

DELIVERY AND PAYING AGENT AGREEMENT

Dated as of June 1, 2010

U.S. Bank National Association
100 Wall Street, Suite 1600
New York, New York 10005

Re: City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates, Series 1 and Series 2 (the "Tax-Exempt Commercial Paper Certificates")

and

City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates, Series 1-T and Series 2-T (the "Taxable Commercial Paper Certificates")

Ladies and Gentlemen:

This letter will set forth the understandings made between you and the undersigned, the City and County of San Francisco, a charter city and county duly organized and existing under the laws of the State of California (the "City"), whereby you have agreed to act (i) as depository for the safekeeping of certain certificates of participation of the City which may be issued and sold in the tax-exempt and taxable commercial paper markets (collectively, the "Commercial Paper Certificates"), (ii) as delivery agent on behalf of the City in connection with the delivery of the Commercial Paper Certificates, and (iii) as paying agent to undertake certain obligations as described below on behalf of the holders of the Commercial Paper Certificates. Capitalized terms not otherwise defined herein will have the meanings set forth in that certain Trust Agreement, dated as of June 1, 2010 (the "Trust Agreement"), between the City and U.S. Bank National Association, as Trustee.

1. Appointment of Agent. The City hereby requests that you act, on the terms and conditions specified herein and in the Trust Agreement, as delivery and paying agent for its Commercial Paper Certificates to be delivered from time to time. Pursuant to the terms of the Trust Agreement, the City may deliver and sell Commercial Paper Certificates, which will be short-term certificates of participation issued in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Act"), afforded by Section 3(a)(2) thereof. The Commercial Paper Certificates will be placed initially through J.P. Morgan Securities Inc. (the "Dealer"). The Commercial Paper Certificates may be delivered as physical certificates (the "Physical Commercial Paper Certificates") substantially in the form of Exhibit A-1, in the case of the Tax-Exempt Commercial Paper Certificates, and Exhibit A-2, in the case of the Taxable Commercial Paper Certificates, to the Trust Agreement, or as obligations ("Book-Entry Commercial Paper Certificates") evidenced by a Master Certificate substantially in the form of Exhibit B-1, in the case of the Tax-Exempt Commercial Paper Certificates, and Exhibit B-2, in the case of the Taxable Commercial Paper Certificates, to the Trust Agreement. The Master Certificates and the City's obligations thereunder will be issued in accordance with applicable rules and regulations of DTC.

2. Master Certificate: Supply of Commercial Paper Certificates.

(a) The Book-Entry Commercial Paper Certificates will be evidenced by (i) a Master Certificate representing 100% of the principal amount of the Tax-Exempt Commercial Paper Certificates as may be Outstanding from time to time and (ii) a Master Certificate representing 100% of the principal amount of the Taxable Commercial Paper Notes as may be Outstanding from time to time. Each Master Certificate will bear the manual or facsimile signature of an Authorized Representative (as hereinafter defined), be countersigned for authentication by you, be registered in the name of the Nominee and be unavailable for transfer to the beneficial owners thereof.

You will maintain the Master Certificates in safekeeping, in accordance with your customary practices, on behalf of the Nominee, as the registered owner thereof. As long as the Nominee is the registered owner of the Master Certificates, the beneficial ownership interests therein will be shown on, and the transfer of ownership thereof will be effected through, entries on the books maintained by DTC and the books of its Participants. The Master Certificates and the Book-Entry Commercial Paper Certificates represented thereby will be subject to DTC's rules and procedures in effect at the time of the delivery of Book-Entry Commercial Paper Certificates, as the same will be amended from time to time. You will cooperate with the City in assuring compliance with such rules and procedures. In connection with the DTC Same Day Funds ("SDFS") Money Market Instrument ("MMI") program, the City understands that as one of the conditions of its participation therein, it will be necessary for the City and you to execute a Letter of Representations and for DTC to receive and accept such Letter of Representations. So long as the Master Certificates are issued and any Book-Entry Commercial Paper Certificates are Outstanding, no Physical Commercial Paper Certificates may be issued.

