

File No. 151190

Committee Item No. 6

Board Item No. \_\_\_\_\_

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date January 20, 2016

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
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#### OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date January 15, 2016

Completed by: Linda Wong Date \_\_\_\_\_

1 [License Amendment - UnitedLayer - Data Center Space and Services at 200 Paul Avenue -  
2 \$2,227,494 Total Rent in the First Year]

3 **Resolution authorizing an amendment to the License of data center space and services**  
4 **which extends the term for five years with UnitedLayer at 200 Paul Avenue for use by**  
5 **the Department of Technology at \$185,624.50 monthly for \$2,227,494 total rent in the**  
6 **first year of the February 1, 2016, to January 31, 2021 term.**

7  
8 WHEREAS, The City's mainframe and 31 server racks have been located at the Data  
9 Center located at 200 Paul Avenue since 2011 under a Master Agreement for Colocation  
10 Space and Services dated February 1, 2011 and approved by Board Resolution No. 26-11  
11 ("License") with UnitedLayer, a Delaware limited liability company (Licensor or UL); and

12 WHEREAS, DT's equipment at 200 Paul Avenue runs (i) the City's websites, (ii) email  
13 system, (iii) the Controller's FAMIS & payroll and (iv) the City's access to State of California's  
14 CLETS, AFIS and JUSTIS equipment, among other City computer needs; and

15 WHEREAS, The 200 Paul Avenue facilities provides the earthquake preparedness,  
16 security, emergency power, primary and redundant power, primary and redundant air  
17 conditioning required to service the City's mainframe and 31 racks of crucial computer  
18 processing; and

19 WHEREAS, The 200 Paul Avenue facilities, because of its access to internet providers  
20 and City fiber loop, also serves as the City's hub between DT's other data centers at 1011  
21 Turk, SFO and Rancho Cordova; and

22 WHEREAS, The Term of the License is presently scheduled to expire on January  
23 31, 2016; and

24 WHEREAS, Real Estate Division has negotiated an extension of the existing License at  
25 fair market rents; and

1 WHEREAS, The Department of Technology recommends the proposed Amendment;  
2 and

3 WHEREAS, The Agreement is subject to enactment of a resolution by the Board of  
4 Supervisors and the Mayor, in their respective sole and absolute direction, approving and  
5 authorizing such an agreement; now, therefore, be it

6 RESOLVED, That in accordance with the recommendation of the Director of the  
7 Department of Technology, the Director of Property is hereby authorized to take all actions on  
8 behalf of the City and County of San Francisco, as Licensee, to execute the First Amendment  
9 to License (copy of the proposed Amendment is on file with the Clerk of the Board in File  
10 \_\_\_\_\_) with UnitedLayer ("Licensor"), for thirty one (31) server racks, a 750 sq. ft caged  
11 and secured area to house the City's mainframe, associated connectivity, and primary and  
12 redundant power on the 1<sup>st</sup> and 5<sup>th</sup> floors of the building commonly known as 200 Paul  
13 Avenue, San Francisco, California, as more particularly described in the Amendment on the  
14 terms and conditions set forth therein, and on a form approved by the City Attorney; and, be it

15 FURTHER RESOLVED, That the License shall be extend by the First Amendment for  
16 an additional term of five (5) years commencing on February 1, 2016, and terminating on  
17 January 31, 2021; and, be it

18 FURTHER RESOLVED, The base rent during the first year of the extended term shall  
19 be \$185,624.50 per month and the base rent shall continue to be increased annually by four  
20 percent (4%); and, be it

21 FURTHER RESOLVED, The Landlord shall pay for typical utilities, janitorial services,  
22 and maintenance and repairs and City shall continue to pay for separately metered electricity  
23 for the 5<sup>th</sup> floor Premises (estimated at \$2,358.08) and typical Licensee expenses; and, be it

24 FURTHER RESOLVED, That the City shall have the option to increase or reduce its  
25 Licensed Premises and associated License costs by up to six (6) server racks (or for cloud

1 services at the equivalent cost of a server rack) based on the cost schedule and provisions  
2 contained in the First Amendment and, be it

