Information

It is everyone's responsibility to safeguard Capital Metro's nonpublic and confidential information.

No Board Member or employee shall:

(1) Disclose, use or allow others to use nonpublic or confidential information that Capital Metro has not made public unless it is necessary and part of their job duties and then only pursuant to a nondisclosure agreement approved by legal counsel or with consultation and permission of legal counsel.

(2) Communicate details of any active Capital Metro procurement or solicitation or other contract opportunity to any contractor, potential contractor or individual not authorized to receive information regarding the active procurement or contract opportunity.

Section 6. Financial Accountability and Record Keeping

Capital Metro's financial records and reports should be accurate, timely, and in accordance with applicable laws and accounting rules and principles. Our records must reflect all components of a transaction in an honest and forthright manner. These records reflect the results of Capital Metro's operations and our stewardship of public funds.

A Board Member or employee shall:

(1) Not falsify a document or distort the true nature of a transaction.

- (2) Properly disclose risks and potential liabilities to appropriate Capital Metro staff.
- (3) Cooperate with audits of financial records.
- (4) Ensure that all transactions are supported by accurate documentation.
- (5) Ensure that all reports made to government authorities are full, fair, accurate and timely.
- (6) Ensure all accruals and estimates are based on documentation and good faith judgment.

Section 7. Conflict of Interest

Employees and Board Members are expected to deal at arms-length in any transaction on behalf of Capital Metro and avoid and disclose actual conflicts of interest under the law and the Code and any circumstance which could impart the appearance of a conflict of interest. A conflict of interest exists when a Board Member or employee is in a position in which any official act or action taken by them is, may be, or appears to be influenced by considerations of personal gain rather than the general public trust.

Conflict of Interest [Tex. Loc. Govt. Code, Ch. 171 & 176, § 2252.908]

No Board Member or employee shall participate in a matter involving a business, contract or real property transaction in which the Board Member or employee has a Substantial Interest if it is reasonably foreseeable that an action on the matter would confer a special economic benefit on the business, contract or real property that is distinguishable from its effect on the public. [Tex. Loc. Govt. Code, § 171.004]

Disclosure

A Board Member or employee must disclose a Substantial Interest in a business, contract, or real property that would confer a benefit by their vote or decision. The Board Member or employee may not participate in the consideration of the matter subject to the vote or decision. Prior to the vote or decision, a Board Member shall file an affidavit citing the nature and extent of his or her interest with the Board Vice Chair or Ethics Officer. [Tex. Loc. Govt. Code, § 171.004]

A Board Member or employee may choose not to participate in a vote or decision based on an appearance of a conflict of interest and may file an affidavit documenting their recusal.

Section 8. Disclosure of Certain Relationships [Tex. Loc. Govt. Code, Ch. 176]

Definitions

- (1) A Local Government Officer is defined by Tex. Loc. Govt. Code § 176.001(4). A Local Government Officer is:
 - (i) A member of the Board of Directors;
 - (ii) The President/CEO; or
 - (iii) A third party agent of Capital Metro, including an employee, who exercises discretion in the planning, recommending, selecting or contracting of a vendor.
- (2) A Family Member is a person related within the first degree by consanguinity or the second degree by affinity as defined by Tex. Govt. Code, Ch. 573.
- (3) A Family Relationship is a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity as defined by Tex. Govt. Code, Ch. 573.
- (4) A Local Government Officer must file a Conflicts Disclosure Statement (FORM CIS) if:

(i) The person or certain Family Members received at least \$2,500 in taxable income (other than investment income) from a vendor or potential vendor in the last twelve (12) months through an employment or other business relationship;

(ii) The person or certain Family Members received gifts from a vendor or potential vendor with an aggregate value greater than \$100 in the last 12 months; or

(iii) The vendor (or an employee of the vendor) has a Family Relationship with the Local Government Officer.

- (5) A vendor doing business with Capital Metro or seeking to do business with Capital Metro is required to file a completed questionnaire (FORM CIQ) disclosing the vendor's affiliations or business relationship with any Board Member or local government officer or his or her Family Member.

Section 9. Duty to Report and Prohibition on Retaliation

Board Members and employees have a duty to promptly report any violation or possible violation of this Code of Ethics, as well as any actual or potential violation of laws, regulations, or policies and procedures to the hotline, the Capital Metro Ethics Officer or the Board Ethics Officer.

Any employee who reports a violation will be treated with dignity and respect and will not be subjected to any form of retaliation for reporting truthfully and in good faith. Any retaliation is a violation of the Code of Ethics and may also be a violation of the law, and as such, could subject both the individual offender and Capital Metro to legal liability.

Section 10. Penalties for Violation of the Code of Ethics

In addition to turning over evidence of misconduct to the proper law enforcement agency when appropriate, the following penalties may be enforced:

(1) If a Board Member does not comply with the requirements of this policy, the Board member may be subject to censure or removal from the Board in accordance with Section 451.511 of the Texas Transportation Code.

(2) If an employee does not comply with the requirements of this policy, the employee shall be subject to appropriate disciplinary action up to and including termination.

(3) Any individual or business entity contracting or attempting to contract with Capital Metro which offers, confers or agrees to confer any benefit as consideration for a Board Member's or employee's decision, opinion, recommendation, vote or other exercise of discretion as a public servant in exchange for the Board Member's or employee's having exercised his official powers or performed his official duties, or which attempts to communicate with a Board Member or Capital Metro employee regarding details of a procurement or other contract opportunity in violation of Section 5, or which participates in the violation of any provision of this Policy may have its existing Capital Metro contracts terminated and may be excluded from future business with Capital Metro for a period of time as determined appropriate by the President/CEO.

(4) Any individual who makes a false statement in a complaint or during an investigation of a complaint with regard to a matter that is a subject of this policy is in violation of this Code of Ethics and is subject to its penalties. In addition, Capital Metro may pursue any and all available legal and equitable remedies against the person making the false statement or complaint.

Section 11. Miscellaneous Provisions

(1) This Policy shall be construed liberally to effectuate its purposes and policies and to supplement such existing laws as they may relate to the conduct of Board Members and employees.

(2) Within sixty (60) days of the effective date for the adoption of this Code each Board Member and employee of Capital Metro will receive a copy of the Code and sign a statement acknowledging that they have read, understand and will comply with Capital Metro's Code of Ethics. New Board Members and employees will receive a copy of the Code and are required to sign this statement when they begin office or at the time of initial employment.

(3) Board Members and employees shall participate in regular training related to ethical conduct, this Code of Ethics and related laws and policies.

8. RESERVED

9. TEXAS ETHICS COMMISSION CERTIFICATION

In accordance with Section 2252.908, Texas Government Code, upon request of the Authority, the selected contractor may be required to electronically submit a "Certificate of Interested Parties" with the Texas Ethics Commission in the form required by the Texas Ethics Commission, and furnish the Authority with the original signed and notarized document prior to the time the Authority signs the contract. The form can be found at www.ethics.state.tx.us. Questions regarding the form should be directed to the Texas Ethics Commission.

10. TEXAS LABOR CODE CERTIFICATION (CONSTRUCTION ONLY)

Contractor certifies that Contractor will provide workers' compensation insurance coverage on every employee of the Contractor employed on the Project. Contractor shall require that each Subcontractor employed on the Project provide workers' compensation insurance coverage on every employee of the Subcontractor employed on the Project and certify coverage to Contractor as required by Section 406.96 of the Texas Labor Code, and submit the Subcontractor's certificate to the Authority prior to the time the Subcontractor performs any work on the Project.

11. CERTIFICATION REGARDING ISRAEL

As applicable and in accordance with Section 2270.002 of the Texas Government Code, the Contractor certifies that it does not boycott Israel and will not boycott Israel during the term of this Contract.

12. CERTIFICATION REGARDING FOREIGN TERRORIST ORGANIZATIONS

Contractor certifies and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

13. VERIFICATION REGARDING FIREARM ENTITIES AND FIREARM TRADE ASSOCIATIONS

As applicable and in accordance with Section 2274.002 of the Texas Government Code, Contractor verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the Contract against a firearm entity or firearm trade association.

14. BOYCOTT OF ENERGY COMPANIES PROHIBITED

Pursuant to Chapter 2274 of Texas Government Code, Contractor verifies that:

- (a) it does not, and will not for the duration of the Contract, boycott energy companies, as defined in Section 2274.002 of the Texas Government Code, or
- (b) the verification required by Section 2274.002 of the Texas Government Code does not apply to Contractor and this Contract. If circumstances relevant to this provision change during the course of the Contract, Contractor shall promptly notify the Authority.

15. CRITICAL INFRASTRUCTURE PROHIBITION

Pursuant to Chapter 2274 of Texas Government Code, Contractor certifies that, if this Contract or any contract between Contractor and Capital Metro relates to critical infrastructure, as defined in Chapter 2274 of the Texas Government Code, Contractor is not owned by or the majority of stock or other ownership interest of its firm is not held or controlled by:

- (a) individuals who are citizens of China, Iran, North Korea, Russia, or a Governor-designated country; or
- (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a Governor-designated country; or
- (c) headquartered in China, Iran, North Korea, Russia, or a Governor-designated country.

16. CERTIFICATION OF PRIME CONTRACTOR PARTICIPATION

- (a) The Prime Contractor certifies that it shall perform no less than thirty percent (30%) of the work with his own organization. The on-site production of materials produced by other than the Prime Contractor's forces shall be considered as being subcontracted.
- (b) The organization of the specifications into divisions, sections, articles, and the arrangement and titles of the project drawings shall not control the Prime Contractor in dividing the work among subcontractors or in establishing the extent of the work to be performed by any trade.
- (c) The offeror further certifies that no more than seventy percent (70%) of the work will be done by subcontractors.

17. SIGNATURE BLOCK FOR ALL REPRESENTATIONS AND CERTIFICATIONS

- (a) These representations and certifications concern a material representation of fact upon which reliance will be placed in awarding a contract. If it is later determined that the offeror knowingly rendered an erroneous or false certification, in addition to all other remedies the Authority may have, the Authority may terminate the contract for default and/or recommend that the offeror be debarred or suspended from doing business with the Authority in the future.
- (b) The offeror shall provide immediate written notice to the Authority if, at any time prior to contract award, the offeror learns that the offeror's certification was, or a subsequent communication makes, the certification erroneous.
- (c) Offerors must set forth full, accurate and complete information as required by this solicitation (including this attachment). Failure of an offeror to do so may render the offer nonresponsive.
- (d) A false statement in any offer submitted to the Authority may be a criminal offense in violation of Section 37.10 of the Texas Penal Code.
- (e) I understand that a false statement on this certification may be grounds for rejection of this submittal or termination of the awarded contract.

Name of Offeror:

EDM TECHNOLOGY INC.

Type/Print Name of Signatory:

R. BRIAN HALLMAN

Signature:



Date:

EXHIBIT E
CONTRACTUAL TERMS AND CONDITIONS
(SUPPLY CONTRACT)

1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- (a) "Applicable Anti-Corruption and Bribery Laws" means international, federal, state, provincial and local laws, rules, regulations, directives and governmental requirements currently in effect and as they become effective relating in any way to the Contractor's provision of goods to the Authority, including without limitation "FCPA" or any applicable laws and regulations, including in the jurisdiction in which the Contractor operates and/or manufactures goods for the Authority, relating to anti-corruption and bribery.
- (b) "Authority", "Capital Metro", "Cap Metro", "CMTA" means Capital Metropolitan Transportation Authority.
- (c) "Authority Data" means all data, content and information (i) submitted by or on behalf of the Authority or its customers to the Contractor or loaded into the System, (ii) obtained, developed, produced or processed by the Contractor or by the Application or System in connection with the Contract, or (iii) to which the Contractor has access in connection with the Contract, and all derivative versions of such data, content and information, and any derivative versions thereof, in any form or format.
- (d) "Authority Electronic Property" means (i) any websites controlled by the Authority, (ii) any Authority mobile device apps, (iii) any application programming interfaces (API) to the Authority's information technology systems, (iv) any other kiosks, devices or properties for consumer interaction that are created, owned, or controlled by the Authority, and (v) versions and successors of the foregoing, any form or format now known or later developed, that may be used by customers obtaining products or services from the Authority.
- (e) "Bid" means the offer of the bidder, submitted on the prescribed form, stating prices for performing the supplies.
- (f) "Change Order" means a written order to the Contractor signed by the Contracting Officer, issued after execution of the Contract, authorizing a change in the term or scope of the Contract.
- (g) "Contract" or "Contract Documents" means this written agreement between the parties comprised of all the documents listed in the Table of Contents, Change Orders and/or Contract Modifications that may be entered into by the parties.
- (h) "Contract Award Date" means the date of the Contract award notice, which may take the form of a purchase order, signed Contract or Notice of Award, issued by the Authority.
- (i) "Contract Modification" means any changes in the terms or provisions of the Contract which are reduced to writing and fully executed by both parties.
- (j) "Contract Sum" means the total compensation payable to the Contractor under this Contract as originally contracted for or as subsequently adjusted by Contract Modification.
- (k) "Contract Term" means period of performance set forth in the paragraph entitled "Term" contained in Exhibit E.
- (l) "Contracting Officer" means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and finding on behalf of the Authority. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority as delegated by the Contracting Officer.
- (m) "Contractor" means the entity that has assumed the legal obligation to deliver the supplies as identified in the Contract.