(b) In the event that the Master Certificates and the Book-Entry Commercial Paper Certificates are no longer Outstanding, the City will from time to time furnish you with an adequate supply of Physical Commercial Paper Certificates, which will be serially numbered and will have been executed by manual or facsimile signature by an Authorized Representative (as hereinafter defined), with the Certificate number, principal amount, payee, date of issue, maturity date, interest rate and maturity value left undetermined. Pending receipt of instructions pursuant to this Agreement, you will hold the Physical Commercial Paper Certificates in safekeeping for the account of the City in accordance with your customary practice.

3. Authorized Representatives. From time to time the City will furnish you with a written instrument certifying the incumbency and specimen signatures of officers or agents of the City authorized to (a) execute the Master Certificates, representing the Book-Entry Commercial Paper Certificates, (b) execute Physical Commercial Paper Certificates, and (c) to give instruction under paragraph 4 hereof or to take other action hereunder on behalf of the City (each an "Authorized Representative"). Until you receive a subsequent incumbency certificate of the City, you are entitled to rely on the last such certificate delivered to you for purposes of determining the Authorized Representatives. You will not have any responsibility to the City to determine by whom or by what means a facsimile signature may have been affixed on the Commercial Paper Certificates.

Any Commercial Paper Certificates bearing the manual or facsimile signature of a person who is an Authorized Representative on the date such signature is affixed will be valid and binding after the completion and authentication thereof by you notwithstanding that such person has died or has otherwise ceased to hold his or her office on the date such Commercial Paper Certificates is countersigned or delivered to you.

4. Completion Authentication and Delivery of Commercial Paper Certificates.

(a) Instructions for the delivery of Commercial Paper Certificates will be given via e-mail, facsimile transmission or by telephone. Instructions given by telephone, facsimile transmission or in writing will be given by an Authorized Representative, or by an officer or employee of a Dealer (an "Authorized Dealer Representative"), or any other person who, in each case, has been designated by an Authorized Representative in writing to you as a person authorized to give such instructions hereunder.

(1) The City will instruct you to issue Tax-Exempt Commercial Paper Certificates or Taxable Commercial Paper Certificates as Book-Entry Commercial Paper Certificates by entering the appropriate DTC instrument codes and, after issuing such instructions, it is understood that the records maintained by you will represent the aggregate principal amount of Book-Entry Commercial Paper Certificates then outstanding and the aggregate unpaid interest thereon unless subsequently modified by the City with appropriate notice to you. At or before the close of business New York time, on the settlement date of each Book-Entry Commercial Paper Certificate, you will: (a) determine the net proceeds due the City on such day and (b) credit the Funds and Accounts established under the Trust Agreement, in immediately available funds, such net proceeds in accordance with the instructions provided to you by the City or the Dealer and the provisions of this Agreement (including paragraph 5), if and only if you have received confirmation from DTC that each Book-Entry Commercial Paper Certificate has settled in accordance with DTC's appropriate rules, regulations and procedures. The City hereby agrees with you that it will repay such Book-Entry Commercial Paper Certificates in accordance with the instructions provided to you by the City or the Dealer, and that the aggregate amount owing at any time by the City in connection with all Outstanding Book-Entry Commercial Paper Certificates will be the amount of (x) the aggregate principal amount of such Book-Entry Commercial Paper Certificates plus the aggregate interest to be paid thereon at the scheduled maturity thereof (it being understood that if any such interest-bearing Book-Entry Commercial Paper Certificate is prepaid by the City prior to its scheduled maturity, then such interest amount will be adjusted based upon a 365-day or 366-day year, whichever is applicable, to reflect such prepayment) less (y) the aggregate of the face amount of such Book-Entry Commercial Paper Certificates plus the aggregate interest paid by the City on all Book-Entry Commercial Paper Certificates which have either matured or been presented for prepayment.