3 FURTHER RESOLVED, That the License shall continue to include a clause  
4 indemnifying, holding harmless, and defending UnitedLayer, other related parties, and its  
5 agents from and against any and all claims, costs and expenses, including without limitation,  
6 reasonable attorneys' fees, incurred as a result of any default by the City in the performance  
7 of any of its material obligations under the License, or any negligent acts or omissions of the  
8 City or its agents, in, on, or about the Premises or the property on which the Premises are  
9 located, excluding those claims, costs and expenses incurred as a result of the negligence or  
10 willful misconduct of the Licensor or its agents; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
12 Property to enter into any amendments or modifications to the License (including, without  
13 limitation, the exhibits) that the Director of Property determines, in consultation with the City  
14 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially  
15 increase the obligations or liabilities of the City beyond the options contained in the License  
16 and are necessary or advisable to effectuate the purposes of the License or this Resolution,  
17 and are in compliance with all applicable laws, including the City Charter; and, be it

18 FURTHER RESOLVED, That the City shall continue to use the License for the full term  
19 of the License unless funds for the Department of Technology's rental payments are not  
20 appropriated in any subsequent fiscal year at which time the City may terminate the License;  
21 and, be it

22 FURTHER RESOLVED, Said License shall be subject to certification as to funds by the  
23 Controller, pursuant to Charter, Section 3.105; and, be it

1 FURTHER RESOLVED, That within thirty (30) days of the agreement being fully  
2 executed by all parties, the Director of Real Estate shall provide a copy of the Agreement to  
3 the Clerk of the Board for inclusion into the official file.


4  
5 \$927,722.50 Available  
6 (Base Rent from February 1, 2016 to June 30, 2016)

7 Index Code: 751403  
8 Sub-object: 03000

9 Controller 

10 RECOMMENDED:

11  
12   
13 Director  
14 Department of Technology

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17 Director of Property  
18 Real Estate Division

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<b>Items 6 and 7</b> <b>Files 15-1190 &amp; 15-1202</b>	<b>Department:</b> General Services Agency–Department of Technology (DT)
<b>EXECUTIVE SUMMARY</b>	
<p style="text-align: center;"><b>Legislative Objectives</b></p>	
<ul style="list-style-type: none"> <li>• File 15-1190 - The proposed resolution would authorize an amendment to the license agreement between the City of San Francisco and UnitedLayer, LLC (UnitedLayer) to continue to operate the City Data Center at 200 Paul Avenue by extending the term of the existing license by five years from February 1, 2016 through January 31, 2021. Annual rent to be paid by the City to UnitedLayer in the first year is \$2,227,494.</li> <li>• File 15-1202 - The proposed resolution would authorize an amendment to the license agreement between the City and Telx Group (Telx) to continue to operate the Meet Me Room at 200 Paul Avenue by extending the term of the existing license by two years from February 1, 2016 through January 31, 2018 with three one-year options to extend through January 31, 2021. Annual rent to be paid by the City to Telx in the first year is \$111,780, which includes a one-time setup fee of \$3,780.</li> </ul>	
<p style="text-align: center;"><b>Key Points</b></p>	
<ul style="list-style-type: none"> <li>• The City Data Center at 200 Paul Avenue supports the City’s overall computing needs, including the City’s payroll, email, and financial accounting systems, and various City websites. All servers located at 200 Paul must connect to a connectivity hub, known as the Meet Me Room in order to connect City departments in the City and to the Internet.</li> <li>• In 2011, the Department of Technology (DT) signed a license agreement with UnitedLayer to license 30 server cabinets on the first floor, and two dedicated caged areas totaling approximately 1,500 square feet on the fifth floor at the City Data Center. The term for this agreement was five years, expiring on January 31, 2016. DT also signed a separate license agreement with Telx to provide connectivity services through the Meet Me Room. The term for this agreement was five years, expiring on January 31, 2016.</li> </ul>	
<p style="text-align: center;"><b>Fiscal Impact</b></p>	
<ul style="list-style-type: none"> <li>• The total estimated five-year cost to the City to operate the Data Center at 200 Paul Avenue is \$12,779,698, including \$12,206,311 paid to UnitedLayer, and \$573,387 to Telx.</li> </ul>	

**Policy Considerations**

- The City's Committee on Information Technology (COIT) recommended in a December 2010 report that the City consolidate the locations for housing the City's computer data equipment at two sites: 200 Paul Avenue, and a site to be constructed in 2013 at the San Francisco International Airport. When the Board of Supervisors approved the original license between DT and UnitedLayer for the City Data Center at 200 Paul Avenue, the license provided the option to terminate any time after January 31, 2013 to allow for possible future relocation and consolidation of City data equipment from 200 Paul Avenue to a City-owned facility at the Airport.
- DT is now proposing to extend the existing license agreements by up to five years, rather than end the agreements on the original termination date of January 31, 2016 because there are functions that are only able to be served at 200 Paul Avenue. Mr. German, Policy and Governance Manager at DT, states that even though many departments have consolidated their servers at the Airport, some departments have chosen to maintain their own servers within their departments, and not to consolidate those servers at the Airport. Mr. German states that approximately 70 percent of City departments have located their servers at the Airport.