- (n) "Days" means calendar days. In computing any period of time established under this Contract, the day of the event from which the designated period of time begins to run shall not be included, but the last day shall be included unless it is a Saturday, Sunday, or Federal or State of Texas holiday, in which event the period shall run to the end of the next business day.
- (o) "FAR" means the Federal Acquisition Regulations codified in 48 C.F.R. Title 48.
- (p) "FCPA" means the United States Foreign Corrupt Practices Act, 15 U.S.C. §§ 78dd-1, et seq., as amended.
- (q) "Force Majeure Event" means strikes, lockouts, or other industrial disputes; explosions, epidemics, civil disturbances, acts of domestic or foreign terrorism, wars within the continental United States, riots or insurrections; embargos, natural disasters, including but not limited to landslides, earthquakes, floods or washouts; interruptions by government or court orders; declarations of emergencies by applicable federal, state or local authorities; and present or future orders of any regulatory body having proper jurisdiction.
- (r) "FTA" means the Federal Transit Administration.
- (s) "Intellectual Property Rights" means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, software, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights or neighboring rights, and any derivative works thereto; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.
- (t) "Manufacturing Materials" mean any completed or partially completed supplies and materials, parts, dies, jigs, fixtures, plans, drawings, information, and contract rights specifically produced or specially acquired by the Contractor for the performance of the Contract.
- (u) "Notice of Award" means formal notice of award of the Contract to the Contractor issued by the Contracting Officer.
- (v) "Notice to Proceed" means written authorization for the Contractor to start the performance of the Contract.
- (w) "Project Manager" means the designated individual to act on behalf of Capital Metro, to monitor and certify the technical progress of the Contractor's performance under the terms of this Contract.
- (x) "Subcontract" means the contract between the Contractor and its Subcontractors.
- (y) "Subcontractor" means Subcontractors of any tier.
- (z) "Works" means any tangible or intangible items or things that have been or will be specifically, generated, prepared, created, or developed by the Contractor (or such third parties as the Contractor may be permitted to engage) at any time following the effective date of the Contract, for the exclusive use of, and ownership by, Authority under the Contract, including but not limited to any (i) works of authorship (such as literary works, musical works, dramatic works, choreographic works, pictorial, graphic and sculptural works, motion pictures and other audiovisual works, sound recordings and architectural works, which includes but is not limited to manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer software, scripts, object code, source code or other programming code, HTML code, data, information, multimedia files, text web pages or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, and (vi) all documentation and materials related to any of the foregoing.

2. TYPE OF CONTRACT

- (a) This is an indefinite-quantity Contract for the supplies specified and stated elsewhere in the Contract. The quantities of supplies specified are estimates only and are not purchased by this Contract.
- (b) This indefinite quantity, indefinite delivery contract is subject to the following minimum/maximum paragraph:
 - (1) Minimum order. The Authority will order a minimum of \$1,000 in supplies under this Contract.
 - (2) Maximum order. The Authority will order a maximum not to exceed the total dollar amount of this Contract.
- (c) There is no limit to the number of orders that may be placed under this Contract.
- (d) The quantities provided by the Authority on the Schedule are estimates used as a basis for Contract award and are, therefore, not hereby purchased under the Contract.

3. TERM

The base term of the Contract shall be two (2) years from the Notice to Proceed. No work shall be performed under this Contract prior to issuance of a Notice to Proceed.

4. OPTION TO EXTEND CONTRACT TERM

The Authority shall have the unilateral right and option to extend the Contract for up to three (3) option periods for a twelve (12) month duration each at the option prices set forth in Exhibit A - Pricing Schedule upon written notice to Contractor.

5. ORDERING

- (a) Any supplies to be furnished under this Contract shall be ordered by issuance of written delivery orders.
- (b) All delivery orders are subject to the terms and conditions of this Contract. In the event of a conflict between an order and this Contract, the Contract shall control.
- (c) Any order issued during the effective period of this Contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The Contract shall govern the Contractor's and the Authority's rights and obligations with respect to that order to the same extent as if the order was completed during the Contract's effective period.

6. DELIVERY

- (a) Tickets shall be delivered to Capital Metropolitan Transportation Authority, 2910 East 5th Street, Austin, Texas 78702. Attn: Treasury Dept.
- (b) Orders shall be delivered upon completion of each order and delivered within (6) weeks of initial order and Capital Metro approval of proofs. Subsequent orders shall be delivered within (4) weeks of order and approval of proofs. New orders requiring art, or media type, and specification changes requested by Capital Metro will be delivered within (6) weeks of initial order and Capital Metro approval of proofs. Magnetic tickets shall be required to be shipped in quantities of 10,000 per case, (ten) sleeves per case and 1,000 tickets per sleeve. RFID and Smartcard tickets/passes shall be required to be shipped in quantities of 2,500 per case (ten) sleeves per case and 250 tickets per sleeve. Unless otherwise specified, all tickets/passes are required to be delivered in numerical order. Each box shall be clearly identified, and there is not to be mixing of tickets.
- (c) Delivery hours are limited to 8:00 a.m. – 5:00 p.m., prevailing local time.

(d) All deliveries shall be made F.O.B. destination. This term means free of expense to the Authority delivered and laid down in the area indicated by the Authority. The Contractor shall:

(1) pack and mark the shipment to comply with specifications; or if the specifications do not contain specific packing or marking instructions, pack and mark the shipment in accordance with prevailing commercial practices and in such a manner to assure delivery in good condition and as required by this Contract;

(2) prepare and distribute commercial bills of lading;

(3) deliver the shipment in good order and condition to the point of delivery specified in the Contract;

(4) be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the Authority at the delivery point specified in the Contract;

(5) furnish a delivery schedule, insurance package for monetary value, certified tracking number, and designate the mode of delivering carrier; and

(6) pay and bear all charges to the specified point of delivery.

7. ACCEPTANCE CRITERIA

A review of the Contractor's Services will be performed by the Authority upon delivery. If any Services performed under this Contract are deemed incomplete or unacceptable in any way, the Authority will require the Contractor to take corrective measures at no additional cost to the Authority.

8. INVOICING AND PAYMENT

(a) Invoices may be submitted once per month for work completed and accepted by the Authority, and marked "Original" to:

Accounts Payable
Capital Metropolitan Transportation Authority
P.O. Box 6308
Austin, Texas 78762-6308

Or via e-mail to: ap_invoices@capmetro.org

and shall conform to policies or regulations adopted from time to time by the Authority. Invoices shall be legible and shall contain, as a minimum, the following information:

(1) the Contract and order number (if any);

(2) a complete itemization of all costs including quantities ordered and delivery order numbers (if any);

(3) any discounts offered to the Authority under the terms of the Contract;

(4) evidence of the acceptance of the supplies by the Authority; and

(5) any other information necessary to demonstrate entitlement to payment under the terms of the Contract.

(b) All undisputed invoices shall be paid within the time period allowed by law through the Texas Prompt Payment Act, Tex. Gov't. Code § 2251.021(b).

(c) The Contractor shall be responsible for all costs/expenses not otherwise specified in this Contract, including by way of example, all costs of equipment provided by the Contractor or Subcontractor(s), all fees, fines, licenses, bonds, or taxes required or imposed against the Contractor and Subcontractor(s), travel related expenses, and all other Contractor's costs of doing business.

(d) In the event an overpayment is made to the Contractor under this Contract or the Authority discovers that the Authority has paid any invoices or charges not authorized under this Contract, the Authority may offset the amount of such overpayment or unauthorized charges against any indebtedness owed by the Authority to the Contractor, whether arising under this Contract or otherwise, including withholding payment of an invoice, in whole or in part, or the Authority may deduct such amounts from future invoices. If an overpayment is made to the Contractor under this Contract which cannot be offset under this Contract, the Contractor shall remit the full overpayment amount to the Authority within thirty (30) calendar days of the date of the written notice of such overpayment or such other period as the Authority may agree. The Authority reserves the right to withhold payment of an invoice, in whole or in part, or deduct the overpayment from future invoices to recoup the overpayment.

9. INSURANCE

(a) The Contractor shall furnish proof of Capital Metro-stipulated insurance requirements specified below. All insurance policies shall be primary and non-contributing with any other valid and collectible insurance or self-insurance available to the Authority and shall contain a contract waiver of subrogation in favor of the Authority. The Contractor shall furnish to the Authority certificate(s) of insurance evidencing the required coverage and endorsement(s) and, upon request, a certified duplicate original of any of those policies. Prior to the expiration of a certificate of insurance, a new certificate of insurance shall be furnished to the Authority showing continued coverage. Each policy shall be endorsed to provide thirty (30) days written notice of cancellation or non-renewal to the Authority and the Authority shall be named as an Additional Insured under each policy except Professional Liability insurance if required by this Contract. All insurance policies shall be written by reputable insurance company or companies acceptable to the Authority with a current Best's Insurance Guide Rating of A+ and Class XIII or better. All insurance companies shall be authorized to transact business in the State of Texas. The Contractor shall notify the Authority in writing of any material alteration of such policies, including any change in the retroactive date in any "claims-made" policy or substantial reduction of aggregate limits, if such limits apply or cancellation thereof at least thirty (30) days prior thereto. The below requirements only represent the minimum coverage acceptable to the Authority and these requirements are not intended to represent the maximum risk or the maximum liability of the Contractor. The Contractor shall be responsible for setting its own insurance requirements, if any, for the kind and amounts of insurance to be carried by its Subcontractors in excess of the insurance required by the Authority.

The Contractor shall carry and pay the premiums for insurance of the types and in the amounts stated below.

CAPITAL METRO MINIMUM COVERAGE REQUIREMENTS

(1) **Comprehensive General Liability Insurance Coverage** with limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with an aggregate of Two Million Dollars and No/100 Dollars (\$2,000,000) with coverage that includes:

- (i) Products and Completed Operations Liability
- (ii) Independent Contractors
- (iii) Personal Injury Liability extended to claims arising from employees of the Contractor and the Authority.
- (iv) Contractual Liability pertaining to the liabilities assumed in the agreement.

(2) **Business Automobile Liability Insurance** with minimum coverage limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000 with combined single limit of One Million Dollars (\$1,000,000), covering all owned, hired and non-owned automobiles used in connection with work for Bodily Injury and Property Damage.

(3) **Workers' Compensation** Insurance providing statutory limits in accordance with the Texas Workers' Compensation Act and/or other State or Federal law as may be applicable to the work being performed under this contract.

(4) **Employer Liability Insurance** with minimum limits of One Million Dollars and No/100 Dollars (\$1,000,000).

(5) **Technology Error's & Omissions Insurance:** Combined Technology & Omissions Policy with a minimum One Million and No/100 Dollars (\$1,000,000) claim limit, including (a) Professional Liability Insurance covering negligent acts, errors **and** omissions arising from the Contractor's work to pay damages for which the Contractor may become legally obligated (such coverage to be maintained for at least two (2) years after termination of this contract, which obligation shall expressly survive termination of this contract; and (b) Privacy, Security and Media Liability Insurance providing liability for unauthorized access or disclosure, security breaches or system attacks, as well as infringement of copyright and trademark that might result from this contract.

(6) **Employee Dishonesty/Crime Insurance:** Fidelity coverage with a minimum One Million and No/100 Dollars (\$1,000,000) claim limit, including (a) Coverage for Third Party loss by theft or other acts. (b) This shall include electronic theft by an employee to a Third Party.

(7) All policies shall include Terrorism coverage.

(b) The limits of liability as required above may be provided by a single policy of insurance or by a combination of primary, excess or umbrella policies but in no event shall the total limits of liability available for any one occurrence or accident be less than the amount required above.

(c) The Contractor, and all of its insurers shall, in regard to the above stated insurance, agree to waive all rights of recovery or subrogation against the Authority, its directors, officers, employees, agents, successors and assigns, and the Authority's insurance companies arising out of any claims for injury(ies) or damages resulting from the work performed by or on behalf of the Contractor under this Contract and/or use of any Authority premises or equipment under this Contract.

(d) Each insurance policy shall contain the following endorsements: PRIMARY AND NON-CONTRIBUTORY INSURANCE and WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS, which shall be evidenced on the Certificate of Insurance. The General Liability insurance shall include contractual endorsement(s) which acknowledge all indemnification requirements under the Agreement. All required endorsements shall be evidenced on the Certificate of Insurance, which shall be evidenced on the Certificate of Insurance. Proof that insurance coverage exists shall be furnished to The Authority by way of a Certificate of Insurance before any part of the Contract work is started.

(e) If any insurance coverage required to be provided by the Contractor is canceled, terminated, or modified so that the required insurance coverages are no longer in full force and effect, the Authority may terminate this Contract or obtain insurance coverages equal to the required coverage, the full cost of which will be the responsibility of the Contractor and shall be deducted from any payment due the Contractor.