(2) Upon receipt of instructions to issue Physical Commercial Paper Certificates as described in this paragraph 2, you will also withdraw the necessary Physical Commercial Paper Certificate(s) from safekeeping and, in accordance with such instructions, will:

(A) complete each Physical Commercial Paper Certificate as to its certificate number, principal amount (which will not be less than \$100,000), interest rate, payee, date of issue, maturity date (which will be a Business Day and will not be more than 270 days from the date of issue nor later than five days prior to the expiration or termination of the applicable Credit Facility unless the City has arranged for an Alternate Credit Facility), maturity value and place of payment; and

(B) manually countersign each Physical Commercial Paper Certificate, which signature may be by anyone of your officers or employees duly authorized and designated for this purpose; and

(C) deliver the Physical Commercial Paper Certificate(s) to the Dealer or its designated consignees, which delivery will be against receipt for payment as herein provided or as otherwise provided in such instructions in accordance with Paragraph 5.

(b) Instructions delivered by telephone, facsimile transmission or in writing must be received by you by 1:00 p.m. New York time, if the Commercial Paper Certificate(s) are to be delivered the same day. Telephonic and e-mail instructions will be confirmed in writing or by facsimile the same day by 4:00 p.m. New York time.

(c) The City understands that although you have been instructed to deliver Physical Commercial Paper Certificates against payment, delivery of Physical Commercial Paper Certificates will, in accordance with the custom prevailing in the commercial paper market, be made before receipt of payment in immediately available funds. Therefore, once you have delivered a Physical Commercial Paper Certificate to a Dealer or its designated consignee as provided in Paragraph 4(a)(2)(C), the City will bear the risk that such Dealer or designated consignee fails to remit payment for the Physical Commercial Paper Certificates to you. It is understood that each delivery of Physical Commercial Paper Certificates hereunder will be subject to the rules of the New York Clearing House in effect at the time of such delivery.

(d) Notwithstanding anything to the contrary contained herein, and notwithstanding any contrary instructions from the City, you will not issue or deliver any Commercial Paper Certificates pursuant to such instructions if, immediately after delivery of such Commercial Paper Certificates, the aggregate principal amount of all Commercial Paper Certificates and the Revolving Bank Certificates (as defined in the Trust Agreement) Outstanding would exceed the Maximum Principal Amount. Additionally, no Commercial Paper Certificate will be issued that (i) matures on a day that is not a Business Day; or (ii) has a term in excess of 270 days; or (iii) has a maturity date less than five days prior to the expiration of the applicable Credit Facility unless the City has arranged for an Alternate Credit Facility pursuant to Section 6.02 of the Trust Agreement; or (iv) bears interest at a rate in excess of the Maximum Interest Rate; provided, however, that the amount of the Commercial Paper Certificates to be Outstanding and interest accrued or to accrue thereon as of the date of such delivery may not exceed the amount then available to be drawn under the applicable Credit Facility.

(e) Notwithstanding anything to the contrary herein, if any officer or administrator of your Corporate Trust Department receives a No-Delivery Notice or the Final Drawing Notice from a Bank, you will cease completing, countersigning and issuing, and will use reasonable efforts to cease delivery of related Commercial Paper Certificates, notwithstanding any contrary instructions from the City, until such time as such Bank has rescinded the No-Delivery Notice and has consented to the delivery of related Commercial Paper Certificates by a notice in writing to you.

5. Proceeds of Sale of the Commercial Paper Certificates. Contemporaneously with the execution and delivery of this Agreement, and for the purposes of this Agreement and the Trust Agreement, you will establish a fund designated the Delivery and Paying Agent Fund in the City's name (the "Delivery and Paying Agent Fund") and you will establish within such Delivery and Paying Agent Fund, a Base Rental Account (the "Base Rental Account"), an