**Recommendation**

- Approve the proposed resolutions.

**MANDATE STATEMENT**

City Administrative Code 23.27 states that any lease with a term of one year or longer or with rent of \$5,000 or more and where the City is the tenant is subject to Board of Supervisors approval.

**BACKGROUND**

The City Data Center at 200 Paul Avenue supports the City's overall computing needs with (a) approximately 300 servers<sup>1</sup> in 30 server cabinets, (b) mainframe computer, (c) routers and switches, (d) T-1 and T-3 data lines<sup>2</sup>, and (e) other computer hardware equipment. Mr. David German, Policy and Governance Manager at the City's Department of Technology (DT), states that the City's mainframe computer, servers, and other hardware equipment support the City's payroll system, email system, the Financial Accounting Management Information System (FAMIS), various City websites, backup data storage, as well as specific public safety systems, such as the (a) California Law Enforcement Telecommunications System, the law enforcement database for criminal records, (b) Automated Fingerprint Identification System, and (c) Justice Information Tracking System (JUSTIS), which allows public safety agencies to share information. According to Mr. German, the City Data Center must be operational 24 hours per day, seven days per week, even during emergencies, such that the Data Center has dedicated uninterrupted power supply systems, emergency power generators, fire suppression, and air conditioning units.

According to Mr. German, all City servers located at 200 Paul Avenue must connect to a connectivity hub, known as the Meet Me Room, in order to connect to other City departments located throughout the City and to the Internet. The City Data Center at 200 Paul Avenue currently connects through the Meet Me Room using 24-pair wired connections<sup>3</sup>.

In 2011, the Board of Supervisors approved two license agreements to operate the City Data Center and Meet Me Room at 200 Paul Avenue. DT signed a license agreement with UnitedLayer, LLC (UnitedLayer) to license 30 server cabinets on the first floor, and two dedicated caged areas totaling approximately 1,500 square feet on the fifth floor at the City Data Center. The term for this agreement was five years, expiring on January 31, 2016. DT also signed a separate license agreement with Telx Group (Telx) to provide connectivity services through the Meet Me Room. The term for this agreement was five years<sup>4</sup>, expiring on January 31, 2016.

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<sup>1</sup> A server is a computer, or series of computers, that link other computers together through a network. The Department of Technology anticipates housing approximately 300 servers in 30 server cabinets (approximately 10 servers per server cabinet) at 200 Paul Street.

<sup>2</sup> T-1 and T-3 data lines are high-speed fiber optic wires that transmit large amounts of data.

<sup>3</sup> The 12-pair and 24-pair wired connections signify the number of data links that can be made between the City's servers and the connectivity hub, known as the Meet Me Room. 24-pair wired connections have double the number of connections that can be made and carry twice the amount of data, compared to 12-pair wired connections.

<sup>4</sup> The five-year term included one two-year term and three one-year options to extend the agreement.



**DETAILS OF PROPOSED LEGISLATION**

**Proposed Amendment to License Agreement with UnitedLayer  
for the City Data Center (File 15-1190)**

The proposed resolution would authorize an amendment to the license agreement between the City and UnitedLayer to continue to operate the City Data Center at 200 Paul Avenue by extending the term of the existing license by five years from February 1, 2016 through January 31, 2021. Annual rent to be paid by the City to UnitedLayer in the first year is \$2,227,494. Table 1 below shows the key provisions of the license agreement between the City and UnitedLayer.