(f) If any part of the Contract is sublet, the Contractor shall be liable for its Subcontractor's insurance coverages of the types and in the amounts stated above, and shall furnish the Authority with copies of such Certificates of Insurance. No delay in the work caused by the Contractor's enforcement of its Subcontractor's insurance requirements shall be excusable delay in the Contract. In the event a Subcontractor is unable to furnish insurance in the limits required under the Contract, the Contractor shall endorse the Subcontractor as an ADDITIONAL INSURED on the Contractor's policies.

(g) All insurance required to be maintained or provided by the Contractor shall be with companies and through policies approved by The Authority. The Authority reserves the right to inspect in person, prior to the commencement of the Contract work, all of the Contractor's insurance policy required under this Contract.

(h) The Contractor must furnish proof of the required insurance within five (5) days of the award of the Contract. Certificate of Insurance must indicate the Contract number and description. The insurance certificate should be furnished to the attention of the Contracting Officer.

(i) The Contractor and its lower tier Subcontractors are required to cooperate with the Authority and report all potential claims (workers' compensation, general liability and automobile liability) pertaining to this Contract to the Authority's Risk Management Department at (512) 389-7549 within two (2) days of the incident.

10. PERSONNEL ASSIGNMENTS

The Contractor shall perform the Services in an orderly and workmanlike manner and shall utilize persons skilled and qualified for the performance of the Services. The Authority will have the right to review the experience of each person assigned to perform the Services and approve personnel assignments, including those to be performed by Subcontractors. The Contractor certifies that the Contractor, and each Subcontractor, have established a criminal history background policy that complies with guidance issued by the U.S. Equal Employment Opportunity Commission and that the Contractor and each Subcontractor conducts criminal history checks on its assigned personnel in accordance with such policy to identify, hire and assign personnel to work on this Contract whose criminal backgrounds are appropriate for the Services being performed, considering the risk and liability to the Contractor and the Authority. The Authority reserves the right to require the Contractor and any Subcontractor to disclose any criminal or military criminal convictions of assigned personnel and the right to disapprove the use of assigned personnel with criminal or military convictions.

11. INDEPENDENT CONTRACTOR

The Contractor's relationship to the Authority in the performance of this Contract is that of an independent contractor. The personnel performing services under this Contract shall at all times be under the Contractor's exclusive direction and control and shall be employees of the Contractor and not employees of the Authority. The Contractor shall be fully liable for all acts and omissions of its employees, Subcontractors, and their suppliers and shall be specifically responsible for sufficient supervision and inspection to assure compliance in every respect with Contract requirements. There shall be no contractual relationship between any Subcontractor or supplier of the Contractor and the Authority by virtue of this Contract. The Contractor shall pay wages, salaries and other amounts due its employees in connection with this Contract and shall be responsible for all reports and obligations respecting them, such as Social Security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

12. COMPOSITION OF CONTRACTOR

If the Contractor hereunder is comprised of more than one legal entity, each such entity shall be jointly and severally liable hereunder.

13. CHANGES

(a) The Authority may at any time, by a written order, make changes within the general scope of this Contract in any one or more of the following:

(1) drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Authority in accordance therewith;

(2) method of shipment or packing; and

(3) place of delivery.

(b) If any such change causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work under this Contract, whether changed or not changed by the order, an equitable adjustment shall be made in the Contract price or delivery schedule, or both, and the Contract shall be modified in writing accordingly.

(c) Any notice of intent to assert a claim for adjustment under this paragraph must be asserted by the Contractor within thirty (30) days from the date of receipt of the Authority's written order; provided, however, that later notice shall not bar the Contractor's claim if the Contractor can demonstrate that the Authority was not prejudiced by the delay in notification. In no event shall any claim be asserted after final payment.

(d) Failure to agree to any adjustment under this paragraph shall be a dispute concerning a question of fact within the meaning of the disputes paragraph of this Contract. However, nothing in this paragraph shall excuse the Contractor from proceeding with the Contract as changed pending resolution of the dispute.

14. EXTRAS

Except as otherwise provided in this Contract, no payment for extras shall be made unless such extras and the prices therefor have been authorized in writing by the Authority.

15. VARIATION IN ESTIMATED QUANTITY

If the quantity of a unit-priced item in this Contract is an estimated quantity and the actual quantity of the unit-priced item varies more than ten percent (10%) above or below the estimated quantity, an equitable adjustment in the Contract price shall be made upon demand of either party. The equitable adjustment shall be based upon any increase or decrease in costs due solely to the variation above one hundred ten percent (110%) or below ninety percent (90%) of the estimated quantity. If the quantity variation is such as to cause an increase in the time necessary for completion, the Contractor may request (in writing) an extension of time to be received by the Contracting Officer within ten (10) days from the beginning of the delay, or within such further period as may be granted by the Contracting Officer before the date of final settlement of the Contract. Upon the receipt of a written request for an extension, the Contracting Officer shall ascertain the facts and make an adjustment for extending the completion date as, in the judgment of the Contracting Officer, is justified.

16. EQUITABLE ADJUSTMENTS

Any requests for equitable adjustments under any provision shall be governed by the following provisions:

(a) Upon written request, the Contractor shall submit a proposal, in accordance with the requirements and limitations set forth in this paragraph, for work involving contemplated changes covered by the request. The proposal shall be submitted within the time limit indicated in the request for any extension of such time limit as may be subsequently granted. The Contractor's written statement of the monetary extent of a claim for equitable adjustment shall be submitted in the following form:

(1) Proposals totaling \$5,000 or less shall be submitted in the form of a lump sum proposal with supporting information to clearly relate elements of cost with specific items of work involved to the satisfaction of the Contracting Officer, or his/her authorized representative.

(2) For proposals in excess of \$5,000, the claim for equitable adjustment shall be submitted in the form of a lump sum proposal supported with an itemized breakdown of all increases and decreases in the Contract.

(b) No proposal by the Contractor for an equitable adjustment shall be allowed if asserted after final payment under this Contract.

17. INSPECTION

(a) All supplies (which term throughout this paragraph includes without limitation raw materials, components, intermediate assemblies, and end products) shall be subject to inspection and test by the Authority or its authorized representative, to the extent practicable, at all times (including the period of manufacture) and places and, in any event, prior to acceptance.

(b) In the event any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this Contract, the Authority shall have the right either to reject those supplies (with or without instructions as to their disposition) or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed or, if permitted or required by the Authority, corrected in place by and at the expense of the Contractor promptly after notice and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If the Contractor fails promptly to remove such supplies or lots of supplies which are required to be removed, or promptly to replace or correct such supplies or lots of supplies, the Authority either (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor the cost occasioned the Authority thereby, or (ii) may terminate this Contract for default as provided in the termination paragraph of this Contract. Unless the Contractor corrects or replaces such supplies within the delivery schedule, the Authority may require the delivery of such supplies at a reduction in price that is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute concerning a question of fact within the

meaning of the Disputes paragraph of this Contract.

(c) If any inspection or test is made by the Authority or its authorized representative on the premises of the Authority or a Subcontractor, the Contractor without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the Authority's inspectors in the performance of their duties. If the Authority's inspection or test is made at a point other than the premises of the Contractor or a Subcontractor, it shall be at the expense of the Authority, except as otherwise provided in this Contract; provided, that in case of rejection, the Authority shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by the Authority shall be performed in such a manner as not to unduly delay the work. The Authority reserves the right to charge to the Contractor any additional cost of the Authority's inspection and test when supplies are not ready at the time such inspection and test is required by the Contract or when re-inspection or retest is necessitated by prior rejection. Acceptance or rejection of the supplies shall be made as promptly as practicable after delivery, except as otherwise provided in this Contract; but failure to inspect and accept or reject supplies shall neither relieve the Contractor from responsibility for such supplies as are not in accordance with the Contract requirements nor impose liability on the Authority therefor.

(d) The inspection and test by the Authority of any supplies or lots thereof does not relieve the Contractor from any responsibility regarding defects or other failures to meet the Contract requirements that may be discovered prior to acceptance. Except as otherwise provided in this Contract, acceptance shall be conclusive except for latent defects, fraud, or such gross mistakes as amount to fraud.

18. MATERIALS

All equipment, material, and articles incorporated into the supplies covered by this Contract shall be new and of the most suitable grade for the purpose intended unless otherwise specifically provided in this Contract. If applicable, references in the specifications to equipment, material, articles, or patented processes by trade name, make, or catalog number shall be regarded as establishing a standard of quality and shall not be construed as limiting competition. The Contractor may, at its option, use any equipment, material, article, or process that, in the judgment of the Contracting Officer is equal to that named in the specifications, unless otherwise specifically provided in this Contract.

19. SUSPENSION OF WORK

(a) The Contracting Officer may order the Contractor in writing to suspend all or any part of the Contract for such period of time as it may determine to be appropriate for the convenience of the Authority.

(b) If the performance of all or any part of the Contract is, for an unreasonable period of time, suspended or delayed by an act of the Contracting Officer in the administration of this Contract, or by its failure to act within the time specified in this Contract (or, if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Contract (excluding profit) necessarily caused by such unreasonable suspension or delay, and the Contract modified in writing accordingly. Any adjustment shall be made in accordance with the paragraph entitled "Equitable Adjustments". However, no adjustment shall be made under this paragraph for any suspension or delay to the extent (1) that performance would have been suspended or delayed by any other cause, including the fault or negligence of the Contractor, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Contract.

(c) No claim under this paragraph shall be allowed (1) for any costs incurred more than twenty (20) days before the Contractor shall have notified the Contracting Officer in writing of the act or failure to act involved (but this requirement shall not apply to a claim resulting from a suspension order), and (2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such suspension or delay, but not later than the date of final payment. No part of any claim based on the provisions of this subparagraph shall be allowed if not supported by adequate evidence showing that the cost would not have been incurred but for a delay within the provisions of this paragraph.

20. RISK OF LOSS OR DAMAGE

Except as otherwise provided in this Contract, the Contractor shall be responsible for the supplies covered by this

Contract until they are delivered at the designated delivery point, regardless of the point of inspection. After delivery to the Authority at the designated point and prior to acceptance by the Authority or rejection and giving notice thereof by the Authority, the Authority shall be responsible for the loss, destruction of, or damage to the supplies only if such loss, destruction, or damage results from the negligence of officers, agents, or employees of the Authority acting within the scope of their employment. The Contractor shall bear all risks as to rejected supplies after notice of rejection, except that the Authority shall be responsible for the loss, destruction of, or damage to the supplies only if such loss, destruction, or damage results from the gross negligence of officers, agents, or employees of the Authority acting within the scope of their employment.

21. TERMINATION FOR DEFAULT

(a) The Authority may, subject to the provisions of subparagraph (c) below, by written notice of default to the Contractor, terminate the whole or any part of this Contract in either one of the following circumstances:

(1) if the Contractor fails to make delivery of the supplies within the time specified herein or any extension thereof; or

(2) if the Contractor fails to perform any of the other provisions of this Contract and does not cure such failure within a period of ten (10) days (or such longer period as the Authority may authorize in writing) after receipt of notice from the Authority specifying such failure.

(b) In the event the Authority terminates this Contract in whole or in part as provided in paragraph (a) of this paragraph, the Authority may procure, upon such terms and in such manner as the Authority may deem appropriate, supplies similar to those so terminated, and the Contractor shall be liable to the Authority for any excess costs for such similar supplies; provided, that the Contractor shall continue the performance of this Contract to the extent, if any, it has not been terminated under the provisions of this paragraph.

(c) Except with respect to the defaults of Subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to Force Majeure Events; provided, however, in every case the failure to must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor and if such default arises out of causes beyond the control of both the Contractor and Subcontractor and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

(d) If this Contract is terminated as provided in subparagraph (a), the Authority, in addition to any other rights provided in this subparagraph, may require the Contractor to transfer title and deliver to the Authority in the manner and to the extent directed by the Authority any Manufacturing Materials as the Contractor has specifically produced or specifically acquired for the performance of such part of this Contract as has been terminated; and the Contractor shall, upon direction of the Authority, protect and preserve property in possession of the Contractor in which the Authority has an interest. Payment for completed Manufacturing Materials delivered to and accepted by the Authority shall be at the Contract price. The Authority may withhold from amounts otherwise due the Contractor for such completed Manufacturing Materials such sum as the Authority determines to be necessary to protect the Authority against loss because of outstanding liens or claims of former lien holders.

(e) If, after notice of termination of this Contract under the provisions of this paragraph, it is determined by the Authority that the Contractor was not in default or that the default was excusable under the provisions of this paragraph, the rights and obligations of the parties shall be those provided in the paragraph entitled "Termination for Convenience" contained in this Exhibit E.

(f) The rights and remedies of the Authority provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

22. TERMINATION FOR CONVENIENCE

(a) The Authority may, whenever the interests of the Authority so require, terminate this Contract, in whole or in part, for the convenience of the Authority. The Authority shall give written notice of the termination to the Contractor

specifying the part of the Contract terminated and when termination becomes effective.