Administrative Expense Account (the "Administrative Expense Account"), a Payment Account (the "Payment Account") and a Bank Reimbursement Account (the "Bank Reimbursement Account"), in each case as agent for the Delivery and Paying Agent. You will, contemporaneously with the execution and delivery of this Agreement, and for purposes of this Agreement and the Trust Agreement, establish within each of the Bank Reimbursement Account and the Payment Account: a Series 1 Subaccount, a Series 1-T Subaccount, a Series 2 Subaccount and a Series 2-T Subaccount. Funds received in payment for the Commercial Paper Certificates are to be credited to the Delivery and Paying Agent Fund or transferred to the Accounts in the Project Fund or the Accounts in the Costs of Issuance Fund held by the Delivery and Paying Agent and applied in accordance with the provisions of the Trust Agreement and instructions provided to you by the City or the Dealer, as provided in the Trust Agreement. You will apply the purchase price for Commercial Paper Certificates for the purposes set forth in Section 3.02 of the Trust Agreement and in accordance with the written instructions of the City. You will apply the funds on deposit in the Delivery and Paying Agent Fund for the purposes and at the times set forth in Section 3.05 of the Trust Agreement, and will invest such funds as provided in the Trust Agreement. In addition, you will authenticate and deliver the Commercial Paper Certificates and accept the duties and obligations of the Delivery and Paying Agent described in the Trust Agreement, but only upon the terms and conditions described therein. From time to time, as provided in Section 3.05(f)(iii)(B) of the Trust Agreement, upon telephonic or written instructions received by you from an Authorized Representative, you agree to transfer immediately excess funds from the Base Rental Account within the Delivery and Paying Agent Fund for our account.

6. Payment of Matured Commercial Paper Certificates; Payments to Bank.

(a) On the date that any Commercial Paper Certificate is scheduled to mature or if the Delivery and Paying Agent has received the Final Drawing Notice pursuant to the applicable Credit Facility, the Delivery and Paying Agent will, by no later than 11:00 a.m. New York time on such maturity date or, in the case of receipt of the Final Drawing Notice, immediately upon receipt of such Final Drawing Notice, request an Advance in accordance with the terms of the applicable Credit Facility by delivering by facsimile a Payment Draft (as defined in the applicable Credit Facility) in the form of either Annex A-1 or Annex A-2 to the applicable Credit Facility, as applicable, and any required certificates, as appropriate, in an amount equal to the principal of and interest with respect to the Commercial Paper Certificates maturing on such date or, in the case of receipt of the Final Drawing Notice, in an amount equal to the principal amount that is outstanding on such date plus interest that will accrue to the respective maturity dates of such Commercial Paper Certificates. The proceeds of all such Advances made pursuant to the applicable Credit Facility will be deposited in the Payment Account within the Delivery and Paying Agent Fund and expended for the payment of principal of and interest with respect to related maturing Commercial Paper Certificates. When any matured Commercial Paper Certificate is presented to you for payment by the holder thereof, payment will be made from and charged to the applicable subaccount within the Payment Account within the Delivery and Paying Agent Fund.

(b) The Delivery and Paying Agent will pay to each Bank from moneys on deposit in the applicable subaccount of the Bank Reimbursement Account, the Base Rental Account and the Administrative Expense Account of the Delivery and Paying Agent, amounts required to be paid to such Bank pursuant to the applicable Reimbursement Agreement.

if to the Dealer:

J.P. Morgan Securities Inc.
383 Madison Avenue, 8th Floor
New York, New York 10179
Attention: Peter McCarthy/Kyle Pulling/Brian Gonor
Telephone: (212) 834-7224
Telecopier: (917) 456-3541
Email: Peter.Mccarthy@jpmorgan.com
Kyle.Pulling@jpmorgan.com
Brian.Gonor@jpmorgan.com

if to the Banks:

JPMorgan Chase Bank, National Association
383 Madison Avenue, 8th Floor
New York, New York 10179
Attention: David Bayer
Telephone: (212) 270-4186
Facsimile: (202) 270-4251

U.S. Bank National Association
Mail Code: LM-CA-CL17
15910 Ventura Boulevard, Suite 1712
Encino, California 91436
Attention: Ken Haber, Managing Director
Telephone: (818) 817-7235
Fax: (818) 789-3041
Reference: City and County of San Francisco Lease
Revenue CP

if to the Trustee:

U.S. Bank National Association
One California Street, Suite 1000
San Francisco, California 94111
Attention: Corporate Trust Services
Facsimile: (415) 273-4591

Notices will be deemed delivered when received at the address specified above. For purposes of this paragraph, "when received" means actual receipt (i) of an electronic communication by a telex machine, telecopier or time-sharing terminal specified in or pursuant to this Agreement; (ii) of an oral communication by any person answering the telephone at your office specified in subparagraph 10(a) hereof and otherwise at the office of the individual or department specified in or pursuant to this Agreement; or (iii) of a written communication hand-delivered or mailed to the office specified in or pursuant to this Agreement.

11. Additional Information. Upon the request of the City given at any time and from time to time, you will promptly provide the City with information with respect to the Commercial Paper Certificate(s) issued and paid hereunder. Such request will be in written form and will include the serial number, principal amount, date of issue, maturity date and interest rate of each Commercial Paper Certificate which has been issued or paid by you and for which the request is being made. You and the City will discuss from time to time the extent to which such information is reasonably available and the times at which you can reasonably furnish such information.

12. Liability. Neither you nor your officers, employees or agents will be liable for any act or omission hereunder, except in the case of ordinary negligence or willful misconduct, in which case you will indemnify, defend and hold harmless the City's officers, employees and agents from and against any liability, claim, damage cost or expense (including legal fees and expenses) related to or arising out of such ordinary negligent action or inaction or willful misconduct, except to the extent that they are caused directly by the City's gross negligence or willful misconduct. This indemnity obligation will survive termination of this Agreement.

13. Indemnification. The City agrees to indemnify you and your officers, employees and agent from and against all liabilities, claims, damages, costs and expense (including legal fees and expenses) relating to or arising out of their actions or inactions in connection with this Agreement, except to the extent they are caused by your negligence or willful misconduct. This indemnity will survive termination of this Agreement.

14. Waiver of Setoff Offset Lien or Counterclaim. You hereby waive to the fullest extent possible under applicable law any and all rights of setoff, offset, lien or counterclaim you may have with respect to any amounts held by you in the Delivery and Paying Agent Fund, including without limitation the Payment Account and the Bank Reimbursement Account, by reason of any claim you may have against the City, a Bank or any other person.

15. Benefit of Agreement. This Agreement is solely for the benefit of the parties hereto, each Bank and the holders of any Certificates, and no other person will acquire or have any right under or by virtue hereof.

16. Termination. This Agreement may be terminated as provided in the Trust Agreement, but such termination will not affect the respective liabilities of the parties hereunder arising prior to such termination.

17. Governing Law; Venue. This Agreement is to be delivered and construed and enforced in accordance with, and the rights of the parties will be governed by, the laws of the State of California. If any party to this Agreement initiates any legal or equitable action to enforce the terms of this Agreement, to declare the rights of the parties under this Agreement or which relates to this Agreement in any manner, each such party agrees that the place of making and for performance of this Agreement is the City and County of San Francisco, State of California, and the proper venue for any such action is any court of competent jurisdiction.

18. Fees. You will receive fees from the City for acting as depository, delivery agent and paying agent hereunder in such amounts as you and the City will agree from time to time in writing.


19. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which is deemed to be an original and all of which will constitute but one and the same agreement.

20. Amendments. This Agreement may be amended in writing by the parties hereto, but only with the prior written consent of the Banks.

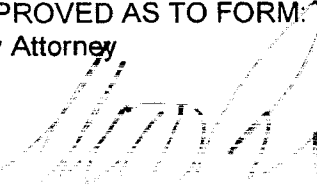
21. Additional City Requirements. Additional requirements of the City with respect to this Agreement are attached as Exhibit A and are incorporated by reference herein, and by executing this Agreement, you are agreeing to comply with those provisions.

Please indicate your agreement with and acceptance of the foregoing terms and provisions by signing the counterpart of this letter as indicated below.