**Table 1: Key Provisions for License Agreement between  
the City and UnitedLayer for the City Data Center**

Licensed area	30 server cabinets at ground floor 1 caged area on the 5 <sup>th</sup> floor
Term	February 1, 2016 – January 31, 2021 (Five years)
Options to Extend	None
Annual Rent	\$2,227,494 in the first year
Rent Increases	Subject to annual four percent increases
Electrical costs	Paid by City
Services & utilities	Paid by UnitedLayer

**Proposed Amendment to License Agreement with Telx for the City Data Center (File 15-1202)**

The proposed resolution would authorize an amendment to the license agreement between the City and Telx to continue to operate the Meet Me Room at 200 Paul Avenue by extending the term of the existing license by two years from February 1, 2016 through January 31, 2018 with three one-year options to extend through January 31, 2021. Annual rent to be paid by the City to Telx in the first year is \$111,780, which includes a one-time setup fee of \$3,780. Table 2 below shows the key provisions of the license agreement between the City and Telx.

**Table 2 Key Provisions for License Agreement between the City and Telx for the Meet Me Room**

Equipment	Two Equipment Racks, 24-Pair Connectivity (48 total pairs of connectivity)
Term	February 1, 2016 through January 31, 2018 (two years)
Options to extend	Three one-year options
Annual rent	\$108,000 in the first year
Rent increases	Subject to annual three percent increases
Fees	One-Time Setup Fee of \$3,780
Electrical costs	Paid by Telx
Services & utilities	Paid by Telx

#### Extension of License Agreement without a Competitive Process

DT has chosen to extend the license agreements for the City Data Center at 200 Paul Avenue because the proposed rent is lower than other comparable alternatives. According to Mr. Charlie Dunn, Senior Real Property Officer at the Real Estate Department, the cost per server cabinet is \$3,583 compared to \$4,514, \$4,831, and \$5,460 for other tenants at 200 Paul Avenue.<sup>5</sup> Mr. Dunn estimates that the cost of moving<sup>6</sup> to another site would range from approximately \$4,000,000 to \$6,500,000, thus making moving to another site to be cost prohibitive.

#### FISCAL IMPACT

The total estimated five-year cost to the City to operate the Data Center at 200 Paul Avenue is \$12,779,698, as shown in Table 3 below.

**Table 3: Estimated Cost to the City for UnitedLayer and Telx License Amendments**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
UnitedLayer License						
Rent	\$2,227,494	\$2,316,594	\$2,409,258	\$2,505,628	\$2,605,853	\$12,064,826
Electrical*	28,297	28,297	28,297	28,297	28,297	141,485
<i>Subtotal UnitedLayer</i>	<i>\$2,255,791</i>	<i>\$2,344,891</i>	<i>\$2,437,555</i>	<i>\$2,533,925</i>	<i>\$2,634,150</i>	<i>\$12,206,311</i>
Telx License**	\$108,000	\$111,240	\$114,577	\$118,015	\$121,555	\$573,387
Total	\$2,363,791	\$2,456,131	\$2,552,132	\$2,651,939	\$2,755,705	\$12,779,698

\* Electrical costs are estimates based on 2015 usage. Services and utilities are paid by UnitedLayer.

\*\* Electrical, services, and utilities are paid by Telx and not the City.

\*\*\* Rents are increased each year by 4 percent for UnitedLayer and 3 percent for Telx.

Payments to UnitedLayer and Telx under the proposed license agreements are based on the type and number of equipment housed by the City at 200 Paul Avenue. As notes in Table 1

<sup>5</sup> Typically in real estate transactions, quotes for comparable properties are publicly available, while the cost of data center facilities are not. The comparable quotes provided by Mr. Dunn are from other tenants at 200 Paul and cannot be identified due to confidentiality.

<sup>6</sup> Costs to move would include transferring fiber to a new location, setup fees, new equipment, costs of moving current equipment, and purchasing new internal connections.

above, the UnitedLayer rent is increased annually by four percent. As noted in Table 2, the Telx rent is increased annually by three percent.

## **POLICY CONSIDERATION**

### **Data Center Consolidation**

The City's Committee on Information Technology (COIT) recommended in a December 2010 report that the City consolidate the locations for housing the City's computer data equipment, including servers, data storage equipment, and mainframe computers. DT recommended consolidating the City's data equipment at two sites: 200 Paul Avenue and a site to be constructed in 2013 at the San Francisco International Airport. When the Board of Supervisors approved the original license between DT and UnitedLayer for the City Data Center at 200 Paul Avenue, the license was for five years from February 1, 2011 through January 31, 2016, with the option to terminate any time after January 31, 2013. The option to terminate early was to allow for possible future relocation and consolidation of City data equipment from 200 Paul Avenue to a City-owned facility at the Airport.