(b) The Contractor shall incur no further obligations in connection with the terminated orders, and, on the date set forth in the notice of termination, the Contractor will stop work to the extent specified. The Contractor also shall terminate outstanding orders and Subcontracts as they relate to the terminated order. The Contractor shall settle the liabilities and claims arising out of the termination of Subcontracts and orders connected with the terminated orders. The Authority may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or Subcontracts to the Authority. The Contractor must still complete any orders not terminated by the notice of termination and may incur such obligations as are necessary to do so.

(c) The Authority may require the Contractor to transfer title and deliver to the Authority in the manner and to the extent directed by the Authority: (1) any completed supplies; and (2) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information and contract rights (hereinafter called "Manufacturing Materials") as the Contractor has specifically produced or specially acquired for the performance of the terminated part of this Contract. The Contractor shall, upon direction of the Authority, protect and preserve property in the possession of the Contractor in which the Authority has an interest. If the Authority does not exercise this right, the Contractor shall use its best efforts to sell such supplies and Manufacturing Materials.

(d) The Authority shall pay the Contractor the following amounts:

(1) Contract prices for supplies accepted under the Contract;

(2) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages), less amounts paid or to be paid for accepted supplies; provided, however, that if it appears that the Contractor would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included, and the amount of compensation shall be reduced to reflect the anticipated rate of loss;

(3) costs of settling and paying claims arising out of the termination of Subcontracts (these costs must not include costs paid in accordance with subparagraph (2) of this paragraph); and

(4) the reasonable settlement costs of the Contractor and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract and for the termination and settlement of Subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract.

(5) The total sum to be paid the Contractor under this paragraph shall not exceed the total Contract price plus the reasonable settlement costs of the Contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and Manufacturing Materials under this paragraph, and the Contract price of orders not terminated.

23. PAYMENT TO SUBCONTRACTORS

(a) Payments by contractors to subcontractors associated with Authority contracts are subject to the time periods established in the Texas Prompt Payment Act, Tex. Gov't Code § 2251.

(b) A false certification to the Authority under the provisions of the paragraph entitled "Invoicing and Payment" hereof may be a criminal offense in violation of Tex. Penal Code § 10.

24. CONTRACTOR CERTIFICATION

The Contractor certifies that the fees in this Contract have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.

25. INTELLECTUAL; DATA PRIVACY PROPERTY PROVISIONS

(a) As between the Contractor and the Authority, the Works and Intellectual Property Rights therein are and shall be owned exclusively by Capital Metro, and not the Contractor. The Contractor specifically agrees that all Works shall be considered "works made for hire" and that the Works shall, upon creation, be owned exclusively by the Authority. To the extent that the Works, under applicable law, may not be considered works made for hire, the Contractor hereby agrees that this Contract effectively transfers, grants, conveys, assigns, and relinquishes exclusively to the Authority all right, title and interest in and to all worldwide ownership rights in the Works, and all Intellectual Property Rights in the Works, without the necessity of any further consideration, and the Authority shall be entitled to obtain and hold in its own name all Intellectual Property Rights in and to the Works.

(b) The Contractor, upon request and without further consideration, shall perform any acts that may be deemed necessary or desirable by the Authority to evidence more fully the transfer of ownership of all Works to the Authority to the fullest extent possible, including but not limited to the execution, acknowledgement and delivery of such further documents in a form determined by the Authority. In the event the Authority shall be unable for any reason to obtain the Contractor's signature on any document necessary for any purpose set forth in the foregoing sentence, the Contractor hereby irrevocably designates and appoints the Authority and its duly authorized officers and agents as the Contractor's agent and the Contractor's attorney-in-fact to act for and in the Contractor's behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further any such purpose with the same force and effect as if executed and delivered by the Contractor.

(c) To the extent that any pre-existing rights and/or third-party rights or limitations are embodied, contained, reserved or reflected in the Works, the Contractor shall either:

(1) grant to the Authority the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to:

(i) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such pre-existing rights and any derivative works thereof in connection with the sale, offering for sale, marketing, advertising, and promotion of the Authority's goods and services, and in all forms of media, media channels and/or publicity that may now exist or hereafter be created or developed, including but not limited to television, radio, print, Internet, and social media (e.g., Facebook, Twitter, YouTube, etc.) and

(ii) authorize others to do any or all of the foregoing, or

(2) where the obtaining of worldwide rights is not reasonably practical or feasible, provide written notice to the Authority of such pre-existing or third party rights or limitations, request the Authority's approval of such pre-existing or third party rights, obtain a limited right and license to use such pre-existing or third-party rights on such terms as may be reasonably negotiated, and obtain the Authority's written approval of such pre-existing or third-party rights and the limited use of same. The Contractor shall provide the Authority with documentation indicating a third party's written approval for the Contractor to use any pre-existing or third-party rights that may be embodied, contained, reserved or reflected in the Works. The Contractor shall indemnify, defend and hold the Authority harmless from and against any and all claims, demands, regulatory proceedings and/or causes of action, and all losses, damages, and costs (including attorneys' fees and settlement costs) arising from or relating to, directly or indirectly, any claim or assertion by any third party that the Works infringe any third-party rights. The foregoing indemnity obligation shall not apply to instances in which the Authority either:

(i) exceeded the scope of the limited license that was previously obtained by the Contractor and agreed to by the Authority, or

(ii) obtained information or materials, independent of the Contractor's involvement or creation, and provided such information or materials to the Contractor for inclusion in the Works, and such information or materials were included by the Contractor, in an unaltered and unmodified fashion, in the Works.

(d) The Contractor hereby warrants and represents to the Authority that individuals or characters appearing or depicted in any advertisement, marketing, promotion, publicity or media, of any type or form that may now exist or hereafter be created or developed by or on behalf of the Contractor for the use by or benefit of the Authority, have

provided their written consent for the use, reproduction, display, performance, and distribution of, and/or preparation of derivative works to, their persona or personality rights, including name, biographical information, picture, portrait, likeness, performance, voice and/or identity ("Personality Rights"), and have been compensated for such Personality Rights, if appropriate. If such permission has been obtained for a limited time, the Contractor shall be responsible for any costs associated with claims resulting from such use, etc., of the Personality Rights after the expiration of those time limits. The Contractor agrees to defend, indemnify and hold the Authority harmless from any claims, including but not limited to claims for invasion of privacy, infringement of the right of publicity, libel, unfair competition, false advertising, intentional or negligent infliction of emotional distress, copyright or trademark infringement, and/or claims for attorney's fees, resulting from such use, etc., of the Personality Rights.

(e) The Contractor hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in or to the Works which the Contractor may now have or which may accrue to the Contractor's benefit under U.S. or foreign copyright laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. The term "Moral Rights" shall mean any and all rights of paternity or integrity of the Works and the right to object to any modification, translation or use of the Works, and any similar rights existing under the judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a Moral Right.

(f) The Contract is intended to protect the Authority's proprietary rights pertaining to the Works, and the Intellectual Property Rights therein, and any misuse of such rights would cause substantial and irreparable harm to the Authority's business. Therefore, the Contractor acknowledges and stipulates that a court of competent jurisdiction should immediately enjoin any material breach of the intellectual property and confidentiality provisions of this Contract, upon a request by the Authority, without requiring proof of irreparable injury as same should be presumed.

(g) Upon the request of the Authority, but in any event upon termination of this Contract, the Contractor shall surrender to the Authority all documents and things pertaining to the Works, including but not limited to drafts, memoranda, notes, records, drawings, manuals, computer software, reports, data, and all other documents or materials (and copies of same) generated or developed by the Contractor or furnished by the Authority to the Contractor, including all materials embodying the Works, any Authority confidential information, or Intellectual Property Rights, regardless of whether complete or incomplete. This paragraph is intended to apply to all Works made or compiled by the Contractor, as well as to all documents and things furnished to the Contractor by the Authority or by anyone else that pertains to the Works.

(h) The Contractor and its subcontractors and their respective employees and personnel may have access to the Authority Data (including without limitation, personally identifiable information ("PII")) in connection with the performance of the Contract. PII shall be any information that identifies or describes a person or can be directly linked to a specific individual, including ridership and usage data. Examples of PII include, but are not limited to, name, address, phone or fax number, signature, date of birth, e-mail address, method of payment, ridership and travel pattern data. Customer Personally Identifiable Information, or Customer PII, means any PII relating to the Authority's customers. To the extent any Authority Data (including PII) is made available to the Contractor under the Contract, the Contractor shall take reasonable steps to maintain the confidentiality, security, safety, and integrity of all PII and other Authority Data in accordance with the Authority's Proprietary Rights and Data Security Addendum, which will be attached as an addendum to the Contract, as applicable.

(i) The Contractor and its subcontractors, employees and consultants may require access to the Authority Electronic Property and related Authority Data in connection with the performance of services under the Contract. In such event, the Contractor agrees that it will, and it will cause its subcontractors and any of their respective employees and personnel to, execute the Authority's Access and Use Agreement, which will be attached as an addendum to the Contract, as applicable.

(j) This Section 25 will survive termination or expiration of this Agreement for any reason.

26. FEDERAL, STATE, AND LOCAL TAXES

The Contract Sum includes all applicable federal, state, and local taxes and duties. The Authority is exempt from taxes imposed by the State of Texas and local sales and use taxes under Texas Tax Code § 151.309, and any such taxes included on any invoice received by the Authority shall be deducted from the amount of the invoice for purposes

of payment. The Contractor may claim exemption from payment of applicable State taxes by complying with such procedures as may be prescribed by the State Comptroller of Public Accounts. The Contractor bears sole and total responsibility for obtaining information pertaining to such exemption.

27. EQUAL OPPORTUNITY

During the performance of this Contract, the Contractor agrees that it will, in good faith, afford equal opportunity required by applicable federal, state, or local law to all employees and applicants for employment without regard to race, color, religion, sex, national origin, disability or any other characteristic protected by federal, state or local law.

28. CONFLICT OF INTEREST

(a) Reference is made to Exhibit B, Representations and Certifications, Code of Ethics, which is incorporated herein and made a part of this Contract. Capitalized terms used in this paragraph and not otherwise defined shall have the meanings as described to them in the Code of Ethics.

(b) The Contractor represents that no Employee has a Substantial Interest in the Contractor or this Contract, which Substantial Interest would create or give rise to a Conflict of Interest. The Contractor further represents that no person who has a Substantial Interest in the Contractor and is or has been employed by the Authority for a period of two (2) years prior to the date of this Contract has or will (1) participate, for the Contractor, in a recommendation, bid, proposal or solicitation on any Authority contract, procurement or personnel administration matter, or (2) receive any pecuniary benefit from the award of this Contract through an ownership of a Substantial Interest (as that term is defined in Paragraph II, subparagraphs (1) and (3) of the Code of Ethics) in a business entity or real property.

(c) The Contractor agrees to ensure that the Code of Ethics is not violated as a result of the Contractor's activities in connection with this Contract. The Contractor agrees to immediately inform the Authority if it becomes aware of the existence of any such Substantial Interest or Conflict of Interest, or the existence of any violation of the Code of Ethics arising out of or in connection with this Contract.

(d) The Authority may, in its sole discretion, require the Contractor to cause an immediate divestiture of such Substantial Interest or elimination of such Conflict of Interest, and failure of the Contractor to so comply shall render this Contract voidable by the Authority. Any willful violation of these provisions, creation of a Substantial Interest or existence of a Conflict of Interest with the express or implied knowledge of the Contractor shall render this Contract voidable by the Authority.

(e) In accordance with paragraph 176.006, Texas Local Government Code, "vendor" is required to file a conflict of interest questionnaire within seven business days of becoming aware of a conflict of interest under Texas law. The conflict of interest questionnaire can be obtained from the Texas Ethics Commission at www.ethics.state.tx.us. The questionnaire shall be sent to the Authority's Contract Administrator.

29. GRATUITIES

The Authority may cancel this Contract, without liability to the Contractor, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by the Contractor or any agent or representative to any Authority official or employee with a view toward securing favorable treatment with respect to the performance of this Contract. In the event this Contract is canceled by the Authority pursuant to this provision, the Authority shall be entitled, in addition to any other rights and remedies, to recover from the Contractor a sum equal in amount to the cost incurred by the Contractor in providing such gratuities.

30. REQUEST FOR INFORMATION

(a) The Contractor shall not provide information generated or otherwise obtained in the performance of its responsibilities under this Contract to any party other than the Authority and its authorized agents except as otherwise provided by this Contract or after obtaining the prior written permission of the Authority.

(b) This Contract, all data and other information developed pursuant to this Contract shall be subject to the Texas Public Information Act. The Authority shall comply with all aspects of the Texas Public Information Act.

(c) The Contractor is instructed that any requests for information regarding this Contract and any deliverables shall be referred to the Authority.

(d) The requirements of Subchapter J, Chapter 552, Government Code, may apply to this **contract** and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter.

(1) The requirement of Subchapter J, Chapter 552, Government Code as amended currently applies to expenditures of at least \$1 million in public funds for the purchase of goods or services.