CITY AND COUNTY OF SAN FRANCISCO

By  _____
Controller

APPROVED AS TO FORM:
City Attorney

By:  _____
City Attorney

AGREED TO AND ACCEPTED:

U.S. BANK NATIONAL ASSOCIATION,
as Delivery and Paying Agent

By _____

Title: _____

Please indicate your agreement with and acceptance of the foregoing terms and provisions by signing the counterpart of this letter as indicated below.

CITY AND COUNTY OF SAN FRANCISCO

By _____
Director of Public Finance

APPROVED AS TO FORM:
City Attorney

By: _____
City Attorney

AGREED TO AND ACCEPTED:

U.S. BANK NATIONAL ASSOCIATION,
as Delivery and Paying Agent

By _____
[Handwritten Signature]

Title: _____

EXHIBIT A

ADDITIONAL CITY REQUIREMENTS

1. Local Business Enterprise Utilization; Liquidated Damages.

a. The LBE Ordinance

The Delivery and Paying Agent shall comply with all the requirements of the Disadvantaged Business Enterprise Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase the Delivery and Paying Agent's obligations or liabilities, or materially diminish the Delivery and Paying Agent's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. The Delivery and Paying Agent's willful failure to comply with any applicable provision of the LBE Ordinance is a material breach of the Delivery and Paying Agent's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, The Delivery and Paying Agent shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

b. Compliance and Enforcement

1. Enforcement

If The Delivery and Paying Agent willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, The Delivery and Paying Agent shall be liable for liquidated damages in an amount equal to The Delivery and Paying Agent's net profit on this Agreement, or 10% of the total amount of this Agreement, or \$1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against the Delivery and Paying Agent authorized in the LBE Ordinance, including declaring the Delivery and Paying Agent to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Delivery and Paying Agent's DBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17.

By entering into this Agreement, the Delivery and Paying Agent acknowledges and agrees that any liquidated damages assessed by the Director of the HRC shall be payable to City upon demand. The Delivery and Paying Agent further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to the Delivery and Paying Agent on any contract with City.

The Delivery and Paying Agent agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of HRC or the Controller upon request.

2. Nondiscrimination; Penalties.

a. Corporation Shall Not Discriminate

In the performance of this Agreement, the Delivery and Paying Agent agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

b. Subcontracts

The Delivery and Paying Agent shall incorporate by reference in all subcontracts the provisions of §§12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) and shall require all subcontractors to comply with such provisions. The Delivery and Paying Agent's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

c. Nondiscrimination in Benefits

The Delivery and Paying Agent does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

d. Condition to Contract

As a condition to this Agreement, the Delivery and Paying Agent shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

e. Incorporation of Administrative Code Provisions by Reference

The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. The Delivery and Paying Agent shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, the Delivery and Paying

Agent understands that pursuant to §12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against the Delivery and Paying Agent and/or deducted from any payments due the Delivery and Paying Agent.

3. MacBride Principles—Northern Ireland. Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this Agreement on behalf of the Delivery and Paying Agent acknowledges and agrees that he or she has read and understood this section.

4. Tropical Hardwood and Virgin Redwood Ban. Pursuant to §804(b) of the San Francisco Environment Code, the City and County of San Francisco urges contractors not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

5. Drug-Free Workplace Policy. The Delivery and Paying Agent acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. The Delivery and Paying Agent agrees that any violation of this prohibition by the Delivery and Paying Agent, its employees, agents or assigns will be deemed a material breach of this Agreement.

6. Compliance with Americans with Disabilities Act. The Delivery and Paying Agent acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. The Delivery and Paying Agent shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. The Delivery and Paying Agent agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of the Delivery and Paying Agent, its employees, agents or assigns will constitute a material breach of this Agreement.

7. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

8. Limitations on Contributions. Through execution of this Agreement, the Delivery and Paying Agent acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any

campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. The Delivery and Paying Agent acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. The Delivery and Paying Agent further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of the Delivery and Paying Agent's board of directors; the Delivery and Paying Agent's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in the Delivery and Paying Agent; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by the Delivery and Paying Agent. Additionally, the Delivery and Paying Agent acknowledges that the Delivery and Paying Agent must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

9. Requiring Minimum Compensation for Covered Employees.

(a) The Delivery and Paying Agent agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at <http://www.sfgov.org/olse/mco>. A partial listing of some of the Delivery and Paying Agent's obligations under the MCO is set forth in this Section. The Delivery and Paying Agent is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires the Delivery and Paying Agent to pay the Delivery and Paying Agent's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and the Delivery and Paying Agent is obligated to keep informed of the then-current requirements. Any subcontract entered into by the Delivery and Paying Agent shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is the Delivery and Paying Agent's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against the Delivery and Paying Agent.

(c) The Delivery and Paying Agent shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) The Delivery and Paying Agent shall maintain employee and payroll records as required by the MCO. If the Delivery and Paying Agent fails to do so, it shall be presumed that the Delivery and Paying Agent paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect the Delivery and Paying Agent's job sites and conduct interviews with employees and conduct audits of the Delivery and Paying Agent.

(f) The Delivery and Paying Agent's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Delivery and Paying Agent fails to comply with these requirements. The Delivery and Paying Agent agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for the Delivery and Paying Agent's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) The Delivery and Paying Agent understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, the Delivery and Paying Agent fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the Delivery and Paying Agent fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) The Delivery and Paying Agent represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) The City may conduct random audits of the Delivery and Paying Agent. Random audits shall be (i) noticed in advance in writing; (ii) limited to ascertaining whether Covered Employees are paid at least the minimum compensation required by the MCO; (iii) accomplished through an examination of pertinent records at a mutually agreed upon time and location within ten days of the written notice; and (iv) limited to one audit of the Delivery and Paying Agent every two years for the duration of this Agreement. Nothing in this Agreement is intended to preclude the City from investigating any report of an alleged violation of the MCO.

9. Requiring Health Benefits for Covered Employees. Unless exempt, the Delivery and Paying Agent agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the HCAO is available on the web at <http://www.sfgov.org/oqa/lwlh.htm>. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, the Delivery and Paying Agent shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If the Delivery and Paying Agent chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Delivery and Paying Agent is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) The Delivery and Paying Agent's failure to comply with the HCAO shall constitute a material breach of this Agreement. City shall notify the Delivery and Paying Agent if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, the Delivery and Paying Agent fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the Delivery and Paying Agent fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by the Delivery and Paying Agent shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. The Delivery and Paying Agent shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. The Delivery and Paying Agent shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against the Delivery and Paying Agent based on the Subcontractor's failure to comply, provided that City has first provided the Delivery and Paying Agent with notice and an opportunity to obtain a cure of the violation.

(e) The Delivery and Paying Agent shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying the City with regard to the Delivery and Paying Agent's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) The Delivery and Paying Agent represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) The Delivery and Paying Agent shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) The Delivery and Paying Agent shall keep itself informed of the current requirements of the HCAO.

(i) The Delivery and Paying Agent shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) The Delivery and Paying Agent shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) The Delivery and Paying Agent shall allow City to inspect the Delivery and Paying Agent's job sites and have access to the Delivery and Paying Agent's employees in order to monitor and determine compliance with HCAO.

(l) The City may conduct random audits of the Delivery and Paying Agent to ascertain its compliance with HCAO. The Delivery and Paying Agent agrees to cooperate with City when it conducts such audits.

(m) If the Delivery and Paying Agent is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but the Delivery and Paying Agent later enters into an agreement or agreements that cause the Delivery and Paying Agent's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Delivery and Paying Agent and the City to be equal to or greater than \$75,000 in the fiscal year.

9. Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, the Delivery and Paying Agent may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Agreement. The Delivery and Paying Agent agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event the Delivery and Paying Agent violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit the Delivery and Paying Agent from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider the Delivery and Paying Agent's use of profit as a violation of this section.