According to Mr. German, DT is now proposing to extend the existing license agreements by up to five years, rather than end the agreements on the original termination date of January 31, 2016, because there are functions that are only able to be served at 200 Paul Avenue. For example, FAMIS and eMerge require a connection to the City's Internet system, which is located at 200 Paul Avenue. Mr. German states that even though many departments have consolidated their servers at the Airport and 200 Paul, some departments have chosen to maintain their own servers within their departments, and not to consolidate those servers at the data centers. Mr. German states that approximately 60 percent of City departments have located their servers at the Airport or 200 Paul.

## **RECOMMENDATION**

Approve the proposed resolutions.



Edwin M. Lee, Mayor  
Naomi M. Kelly, City Administrator



John Updike  
Director of Real Estate

November 12, 2015

Department of Technology  
License for use of Property  
UnitedLayer - 200 Paul Avenue  
Assignment #6920

Through Naomi Kelly,  
City Administrator

Honorable Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Carlton B. Goodlett Place  
San Francisco, CA 94102

Dear Board Members:

Attached for consideration is a Resolution authorizing the renewal of an existing license at 200 Paul Avenue, for use by the Department of Technology (DT) with the UnitedLayer (UL or Licensor).

The facility at 200 Paul Ave. provides the City with two independent utility paths, ability to sustain 72-hour power outage (UPS and emergency generators), redundant cooling systems, redundant service providers, the ability to perform concurrent maintenance without downtime and high level of security. 200 Paul is also a major telecommunications and internet hub in the City. The City not only maintains 31 server cabinets and the City's mainframe at 200 Paul, but 200 Paul serves as the communications hub between (i) all City buildings served by the City's fiber loop, (ii) the City data centers at 1011 Turk and SFO and (iii) our back up disaster recovery facility at Rancho Cordova.

The City has leased server and mainframe space with services at 200 Paul Ave from UL for the past five years under a License dated February 1, 2011 (approved by Board Resolution 26-11). The License expires on January 31, 2016 and there are no further options to extend the term.

The equipment located at 200 Paul provides the City's (i) websites, (ii) email system, (iii) the Controller's FAMIS & payroll equipment and (iv) the City's access to State of California's CLETS, AFIS and JUSTIS equipment, among other City technology needs.

The 200 Paul facility is part of an integrated data hosting environment developed by the Department of Technology which includes additional data centers at 1011 Turk Street

(Department of Emergency Management), the San Francisco International Airport data center, and the State of California facility at Rancho Cordova.

The 200 Paul facility is the hub for the City's network and access to the internet. While more costly than other centers, 200 Paul has a higher level of remote backup capabilities (to Rancho Cordova), and a higher resiliency rating than DEM and Airport. The Department of Technology states that their strategic direction is to continue to consolidate and virtualize the City's data servers at the San Francisco International Airport or 200 Paul depending on connectivity and backup requirements, while evaluating the potential for other cloud-based solutions, to the extent they are cost-effective and can meet the City's needs.

The proposed lease would allow the City to reduce its footprint at 200 Paul Street by six racks from the current 31 without penalty. The proposed term is five (5) years, commencing upon February 1, 2016 and expiring on January 31, 2021. Under the proposed Resolution, the City would pay a Base Rent \$185,624.50 per month (a decrease of approximately 11% from the existing rent of \$208,954.45. The City also pays for separately metered electricity of approximately \$2,358.08 per month on a portion of the Premises. Under the proposed Resolution, the Base Rent continues to increase annually on each February 1 by four percent (4%). The proposed lease does not include a typical annual pass through of increases in the landlord's operating expenses.

The proposed extension continues the same option to add or remove six (6) server racks and also adds (i) a provision facilitating City's potential use of cloud services for those six racks and to eliminate the fifth floor portion of the Premises.

Attachment #1 provides a before and after comparison of the proposed license extension.

The Department of Technology recommends approval of the proposed lease. If you have any questions regarding this matter, please contact Charlie Dunn of our office at 554-9861.