31. LIMITATION OF LIABILITY

In no event shall the Authority or its officers, directors, agents or employees be liable in contract or tort, to the Contractor or its Subcontractors for special, indirect, incidental or consequential damages, resulting from the Authority's performance, nonperformance, or delay in performance of its obligations under this Contract, or the Authority's termination of the Contract with or without cause, or the Authority's suspension of the Services. This limitation of liability shall not apply to intentional tort or fraud. The Contractor shall include similar liability provisions in all its Subcontracts.

32. LAWS, STATUTES AND OTHER GOVERNMENTAL REQUIREMENTS

The Contractor agrees that it shall be in compliance with all laws, statutes, and other governmental requirements, regulations or standards prevailing during the term of this Contract.

33. CLAIMS

In the event that any claim, demand, suit, or other action is made or brought by any person, firm, corporation, or other entity against the Contractor, the Contractor shall give written notice thereof, to the Authority within three (3) working days after being notified of such claim, demand, suit, or action. Such notice shall state the date and hour of notification of any such claim, demand, suit, or other action; the name and address of the person, firm, corporation, or other entity making such claim or instituting or threatening to institute any type of action or proceeding; the basis of such claim, action, or proceeding; and the name of any person against whom such claim is being made or threatened. Such written notice shall be delivered either personally or by mail and shall be directly sent to the attention of the President/CEO, Capital Metropolitan Transportation Authority, 2910 E. 5th Street, Austin, Texas 78702.

34. CONTRACTOR CONTACT/AUTHORITY DESIGNEE

The Contractor shall provide the Authority with a telephone number to ensure immediate communication with a person (not a recording) anytime during Contract performance. Similarly, the Authority shall designate an Authority representative who shall be similarly available to the Contractor.

35. LICENSES AND PERMITS

The Contractor shall, without additional expense to the Authority, be responsible for obtaining any necessary licenses, permits, and approvals for complying with any federal, state, county, municipal, and other laws, codes, and regulations applicable to the performance of work or to the products to be provided under this Contract including, but not limited to, any laws or regulations requiring the use of licensed Subcontractors to perform parts of the work.

36. INDEMNIFICATION

(a) **THE CONTRACTOR WILL INDEMNIFY, DEFEND AND HOLD THE AUTHORITY AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES (THE AUTHORITY AND EACH SUCH PERSON OR ENTITY IS AN "INDEMNIFIED PARTY") HARMLESS FROM AND AGAINST AND PAY ANY AND ALL DAMAGES (AS DEFINED HEREIN) DIRECTLY OR INDIRECTLY RESULTING FROM, RELATING TO, ARISING OUT OF OR ATTRIBUTABLE TO ANY OF THE FOLLOWING:**

- (1) **ANY BREACH OF ANY REPRESENTATION OR WARRANTY THAT THE CONTRACTOR HAS MADE IN THIS CONTRACT;**

(2) ANY BREACH, VIOLATION OR DEFAULT BY OR THROUGH THE CONTRACTOR OR ANY OF ITS SUBCONTRACTORS OF ANY OBLIGATION OF THE CONTRACTOR IN THIS CONTRACT OR ANY OTHER AGREEMENT BETWEEN THE CONTRACTOR AND THE AUTHORITY;

(3) THE USE, CONDITION, OPERATION OR MAINTENANCE OF ANY PROPERTY, VEHICLE, FACILITY OR OTHER ASSET OF THE AUTHORITY TO WHICH THE CONTRACTOR HAS ACCESS OR AS TO WHICH THE CONTRACTOR PROVIDES SERVICES; OR

(4) ANY ACT OR OMISSION OF THE CONTRACTOR OR ANY OF ITS SUBCONTRACTORS OR ANY OF THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CUSTOMERS, INVITEES, REPRESENTATIVES OR VENDORS.

(b) "ACTION" MEANS ANY ACTION, APPEAL, PETITION, PLEA, CHARGE, COMPLAINT, CLAIM, SUIT, DEMAND, LITIGATION, MEDIATION, HEARING, INQUIRY, INVESTIGATION OR SIMILAR EVENT, OCCURRENCE OR PROCEEDING.

(c) "DAMAGES" MEANS ALL DIRECT OR INDIRECT DAMAGES, LOSSES, LIABILITIES, DEFICIENCIES, SETTLEMENTS, CLAIMS, AWARDS, INTEREST, PENALTIES, JUDGMENTS, FINES, OR OTHER COSTS OR EXPENSES OF ANY KIND OR NATURE WHATSOEVER, WHETHER KNOWN OR UNKNOWN, CONTINGENT OR VESTED, MATURED OR UNMATURED, AND WHETHER OR NOT RESULTING FROM THIRD-PARTY CLAIMS, INCLUDING COSTS (INCLUDING, WITHOUT LIMITATION, REASONABLE FEES AND EXPENSES OF ATTORNEYS, OTHER PROFESSIONAL ADVISORS AND EXPERT WITNESSES) RELATED TO ANY INVESTIGATION, ACTION, SUIT, ARBITRATION, APPEAL, CLAIM, DEMAND, INQUIRY, COMPLAINT, MEDIATION, INVESTIGATION OR SIMILAR EVENT, OCCURRENCE OR PROCEEDING.

(d) "THREATENED" MEANS A DEMAND OR STATEMENT HAS BEEN MADE (ORALLY OR IN WRITING) OR A NOTICE HAS BEEN GIVEN (ORALLY OR IN WRITING), OR ANY OTHER EVENT HAS OCCURRED OR ANY OTHER CIRCUMSTANCES EXIST THAT WOULD LEAD A PRUDENT PERSON OR ENTITY TO CONCLUDE THAT AN ACTION OR OTHER MATTER IS LIKELY TO BE ASSERTED, COMMENCED, TAKEN OR OTHERWISE PURSUED IN THE FUTURE.

(e) IF ANY ACTION IS COMMENCED OR THREATENED THAT MAY GIVE RISE TO A CLAIM FOR INDEMNIFICATION (A "CLAIM") BY ANY INDEMNIFIED PARTY AGAINST THE CONTRACTOR, THEN SUCH INDEMNIFIED PARTY WILL PROMPTLY GIVE NOTICE TO THE CONTRACTOR AFTER SUCH INDEMNIFIED PARTY BECOMES AWARE OF SUCH CLAIM. FAILURE TO NOTIFY THE CONTRACTOR WILL NOT RELIEVE THE CONTRACTOR OF ANY LIABILITY THAT IT MAY HAVE TO THE INDEMNIFIED PARTY, EXCEPT TO THE EXTENT THAT THE DEFENSE OF SUCH ACTION IS MATERIALLY AND IRREVOCABLY PREJUDICED BY THE INDEMNIFIED PARTY'S FAILURE TO GIVE SUCH NOTICE. THE CONTRACTOR WILL ASSUME AND THEREAFTER DILIGENTLY AND CONTINUOUSLY CONDUCT THE DEFENSE OF A CLAIM WITH COUNSEL THAT IS SATISFACTORY TO THE INDEMNIFIED PARTY. THE INDEMNIFIED PARTY WILL HAVE THE RIGHT, AT ITS OWN EXPENSE, TO PARTICIPATE IN THE DEFENSE OF A CLAIM WITHOUT RELIEVING THE CONTRACTOR OF ANY OBLIGATION DESCRIBED ABOVE. IN NO EVENT WILL THE CONTRACTOR APPROVE THE ENTRY OF ANY JUDGMENT OR ENTER INTO ANY SETTLEMENT WITH RESPECT TO ANY CLAIM WITHOUT THE INDEMNIFIED PARTY'S PRIOR WRITTEN APPROVAL, WHICH WILL NOT BE UNREASONABLY WITHHELD. UNTIL THE CONTRACTOR ASSUMES THE DILIGENT DEFENSE OF A CLAIM, THE INDEMNIFIED PARTY MAY DEFEND AGAINST A CLAIM IN ANY MANNER THE INDEMNIFIED PARTY REASONABLY DEEMS APPROPRIATE. THE CONTRACTOR WILL REIMBURSE THE INDEMNIFIED PARTY PROMPTLY AND PERIODICALLY FOR THE DAMAGES RELATING TO DEFENDING AGAINST A CLAIM AND WILL PAY PROMPTLY THE INDEMNIFIED PARTY FOR ANY DAMAGES THE INDEMNIFIED PARTY MAY SUFFER RELATING TO A CLAIM.

(f) THE INDEMNIFICATION OBLIGATIONS AND RIGHTS PROVIDED FOR IN THIS CONTRACT DO NOT REQUIRE (AND SHALL NOT BE CONSTRUED AS REQUIRING) THE CONTRACTOR TO INDEMNIFY, HOLD HARMLESS, OR DEFEND ANY INDEMNIFIED PARTY (OR ANY THIRD PARTY) AGAINST ANY ACTION OR CLAIM (OR THREATENED ACTION OR CLAIM) CAUSED BY THE NEGLIGENCE OR FAULT, THE BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, OR RULE, OR THE BREACH OF CONTRACT OF ANY INDEMNIFIED PARTY, ITS AGENTS OR EMPLOYEES, OR ANY THIRD

PARTY UNDER THE CONTROL OR SUPERVISION OF ANY INDEMNIFIED PARTY, OTHER THAN THE CONTRACTOR OR ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS OF ANY TIER.

(g) **THIS PARAGRAPH WILL SURVIVE ANY TERMINATION OR EXPIRATION OF THIS CONTRACT.**

37. NOTICE OF LABOR DISPUTES

(a) If the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, the Contractor immediately shall give notice, including all relevant information, to the Authority.

(b) The Contractor agrees to insert the substance of this paragraph, including this subparagraph (b), in any Subcontract under which a labor dispute may delay the timely performance of this Contract; except that each Subcontract shall provide that in the event its timely performance is delayed or threatened by delay by any actual or potential labor dispute, the Subcontractor shall immediately notify the next higher tier Subcontractor or the Contractor, as the case may be, of all relevant information concerning the dispute.

38. PUBLICITY RELEASES

All publicity releases or releases of reports, papers, articles, maps, or other documents in any way concerning this Contract or the work hereunder which the Contractor or any of its Subcontractors desires to make for purposes of publication in whole or in part, shall be subject to written approval by the Contracting Officer prior to release.

39. INTEREST OF PUBLIC OFFICIALS

The Contractor represents and warrants that no employee, official, or member of the Board of the Authority is or will be pecuniarily interested or benefited directly or indirectly in this Contract. The Contractor further represents and warrants that it has not offered or given gratuities (in the form of entertainment, gifts or otherwise) to any employee, official, or member of the Board of the Authority with a view toward securing favorable treatment in the awarding, amending, or evaluating the performance of this Contract. For breach of any representation or warranty in this paragraph, the Authority shall have the right to terminate this Contract without liability and/or have recourse to any other remedy it may have at law or in equity.

40. MANUFACTURER'S WARRANTY

Any and all standard manufacturer's warranties shall accrue to the benefit of the Authority. The manufacturer's warranties referenced herein shall be in addition to the contractual remedies set forth in this Contract and in addition to any and all other statutory remedies or warranties imposed on the Contractor for the benefit of the Authority.

41. RECORD RETENTION; ACCESS TO RECORDS AND REPORTS

(a) The Contractor will retain, and will require its Subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the Contract, including, but not limited to, data, documents, reports, statistics, sub-agreements, leases, Subcontracts, arrangements, other third-party agreements of any type, and supporting materials related to those records.

(b) If this is a cost-reimbursement, incentive, time and materials, labor hour, or price determinable Contract, or any combination thereof, the Contractor shall maintain, and the Authority and its representatives shall have the right to examine, all books, records, documents, and other evidence and accounting procedures and practices sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of this Contract.

(c) If the Contractor submitted certified cost or pricing data in connection with the pricing of this Contract or if the Contractor's cost of performance is relevant to any change or modification to this Contract, the Authority and its representatives shall have the right to examine all books, records, documents, and other data of the Contractor related to the negotiation, pricing, or performance of such Contract, change, or modification for the purpose of evaluating the costs incurred and the accuracy, completeness, and currency of the cost or pricing data submitted. The

right of examination shall extend to all documents necessary to permit adequate evaluation of the costs incurred and the cost or pricing data submitted, along with the computations and projections used therein.

(d) The Contractor shall maintain all books, records, accounts and reports required under this paragraph for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.

(e) The Contractor agrees to provide sufficient access to the Authority and its contractors to inspect and audit records and information related to performance of this Contract as reasonably may be required.

(f) The Contractor agrees to permit the Authority and its contractors access to the sites of performance under this Contract as reasonably may be required.

(g) If an audit pursuant to this paragraph reveals that the Authority has paid any invoices or charges not authorized under this Contract, the Authority may offset or recoup such amounts against any indebtedness owed by it to Contractor, whether arising under this Contract or otherwise, over a period of time equivalent to the time period over which such invoices or charges accrued.

(h) This paragraph will survive any termination or expiration of this Contract.

42. EXCUSABLE DELAYS

(a) Except for defaults of Subcontractors at any tier, the Contractor shall not be in default because of any failure to perform this Contract under its terms if the failure arises from Force Majeure Events. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. "Default" includes failure to make progress in the work.