10. Conflict of Interest. Through its execution of this Agreement, the Delivery and Paying Agent acknowledges that it is familiar with the provisions of section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 *et seq.* and Section 1090 *et seq.* of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

11. Earned Income Credit (EIC) Forms. Administrative Code section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

(a) The Delivery and Paying Agent shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless the Delivery and Paying Agent has already provided such EIC Forms at least once during the calendar year in which such

effective date falls); (ii) promptly after any Eligible Employee is hired by the Delivery and Paying Agent; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

(b) Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by the Delivery and Paying Agent of the terms of this Agreement. If, within thirty days after the Delivery and Paying Agent receives written notice of such a breach, the Delivery and Paying Agent fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, the Delivery and Paying Agent fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.

(c) Any Subcontract entered into by the Delivery and Paying Agent shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this section.

(d) Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

12. Preservative-treated Wood Containing Arsenic. The Delivery and Paying Agent may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. The Delivery and Paying Agent may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude the Delivery and Paying Agent from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

13. Nondisclosure of Private Information. The Delivery and Paying Agent has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. The Delivery and Paying Agent agrees that any failure of the Delivery and Paying Agent to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of this Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate this Agreement, bring a false claim action against the Delivery and Paying Agent pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Delivery and Paying Agent.

14. Proprietary or Confidential Information of City. The Delivery and Paying Agent understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, the Delivery and Paying Agent may have access to private or confidential information which may be owned or controlled by City and that such information

may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. The Delivery and Paying Agent agrees that all information disclosed by City to the Delivery and Paying Agent shall be held in confidence and used only in performance of the Agreement. The Delivery and Paying Agent shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

15. Compliance with Laws. The Delivery and Paying Agent shall keep itself fully informed of the City's Charter, codes, ordinances and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

16. Works for Hire. If, in connection with services performed under this Agreement, the Delivery and Paying Agent or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of the City. If it is ever determined that any works created by the Delivery and Paying Agent or its subcontractors under this Agreement are not works for hire under U.S. law, the Delivery and Paying Agent hereby assigns all copyrights to such works to the City, and agrees to provide any material and execute any documents necessary to effectuate such assignment. With the approval of the City, the Delivery and Paying Agent may retain and use copies of such works for reference and as documentation of its experience and capabilities.

17. Resource Conservation. Chapter 5 of the San Francisco Environment Code ("Resource Conservation") is incorporated herein by reference. Failure by the Delivery and Paying Agent to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

18. Public Access to Meetings and Records. If the Delivery and Paying Agent receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, the Delivery and Paying Agent shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Delivery and Paying Agent agrees to open its meetings and records to the public in the manner set forth in §§12L.4 and 12L.5 of the Administrative Code. The Delivery and Paying Agent further agrees to make-good faith efforts to promote community membership on its Board of Directors in the manner set forth in §12L.6 of the Administrative Code. The Delivery and Paying Agent acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Delivery and Paying Agent further acknowledges that such material breach of this Agreement shall be grounds for the City to terminate and/or not renew the agreement, partially or in its entirety.

19. Guaranteed Maximum Costs.

(a) The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification.

(b) Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Delivery and Paying Agent for, commodities or services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law.

(c) Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller.

(d) The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

20. Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for three times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim shall also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

21. Ownership of Results. Any interest of the Delivery and Paying Agent or its Subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by the Delivery and Paying Agent or its subcontractors in connection with services to be performed under this Agreement, shall become the property of and will be transmitted to City. However, the Delivery and Paying Agent may retain and use copies for reference and as documentation of its experience and capabilities.

22. Audit and Inspection of Records. The Delivery and Paying Agent agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement. The Delivery and Paying Agent will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. The Delivery and Paying Agent shall maintain such data and records in an accessible location and condition for a period of not less than three years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon City by this Section.

23. Subcontracting. The Delivery and Paying Agent is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is first approved by City in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made in violation of this provision shall confer no rights on any party and shall be null and void.

24. Assignment. The services to be performed by Corporation are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by the Delivery and Paying Agent unless first approved by City by written instrument executed and approved in the same manner as this Agreement.

25. Non-Waiver of Rights. The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.