(b) If the failure to perform is caused by the failure of a Subcontractor at any tier to perform or make progress, and if the cause of the failure was beyond the control of both the Contractor and Subcontractor and without the fault or negligence of either, the Contractor shall not be deemed to be in default, unless:

- (1) the subcontracted supplies were obtainable from other sources;
- (2) the Authority ordered the Contractor in writing to purchase these supplies from the other source; and
- (3) the Contractor failed to comply reasonably with this order.

(c) Upon the request of the Contractor, the Authority shall ascertain the facts and extent of the failure. If the Authority determines that any failure to perform results from one or more of the causes above, the delivery schedule or period of performance shall be revised, subject to the rights of the Authority under this Contract.

43. INTERPRETATION OF CONTRACT – DISPUTES

All questions concerning interpretation or clarification of this Contract or the acceptable fulfillment of this Contract by the Contractor shall be immediately submitted in writing to the Authority's Contracting Officer for determination. All determinations, instructions, and clarifications of the Contracting Officer shall be final and conclusive unless the Contractor files with the Capital Metro President/CEO within two (2) weeks after the Authority notifies the Contractor of any such determination, instruction or clarification, a written protest, stating in detail the basis of the protest. The President/CEO shall consider the protest and notify the Contractor within two (2) weeks of the protest filing of his or her final decision. The President/CEO's decisions shall be conclusive subject to judicial review. Notwithstanding any disagreement the Contractor may have with the decisions of the President/CEO, the Contractor shall proceed with the Work in accordance with the determinations, instructions, and clarifications of the President/CEO. The Contractor shall be solely responsible for requesting instructions or interpretations and liable for any cost or expenses arising from its failure to do so. The Contractor's failure to protest the Contracting Officer's determinations, instructions, or clarifications within the two-week period shall constitute a waiver by the Contractor of all of its rights to further protest.

44. TOBACCO FREE WORKPLACE

- (a) Tobacco products include cigarettes, cigars, pipes, snuff, snus, chewing tobacco, smokeless tobacco, dipping tobacco and any other non-FDA approved nicotine delivery device.
- (b) The tobacco free workplace policy refers to all Capital Metro owned or leased property. Note that this includes all buildings, facilities, work areas, maintenance facilities, parking areas and all Authority owned vehicles.
- (c) Tobacco use is not permitted at any time on Capital Metro owned or leased property, including personal vehicles parked in Capital Metro parking lots.
- (d) Littering of tobacco-related products on the grounds or parking lots is also prohibited.

45. ORDER OF PRECEDENCE

In the event of any inconsistency between the provisions of this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- 1. Exhibit A-Revised-1FPR – Pricing Schedule
- 2. Exhibit E – Contractual Terms and Conditions
- 3. Exhibit F – Scope of Services
- 4. Exhibit B – Representations and Certifications
- 5. Other provisions or attachments to the Contract

46. ANTI-CORRUPTION AND BRIBERY LAWS

The Contractor shall comply with all Applicable Anti-Corruption and Bribery Laws. The Contractor represents and warrants that it has not and shall not violate or cause the Authority to violate any such Anti-Corruption and Bribery Laws. The Contractor further represents and warrants that, in connection with supplies or services provided to the Authority or with any other business transaction involving the Authority, it shall not pay, offer, promise, or authorize the payment or transfer of anything of value, directly or indirectly to: (a) any government official or employee (including employees of government owned or controlled companies or public international organizations) or to any political party, party official, or candidate for public office or (b) any other person or entity if such payments or transfers would violate applicable laws, including Applicable Anti-Corruption and Bribery Laws. Notwithstanding anything to the contrary herein contained, the Authority may withhold payments under this Contract, and terminate this Contract immediately by way of written notice to the Contractor, if it believes, in good faith, that the Contractor has violated or caused the Authority to violate the Applicable Anti-Corruption and Bribery Laws. The Authority shall not be liable to the Contractor for any claim, losses, or damages related to its decision to exercise its rights under this provision.

47. MISCELLANEOUS

- (a) This Contract does not intend to, and nothing contained in this Contract shall create any partnership, joint venture or other equity type agreement between the Authority and the Contractor.
- (b) All notices, statements, demands, requests, consents or approvals required under this Contract or by law by either party to the other shall be in writing and may be given or served by depositing same in the United States mail, postage paid, registered or certified and addressed to the party to be notified, with return receipt requested; by personally delivering same to such party; an agent of such party; or by overnight courier service, postage paid and addressed to the party to be notified; or by e-mail with delivery confirmation. Notice deposited in the U.S. mail in the manner hereinabove described shall be effective upon such deposit. Notice given in any other manner shall be effective only if and when received by the party to be notified.

If to the Contractor: As set forth in Exhibit B to this Contract

If to the Authority: Capital Metropolitan Transportation Authority
Attn: Sr. Director/Chief Contracting Officer
2910 E. 5th Street

Austin, Texas 78702

Address for notice can be changed by written notice to the other party.

(c) In the event the Authority finds it necessary to employ legal counsel to enforce its rights under this Contract, or to bring an action at law, or other proceeding against the Contractor to enforce any of the terms, covenants or conditions herein, the Contractor shall pay to the Authority its reasonable attorneys' fees and expenses, regardless of whether suit is filed.

(d) If any term or provision of this Contract or any portion of a term or provision hereof or the application thereof to any person or circumstance shall, to any extent, be void, invalid or unenforceable, the remainder of this Contract will remain in full force and effect unless removal of such invalid terms or provisions destroys the legitimate purpose of the Contract in which event the Contract will be terminated.

(e) This Contract represents the entire agreement between the parties concerning the subject matter of this Contract and supersedes any and all prior or contemporaneous oral or written statements, agreements, correspondence, quotations and negotiations. In executing this Contract, the parties do not rely upon any statement, promise, or representation not expressed herein. This Contract may not be changed except by the mutual written agreement of the parties.

(f) A facsimile signature shall be deemed an original signature for all purposes. For purposes of this paragraph, the phrase "facsimile signature" includes without limitation, an image of an original signature.

(g) Whenever used herein, the term "including" shall be deemed to be followed by the words "without limitation". Words used in the singular number shall include the plural, and vice-versa, and any gender shall be deemed to include each other gender. All Exhibits attached to this Contract are incorporated herein by reference.

(h) All rights and remedies provided in this Contract are cumulative and not exclusive of any other rights or remedies that may be available to the Authority, whether provided by law, equity, statute, or otherwise. The election of any one or more remedies the Authority will not constitute a waiver of the right to pursue other available remedies.

(i) The Contractor shall not assign the whole or any part of this Contract or any monies due hereunder without the prior written consent of the Contracting Officer. No assignment shall relieve the Contractor from any of its obligations hereunder. Any attempted assignment, transfer or other conveyance in violation of the foregoing shall be null and void.

(j) The failure of the Authority to insist upon strict adherence to any term of this Contract on any occasion shall not be considered a waiver or deprive the Authority thereafter to insist upon strict adherence to that term or other terms of this Contract. Furthermore, the Authority is a governmental entity and nothing contained in this Contract shall be deemed a waiver of any rights, remedies or privileges available by law.

(k) This Contract shall be governed by and construed in accordance with the laws of the State of Texas. Any dispute arising with respect to this Contract shall be resolved in the state or federal courts of the State of Texas, sitting in Travis County, Texas and the Contractor expressly consents to the personal jurisdiction of these courts.

(l) This Contract is subject to the Texas Public Information Act, Tex. Gov't Code, Chapter 552.

(m) The Contractor represents, warrants and covenants that: (a) it has the requisite power and authority to execute, deliver and perform its obligations under this Contract; and (b) it is in compliance with all applicable laws related to such performance.

(n) The person signing on behalf of the Contractor represents for himself or herself and the Contractor that he or she is duly authorized to execute this Contract.

(o) No term or provision of this Contract is intended to be, or shall be, for the benefit of any person, firm, organization, or corporation for a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

(p) Capital Metro is a governmental entity and nothing in this Contract shall be deemed a waiver of any rights or privileges under the law.

(q) Funding for this Contract after the current fiscal year is subject to revenue availability and appropriation of funds in the annual budget approved by the Authority's Board of Directors.

(r) Time is of the essence for all delivery, performance, submittal, and completion dates in this Contract.

48. FUNDING AVAILABILITY

Funding after the current fiscal year of any contract resulting from this solicitation is subject to revenue availability and appropriation of funds in the annual budget approved by the Authority's Board of Directors.

49. COOPERATIVE CONTRACT

(a) The Authority has entered into a master cooperative purchasing agreement with other governmental entities (with the Authority, the "Cooperative Members") to form the Texas Interlocal Purchase Cooperative, under which the Cooperative Members grant access and make available to one another certain contracts of the Cooperative Members, pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and Chapter 271 of the Local Government Code. The Contractor agrees to offer to other eligible Cooperative Members the goods and services provided under this Contract with the same prices, and under terms and conditions, of this Contract.'

(b) The Authority does not accept any responsibility or liability arising from or related to a separate contract between another Cooperative Member and Contractor based on this Contract or for any purchases made thereunder.

50. AUSTIN TRANSIT PARTNERSHIP

At the direction of Capital Metro, the services provided under the Contract may be performed on behalf of or in connection with Austin Transit Partnership (ATP), and ATP's projects, initiatives, and proposals.

**EXHIBIT F
SCOPE OF SERVICES
MAGENETIC TICKETS AND PASSES**

1. BACKGROUND

Capital Metropolitan Transportation Authority (“Capital Metro” or “the Authority”) is a public agency responsible for providing mass transit service within the City of Austin and the surrounding communities of Leander, Lago Vista, Jonestown, Manor, San Leanna, and Point Venture, as well as the unincorporated area of Travis County within Commissioner Precinct 2 and the Anderson Mill area of Williamson County. Capital Metro services include bus, rail, ride-share programs, special event services, and special transit services for the mobility impaired.

2. GENERAL SCOPE

(a) Capital Metro is seeking to procure Thermal Plastic (30 mil Poly) Smart Cards, thermal poly and paper magnetic tickets and passes, both single tickets/passes and rolled tickets/passes, and RFID tickets/passes used in existing farebox and ticket vending machine equipment. Tickets and passes shall meet overall and equipment specific requirements for security, functionality, and fare media interoperability described below.

(b) Flowbird Group is the vendor and manufacturer of the ticket vending machines (TVM) currently used by Capital Metro. This document has been compiled to act as a default to Flowbird Group proprietary specifications, for the purchase of tickets and passes for use and integration in the GFI Odyssey farebox system, Amp 8000 Mobile POS, Bytemark customer payment system and Init Validator fare collection equipment Smart cards with chip inlays and magnetic tickets purchased to this specification in accordance with a particular application shall be guaranteed to function to the vendor equipment specified. This includes but is not limited to tickets and passes issued from ticket vending machines manufactured by Flowbird Group. Note the rolled card stock, magnetic, and RFID ticket stock technical specifications are proprietary to Flowbird Group. Those specifications will be made available to the vendor awarded this contract.

3. QUANTITY

Items	Description	Estimated Quantity	Fare
1	.007 thermal Paper Non encoded Magnetic Ticket	15,000,000	(Not Numbered) farebox transfers
2	.010 Thermal Poly Pre-Encoded Magnetic Ticket	750,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) Local Day Pass
3	.010 Thermal Poly Pre-Encoded Magnetic Ticket	100,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) Local Day Pass Reduced
4	.010 Thermal Poly Pre-Encoded Magnetic Ticket	20,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) Commuter Day Pass
5	.010 Thermal Poly Pre-Encoded Magnetic Ticket	20,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) Commuter Day Pass Reduced
6	.010 Thermal Poly Pre-Encoded Magnetic Ticket	250,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) (Discount Pass Program) Local Day Pass

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7	.010 Thermal Poly Pre-Encoded Magnetic Ticket	50,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) (Discount Pass Program) Local Day Pass Reduced
8	.010 Thermal Poly Pre-Encoded Magnetic Ticket	10,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) (Discount Pass Program) Commuter Day Pass
9	.010 Thermal Poly Pre-Encoded Magnetic Ticket	10,000	24-Hour (Rolling Day Pass) period pass. (1 specific Graphic) (numbered) (Discount Pass Program) Commuter Day Pass Reduced
10	.010 Thermal Poly Pre-Encoded Magnetic Ticket	3,000	Non-encoded tickets that allow for encoding through the farebox or PEM (GFI's Pass Encoding Machine) (1 specific Graphic) (numbered) Local
11	.010 Thermal Poly Pre-Encoded Magnetic Ticket	3,000	Non-encoded tickets that allow for encoding through the farebox or PEM (GFI's Pass Encoding Machine) (1 specific Graphic) (numbered) Commuter
12	.010 Thermal Poly non-Encoded Magnetic Ticket-Rolled Ticket Stock (Red)	600,000 each (500 rolls @1200 tickets per roll)	Non-encoded tickets in a rolled ticket stock that allows for encoding through the Flowbird streetsmart Ticket Vending Machines (1 Specific Graphic) (not numbered)
13	.010 Thermal Poly Pre-Encoded Magnetic Ticket for the Corporate Partnership Program and interlocal agreements. This program requires passes for various services offered by Capital Metro (Fixed Route, Metro Access, Metrorail, and Ride Share	20,000	Pre-encoded Period Passes, as specified by agreement with corporate partner. (Numbered) (Various Graphics)
14	.010 Thermal Poly Pre-Encoded Magnetic Ticket	90,000 total	Month to month magnetic passes beginning Jan Thru Dec for Metro Access Services. Each month will require 2,000 passes valid specifically for that month. Requires (twelve) 12 different graphics and colors. (24000) (Each 2000 numbered sequentially; 0001-2000, 2001-4000, 4001-6000 etc.
15	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	40,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered)Local 7 Day
16	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	40,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered)Local 7-Day Reduced
17	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	20,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered)Commuter 7-Day
18	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	20,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered) Commuter 7-Day Reduced
19	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	30,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Local 7 Day

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20	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	15,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Local 7-Day Reduced
21	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Commuter 7-Day
22	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	7 Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Commuter 7-Day Reduced
23	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	25,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) Local 31-Day
24	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	20,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) Local 31-Day Reduced
25	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) Commuter 31-Day
26	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) Commuter 31-Day Reduced
27	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	20,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Local 31-Day
28	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	20,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Local 31-Day reduced
29	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Commuter 31-Day
30	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	31-Day Rolling Passes (1 Specific Graphic) (Numbered) (Discount Pass Program) Commuter 31-Day Reduced
31	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	31-Day Rolling passes (1 Specific Graphic) (Numbered) (MetroWorks) Local 31-Day
32	.030 Thermal Poly Pre-Encoded MIFARE Classic chip inlay Smartcard	5,000	31-Day Rolling passes (1 Specific Graphic) (Numbered) (MetroWorks) Commuter 31-Day
33	Pre-Encoded RFID Inlay and sticker for the Corporate Partnership Program and interlocal agreements. This program requires passes for various services offered by Capital Metro (Fixed Route, Metro Access, MetroRail, and Ride Share)	10,000	Pre-encoded Period Pass Stickers as specified by agreement with corporate partner. (Numbered) (Various Graphics)
34	.030 Thermal Poly Pre-Encoded Desfire EV2 chip inlay Smartcard	50,000	Account Based Media SmartCard (1 Specific Graphic) (Numbered)
35	.030 Thermal Poly Pre-Encoded Desfire EV3 chip inlay Smartcard	50,000	Account Based Media SmartCard (1 Specific Graphic) (Numbered)

4. DELIVERY AND PACKAGING

Orders shall be delivered upon completion of each order and delivered within (6) weeks of initial order and Capital Metro approval of proofs. Subsequent orders shall be delivered within (4) weeks of order and approval of proofs. New orders

requiring art, or media type, and specification changes requested by Capital Metro will be delivered within (6) weeks of initial order and Capital Metro approval of proofs. Magnetic tickets shall be required to be shipped in quantities of 10,000 per case, (ten) sleeves per case and 1,000 tickets per sleeve. RFID and Smartcard tickets/passes shall be required to be shipped in quantities of 2,500 per case (ten) sleeves per case and 250 tickets per sleeve. Unless otherwise specified, all tickets/passes are required to be delivered in numerical order.

Each box shall be clearly identified, and there is not to be mixing of tickets.

5. ARTWORK

The artwork shall be furnished to the printer as ADOBE PHOTOSHOP documents saved onto a PDF or EPS. File. The ticket will be full color, with watermark logo on the front, black and red lettering in back. Samples of each ticket/pass will be provided by the authority. The Artwork shall be the property of the Authority.

6. PRINTING

(a) The manufacturer of these Smartcards, RFID, and magnetic tickets/passes for the authority shall guarantee the quality and compatibility to the specific equipment through the vendors listed below including but not limited to:

GFI Genfare
751 Pratt Blvd.
Elk Grove Village, IL. 60007
847-593-8855

Bytemark Inc. (and their sub-contractors)
One Pennsylvania Plaza
Floor 11 Suite 1100
New York, NY. 10119
212-206-8719

(b) The Printing shall be legible, without excess ink, and cause no embossment or distortion of the ticket(s). The ink shall be non-conductive, non-abrasive, non-magnetic, and non-blocking when dry. In addition, it shall not transfer to a customer's hands or clothing, other tickets, feed rolls, or other machine components and shall not easily smudge or smear when handled in environments specified in paragraph 12.0 a. Ticket/Pass Characteristics

(c) All Thermal transfer printing shall employ ribbons which "bond" with the substrate material to form a durable, scratch resistant finish.

(d) During the printing process random samples of the tickets shall be taken and a clean white cloth shall be rubbed on the ticket. No ink shall be removed, smudge or smear onto the white cloth from the tickets/passes.

(e) There are several different types of printing, described below, that shall be associated with the printing of the tickets/passes:

- (i) **Standard Ink Printing** – All non-magnetic and non- optical sense ink shall be referred to as colored print. The colored print ink shall balance the requirements for security and the problems created by offsetting onto the mechanical components of the ticket/pass handling equipment.
- (ii) **Optical Sense Print** – All print which is to be sensed or read by an optical scanning device must produce a PCS reading of 80% minimum across a spectral range of 600 nm to 900 nm and a maximum reflectance of 18%. Any printed marks employed for a machine sensing of ticket location shall be located on the front (non-magnetic side) of the ticket/pass.
- (iii) **Production run identification** – Each ticket/pass shall include a mark identifying the production run in which the ticket/pass was made.
- (iv) **Registration** – Registration is the relationship of the various component characteristics of the ticket/pass to one another.
- (v) **Print to Print** – Variations in the placement of press applied printing shall not exceed +/- 0.51mm (0.020 inches) from a single point of reference on the document.
- (vi) **Print to cut** - Variation in the location of press applied printing relative to the document edge shall not exceed +/- 0.51 mm (0.020 inches) variation.

- (vii) **Perforation to Cut Registration** – Variation in the location of perforations relative to the location of the measurement reference shall not exceed +/- 0.51 mm (0.020 inches).

7. TICKET STOCK – THERMAL PAPER

- (a) **Material and Quality** – The paper stock quality shall meet or exceed the requirements of ANSI X3.11 – 1969, Section 3, with the exception that it shall be modified to slow sizes variations caused by humidity, temperature, or repeated handling, and is further modified to the extent specified below.
- (b) **Finish** – The paper shall be 100% chemical pulp; no ground wood permitted. The fiber composition shall be determined by the method standardized by Technical Committee ISO/TC 6, Paper, Board, and pulps.
- (c) **Basis Weight** – 99 +/- 5.5 pounds per ream of 500 sheets, 24 inches x 36 inches.
- (d) **Thickness** – 0.0070 +/- 0.0004 inches. (0.178 +/- 0.01mm)
- (e) **Bursting Strength** – 65.0 pounds per square inch – minimum.
- (f) **Dry Stiffness – Grain Direction** – 18.0-gram centimeter minimum / cross direction = 6.0-gram centimeter minimum.
- (g) **Wet Stiffness – Grain direction** = 13.0-grams centimeter minimum / cross directions; 2.0 grams centimeter minimum
- (h) **Coefficient of Friction** – The static coefficient of friction of the finished ticket/pass shall be Coefficient of Friction = 0.15 to 0.45.
- (i) **Kinetic coefficient of Friction** – Shall not be < 75% of the static coefficient of friction.
- (j) **Expansion and Contraction** – Maximum expansion and contraction with a change in a relative humidity of from 20% to 75% or from 75% to 20% shall be less than grain direction of 0.25%, in the cross-grain direction 0.70%
- (k) **Color - Material** shall be white card stock, or white poly plastic stock for smartcards, unless otherwise specified herein or by reference and approved.
- (l) **Opacity** – Paper Opacity shall be 80% as defined in TAPPI- T425 Opacity of Paper.
- (m) **Curl of the tickets at equilibrium with any relative humidity between 20% and 75% shall not exceed the following values:**
- (i) Axis of curl parallel to ticket length 0.09.
 - (ii) Axis of curl Perpendicular to ticket length 1.10 inches.
 - (iii) Axis of curl parallel to ticket diagonal: .10 inches.
- (n) **Internal Tearing Resistance** – The minimum resistance to tear in each direction shall be 1.255 N (equivalents to 125gm). Tearing Resistance shall be determined by the method specified in ISO 1974.
- (o) **Ash content** shall not to exceed 5%. Ash content shall be determined by the method specified in ISO/R 2144.
- (p) **PH Value** obtained by the hot extraction method shall not be below 5.0. Hydrogen ion concentration shall be determined by the method standardized by Technical Committee ISO/TC6. Paper, Board, and pulps.
- (q) **Writing Quality** shall be determined by the method standardized by technical Committee ISO/TC 6, Paper Board and Pulps.

- (r) Smoothness (Roughness) on either side of the paper shall correspond to a reading in the range of 75-125 Sheffield Units and the ratio of the smoothness of one side to the other shall not exceed 1.3:1.
- (s) Abrasion Loss of mass from each side of the paper shall not exceed 50 mg. it shall be determined by the method standardized by Technical Committee ISO/TC 6, Paper Board and Pulps.
- (t) Toxicity – No part of the ticket/pass shall be capable of causing bodily harm by absorption, inhalation, or ingestion.
- (u) Thermal Properties – The thermal paper tickets will have properties similar to FAX Grade 3 paper.
- (v) Location of Magnetic Stripe - the Stripe shall be located on the thermal print side.
- (w) Marking upon Abrasion – The thermal surface shall not show any printing marks upon abrasion (with a pointed metal stylus with a point with radius of not less than 0.010 inches). The stylus shall be slid across the surface at a rate of not less than 10 inches per second.
- (x) Erasure of thermal printing - Usage of alcohol or petroleum solvent shall not result in the erasure/removal of thermal printing from the thermal side of the ticket/pass.
- (y) Storage Temperature – The ticket shall be suitable for storing in an environment as follows without degradation of the thermal properties for a period of one (1) year.
 - (i) Temperature: 32 degrees Fh – 120 degrees Fh.
 - (ii) Humidity: 5% - 60% RH

8. TICKET STOCK – THERMAL PLASTIC (30MIL POLY)

- (a) Material and Quality – The card material shall be made of polyester, polyvinyl chloride, (or acrylonitrile butadiene styrene or polycarbonate when appropriate) with prior approval of the Authority. The card shall be of such nature that deformations in normal use (bends, not creases) can be reduced elastically to flatness by the reading or print device without impairing the function of the card (i.e., Magnetic stripe, microchip/semiconductor inlay)
- (b) Color – The base material shall be white stock, unless otherwise specified herein or by reference and approval.
- (c) Opacity – The opacity of the card shall be no less than 70% in accordance with TAPPI T 425 om-81.
- (d) Curl – The maximum curl of the tickets at equilibrium with any relative humidity between 20% and 75% shall not exceed the following values:
 - (i) Axis of curl parallel to ticket length 0.09.
 - (ii) Axis of curl Perpendicular to ticket length 1.10 inches.
 - (iii) Axis of curl parallel to ticket diagonal: .10 inches
- (e) Surface Distortions – Any surface distortions, irregularities, or raised areas that might interfere with a recording or playback head shall be at least 0.125 inches for the edges of the magnetic material. No raised areas shall exceed 0.001 inches on the entire back surface of the card or within 0.10 inches of the top and bottom edge of the front of the card. Over the rest of the front surface of the card. No raised area shall exceed 0.002 inches.
- (f) Contamination – the card and any material added to the card shall be made of a material that will not contaminate the devices that stripe, encode, or read the card. The card material shall not contain elements that migrate into and modify the magnetic material.

- (g) Resistance to Chemicals – The card shall be resistant to chemical effects arising in normal handling and use.
- (h) Ultraviolet light – The card shall resist physical degradation due to the ultraviolet light that will appear in normal use.
- (i) Card Surface – Burns normal to the card face (front or back) shall not exceed 0.0003 inches above the card surface.
- (j) Thickness – The thickness shall be: 0.010 inches +/- .0002 inches.
- (k) Inlay Device - The semiconductor/chip inlays used in the poly card tickets/passes shall be but not limited to MIFARE, DESFire, Ultralight, Ultralight C family of semiconductors/chips and include the use of current and future evolutions of semiconductor technology appropriate for the use of Transportation Customer Payment Systems with the request and approval of the Authority.
- (l) Marking upon Abrasion – The thermal surface shall not show any printing marks upon abrasion (with a pointed metal stylus with a point with radius of not less than 0.010 inches). The stylus shall be slid across the surface at a rate of not less than 10 inches per second.
- (m) Storage Temperature – The ticket shall be suitable for storing in an environment as follows without degradation of the thermal properties for a period of one (1) year.
 - (i) Temperature: 32 degrees Fh – 120 degrees Fh.
 - (ii) Humidity: 5% - 60% RH

9. MAGNETIC STRIPE MATERIAL

- (a) Material shall be manufactured from suitable pigments and oxides to achieve the required magnetic properties. Material may be applied either by direct slurry coating or by affixing tape as appropriate.
- (b) The location of the magnetic material is on the back of the ticket. The basic dimension from the ticket/pass edge to the stripe centerline is 0.548 inches. Stripe shall be parallel to the long edge of the ticket/pass.
- (c) The height of the reading surface above the card when profiled with a probe having a radius of between 1.015 inches and 0.100 inches shall be 0.000 inches minimum and 0.0006 inches maximum. A magnetic stripe with a nominal width of 0.250 inches for recording information shall be located on the ticket.
- (d) The outside surface of the magnetic stripe shall not extend more than 1000 micro-inches above the surface of an individual ticket. The outside surface of the magnetic stripe shall not be below the ticket surface. The average stripe height measured over a stack of 500 tickets shall not exceed 1000 micro-inches. These measurements shall be made according to the methods established in GFI Test Procedure 18295.
- (e) The surface irregularity of the reading surface shall not exceed 55 micro inches centerline average in either the longitudinal or the transverse direction, using a cutoff wavelength of 0.01 in. or 0.03 in. when using a probe having a minimum radius of 100 micro-inches.
- (f) The average profile of the minimum magnetic stripe width when width measured parallel to the height of the card with a probe having a radius of 0.015 in. to 0.1000 in. shall not show a vertical deviation from a straight line connecting the minimum stripe width of more than 150 micro inches for every 0.100 in. of stripe width. During the measurement, the back side of the card shall be held parallel to the reference surface by a 0.5 lb. load evenly distributed over the back of the measurement area.

(g) The magnetic material after being abraded shall be capable of producing read back signal amplitude over the abrade portion of the stripe that is no less than 50% of the peak read back signal before abrasion. For the polyester tickets, the abrasion shall be carried out in a Tabor Abraser type 5130 or equivalent.

(h) Test card shall be flat in the fixture with a filler card or equal thickness so that the abrading wheels do not bounce. Wheel shall be CS-10F. Load on each wheel shall be 500g. The number of abrading wheel passes shall be 300 (150 complete cycles under 2 wheels.) The wheels shall be cleaned frequently and at least between cards, to avoid clogging by materials removed from stripe.

(i) Paper Tickets/ Passes – The abrasion shall be tested as above in section 7(w).

(j) The magnetic materials on the card, after being immersed in each of the chemical solutions (below) for at least 100 continuous hours at room temperatures, shall be capable of producing peak read back signals that are no less than 90 percent of the peak read back signals measured before immersion. The encoded signals for this test shall be at 500 fpi. Each immersion is a separate test and starts with a new specimen card. The chemical solutions are:

- (i) Acetic Acid: Dilute 10 ml of concentrated glacial acetic acid with 90 ml of distilled water.
- (ii) Ammonium Hydroxide: Dilute 10 ml of concentrated ammonium hydroxide with 90 ml of distilled water.
- (iii) Artificial Perspiration -Acid: Dissolve 10 g of sodium chloride, 1g, of lactic acid (USP 85%), and 1g. of disodium monohydrochloride in distilled water to make 1000 ml of solution. Adjust to pH to 3.5.
- (iv) Artificial Perspiration Alkaline: Dissolve 10 g of sodium chloride, 4 g of ammonium carbonate (USP), 1g. of disodium hydrogen phosphate, and 1.25 g of histidine monohydrochloride in distilled water to make 1000 ml of solution. Adjust pH to 8.0.
- (v) This test is not applicable to paper-based tickets/passes.

(k) The stripe shall not separate from the card under normal use or after the exposures specified.

(l) Any overlay whether applied as a wet coating or applied as a pre-manufactured stripe shall be less than 10% of the shortest flux reversal to be encoded on the stripe.

(m) Ticket shall be suitable for processing in the GFI Odyssey Fare Collection equipment after being submerged in water, 120 Fh and then dried.

10. MAGNETIC CHARACTERISTIC

All measurements shall be made with a magnetic stripe reader/encoder equipped with a single combination read/write head. The test apparatus and test conditions shall comply with the following specifications:

(a) The media speed shall be maintained constant (or be corrected to) within +/- 0.5% for all measurements and is recommended to be in the range of 7 to 10 inches per second (178 to 254 millimeters per second). The speed shall be recorded.

(b) The read write head shall have read/write windings at the same gap and have core saturations current at least 1.67 times the maximum write current used in the measurements.

(c) The write width shall be nominal 0.120 inches (3.05mm) and shall be in range of 0.040 to 0.065 inches (1.0 to 1.6mm) and be centrally located with respect to the write width. The head gap length shall be in the range of 0.0005 to 0.0008 inches (0.012 – 0.021 mm). The azimuth error of the head/transport apparatus shall be no greater than 10 minutes of arc.

- (d) The head pressure shall be adjusted using the RM 7811/2 reference card such that a higher head pressure does not increase the read output voltage or decrease the noise measured. The head pressure shall be maintained constant for all sequences of measurement.
- (e) Read measurements shall be made with the media moving in the same direction as the write operation and shall be taken on the same read pass. All read measurements are the average peak-peak (amplified) read winding output voltage using equipment with a flat response (+/- 0.1 dB) for the signal frequencies measured, and a noise less than 0.5% of the RM7811/2 Reference Card saturation read voltage. The average value shall be determined over the length of the card excluding 0.20 inches (5.08 mm) from other end of the stripe. All sequences of measurements shall be made on the same region of the stripe.
- (f) The write head winding shall have associated circuits to allow for the adjustment and measurement of the write current. The rise time of the wave form shall be no greater than 5% of the minimum flux transition period to be encoded. Writer current settings shall have an accuracy of +/- 0.5%.
- (g) The environmental conditions for all measurements shall be 73Fh +/- 5Fh and 40% - 60% RH.
- (h) All sequences of measurements shall be performed with the same test apparatus and under the same conditions.

11. ENCODING SPECIFICATIONS

- (a) Location of Encoded Data – The data shall be encoded in an area extending between two lines that are 0.353 inches and 0.643 inches from the edge of the card.
 - (b) Data shall be arranged as given 5.1, 5.2, and 5.3, and shall begin in sequence from the right-hand side of the card as viewed from the front with the encoded track at the bottom.
 - (c) The centerline of the first data bit (start sentinel) is 0.293 inches +/- 0.020 inches from the right edge of the card.
 - (d) When the data is re-encoded in a terminal, the centerline of the first encoded data bit in the start sentinel may be located 0.293 inches +/- 0.040 inches from the right edge of the card.
 - (e) The lead-in up to the first data bit (start sentinel) shall be clocking bits (Zeros), and the distance from the last data bit (longitudinal redundancy check (LRC) character) to the end shall also be clocking bits.
- Note: It is recognized that Zeros prior to 0.125 inches or after 3.250 inches from the right edge of the card when viewed from the back may not meet specification, however, nothing other than intended zeros should be enclosed in this area.
- (f) The encoding technique is known as two-frequency, coherent phase recording. This method allows for a serial recording of self-clocking data (on one channel)
 - (g) The data is comprised of data bits and clocking bits together. An intermediate flux transition occurring between clocking transitions signifies a ONE; the absence of an intermediate flux transition signifies ZERO.
 - (h) Flux transitions are, for the purpose of this document, defined as the locations of the maxima of the magnitude of the magnetic flux density component normal to the surface of the magnetic stripe.
 - (i) The data shall be recorded as a synchronous sequence of characters without intervening gaps.
 - (j) Recording shall be in saturation mode with magnetization parallel to a line in the plane of the track. The direction is determined by the recording angle.

(k) The signal shall be recorded in such a way that the maximum playback amplitude will occur when the magnetic centerline along the head gap is at an angle of 0 +/- 20 minutes to a line normal to the top edge of the card.

(l) The average bit density of the recorded signal shall be 120 bits/inches (+/- 3%) when measured along the line parallel to the top reference edge of the card. The spacing between the adjacent flux changes shall be 0.008333 inches +/- 0.00025 inches (+/- 3%) for ZERO and 0.004167 inches +/- 0.000167 inches (+/- 4%) for each interval of a ONE. For a Sequence of recorded Ones the density corresponds to a nominal 240 fpi. It is recognized that other densities may be used in the range of 40 to 210 bits per inch.

(m) The character code, which is numeric only, shall be binary coded decimal (BCD) 4-bit subset with odd parity. The following special meanings shall be attached to the following characters.

- (i) 11 Start Sentinel.
- (ii) 12 Data Separator.
- (iii) 15 End Sentinel.

(n) Bit Configuration – When viewing the card from the back, with the magnetic stripe at the top of the card, the rightmost bit of each character is defined as the least significant bit (b1). The significance decreases to the left through the leftmost position, which is defined as the parity bit (bp).

(o) Two techniques of error detection, as described below, shall be encoded. In both Techniques, the clocking bits recorded at the end of the data message are used for synchronization and shall not be regarded as data characters.

- (i) Parity – A parity bit for all encoded characters shall be used. The value of the parity bit is defined such that the total quantity of ONE bit recorded, for a character, including the party bit, shall be odd.
- (ii) Longitudinal Redundancy Check - A longitudinal redundancy check (LRC) character shall appear for each data message. The LRC character shall be encoded so that it immediately follows the end sentinel when the card is read in a direction giving the start sentinel first, followed by data and the end sentinel. The bit configuration of the LRC character shall be identical to the bit configuration of the data character.
- (iii) The LRC character shall be calculated with the following procedure.
- (iv) The value of each bit in the LRC character excluding the parity bit, is defined such that the total count of ONE bit encoded in the corresponding bit location of all characters of the data message, including the start sentinel data, and sentinel, and LRC characters shall be even.
- (v) The LRC characters parity bit is not a parity bit for the individual parity bits of the data message but is only the parity bit for the LRC character encoded.

(p) Only one (1) track of data shall be encoded on the card.

(q) Other Encoding Methods – Consult GFI Genfare and Bytemark Inc (and their sub-contractors) for encoding methods other than those specified above.

12. TICKET/PASS CHARACTERISTICS

The ticket /pass characteristics shall be measured according to the procedures contained in GFI's test Procedure 18295.

(a) Ticket Reliability – The essential characteristic of tickets/passes is that they shall work reliably with the GFI Genfare Odyssey Validating Fare Collection Equipment, and Authority Customer Payment Systems equipment integrated with/hosted by Bytemark inc. as specified.

- (i) The tickets/passes are used in two distinct types of equipment. Original issue equipment such as encoding machine(s) and ticket vending machines (TVM), where the ticket stock is new and unused and is used just once in the process of creating and /or issuing the ticket/pass.
- (ii) The second types of equipment are the fareboxes, validators and Mobile POS units on buses, trains, stations, and other locations which receive the previously encoded ticket and process it for validity and other conditions of use. It is this second type which requires sustained performance by the ticket/pass relative to use by the customer.
- (iii) Provided that these tickets/passes are not mutilated or abused by patrons beyond those environmental specifications contained herein, the paper ticket/pass shall be suitable for use by a customer in GFI and Bytemark and Flowbird equipment not less than 60 times, with a design life of not less than 100 times. The poly plastic ticket/pass shall be suitable for use by a customer not less than 500 times with a design life of not less than 1,000 times.

(b) Folding – The paper ticket shall be suitable for processing in equipment (other than encoding and vending machines) after being folded into four (4) parts and then unfolded according to the methods outlined in GFI's Test Procedure 18295. The poly plastic ticket/pass shall not be required to function in any equipment after being folded.

(c) Wetness/Moisture – The ticket/pass shall be suitable for use after it has been submerged in water for a period of 5 seconds, withdrawn and patted dry.

(d) Magnetic Exposure – the readback signal level of a ticket/pass shall not be degraded by more than 1% when subjected to magnetic fields of up to and including 50 gauss.

(e) Magnetic Stripe Strength – The adhesion of the magnetic stripe to the ticket/pass shall be adequate to ensure that the stripe will not be separated or partially separated from the ticket upon the environmental, processing and lifetime conditions defined in this specification. This is essential to provide a means of fraud control.

(f) Workmanship – As delivered, the tickets shall contain no cracks, bends, breaks, tears, attached /detached parts, ink smears, or other defects that could render the ticket unsuitable for the intended purpose. The tickets shall be clean and free of dirt and other foreign material.

(g) Ticket/Pass – Machine Environment/Life of ticket/pass – the tickets/passes shall be usable for a period not less than one (1) year after being loaded into the hopper of the TRIM unit of the GFI Farebox, and Flowbird Ticket Vending Machines within the following conditions.

- (i) Temperature: Minimum 32 degrees Fh – Maximum 120 degrees Fh.
- (ii) Humidity: minimum = 5%RH - Maximum 60% RH

(h) The Magnetic properties of the tickets shall have a shelf life not less than five (5) years.

13. PROOF APPROVAL

Ten (10) proofs of each ticket/pass type will be required: all samples will be tested and shall include the finished material. Finished product must meet or exceed the Authority's requirement and approval prior to proceeding with order(s). The proofs shall be provided six (6) weeks prior to the order delivery due date.

The Authority's Cash Operations Manager shall have the final authority to proceed with the order.

14. DELIVERY LOCATION

Tickets shall be delivered to Capital Metropolitan Transportation Authority, 2910 East 5th Street, Austin, Texas 78702.
Attn: Treasury Dept.