Respectfully



John Updike  
Director of Real Estate

cc: Miguel Gamíño, Director, DT  
Ashley Amjad, DT  
David German, DT

Attachment #1  
200 Paul  
UL License

	<b>Current</b>	<b>Proposed</b>
Equipment	Cabinets, fiber, cross connects, cages, power and redundant power	Cabinets, fiber, cross connects, cage, power and redundant power
Base Rent	\$208,954.45 monthly	\$185,624.50 monthly
Base Rent Increase Date	Annually on February 1	Annually on February 1
Base Rent Increase Amount	4%	4%
Term	Through January 31, 2016	Through January 31, 2021
Options to Extend	None Remaining	None

Note: the City also pays separately metered electricity charges of approximately \$2,358 per month.

**FIRST AMENDMENT TO MASTER AGREEMENT  
FOR COLOCATION SPACE AND SERVICES**

**THIS FIRST AMENDMENT TO MASTER AGREEMENT FOR COLOCATION SPACE AND SERVICES** (this "Amendment"), dated for reference purposes only as of October 27 2015, is made by and between UNITED LAYER, LLC, a Delaware limited liability company ("Licensor"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City" or "Licensee").

**RECITALS**

A. Licensor, as licensor, and City, as licensee, entered into that certain Master Agreement for Colocation Space and Services, dated for reference purposes as of February 1, 2011 (the "Master Agreement"), pursuant to which Licensor licensed to City (i) 30 cabinets on the ground floor of the building located at 200 Paul Avenue, San Francisco, California (the "Building), (ii) certain space on the ground floor of Building referred to as the "Ground Floor Licensed Area", and (iii) two (2) caged areas on the fifth (5th) floor of the Building referred to as the "Fifth Floor Licensed Area." The Master Agreement also provides that Licensor will provide City with interconnection for (a) 24 pair connections between the Ground Floor Licensed Area and the Building's so-called "Meet-Me-Room" on the third (3rd) floor of the Building, and (b) 12 pair connections between the Ground Floor Licensed Area and the Fifth Floor Licensed Area, and (c) 9 pair connections between the Fifth Floor Licensed Area and the Meet-Me-Room (collectively referred to as the "Interconnection"), and that Licensor will provide services and utilities to City as described in that certain Service Level Agreement attached to the Master Agreement as Exhibit C (respectively, "Services" and the "Service Level Agreement").

B. The term of the Master Agreement is scheduled to expire on January 31, 2016.

C. Licensor and City presently desire to extend the term of the Master Agreement for five (5) years and to amend the Master Agreement in certain respects, all as more particularly described below.

**NOW, THEREFORE**, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensor and City hereby agree as follows:

1. Definitions. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Master Agreement.

2. Effective Date. This Amendment shall be effective on the date (the "Amendment Effective Date") which is the later of (i) the date on which Licensor and City have executed and delivered this Amendment, or (ii) the effective date of a resolution by the City's Board of Supervisors, in its sole discretion, approving this Amendment and authorizing the City's execution in compliance with applicable law.

3. Licensed Area; Interconnection.

a. Licensed Area. Effective as of February 1, 2016: (i) Exhibit A-1 and Exhibit A-2 shall be deleted from the Master Agreement and Exhibit A-1 and Exhibit A-2 attached to this Amendment shall be substituted therefor; (ii) Schedule 2 of Exhibit C shall be deleted from the Master Agreement and Schedule 2 of Exhibit C attached to this

Amendment as Exhibit E shall be substituted therefor; (iii) the phrase "Two (2) caged areas" shall be deleted from item (ii) of the first sentence of Section 2.1 of the Master Agreement and the phrase "One (1) caged area" shall be substituted therefor; and (iv) the "Licensed Area" section shall be deleted from the Basic Information in Section 1 of the Master Agreement and the following provision shall be substituted therefor:

"Ground Floor Licensed Area: 30 cabinets on the ground floor of the Building, as shown on Exhibit A-1.  
Fifth Floor Licensed Area: One (1) caged area on the fifth (5th) floor of the Building, as shown on Exhibit A-2."

b. Interconnection. Effective as of the Amendment Effective Date: (i) the text shall be deleted from the "Interconnection" section of the Basic Information in Section 1 of the Master Agreement and the phrase "Interconnection as described in Section 2.2 below" shall be substituted therefor; and (ii) Section 2.2 of the Master Agreement shall be deleted and the following shall be substituted therefor.

"2.2 **Interconnection**. Licensor shall provide City with appropriate dedicated interconnection (i) between the Ground Floor Licensed Area and the Building's so-called "Meet-Me-Room", which includes one (1) cabinet and is located on the third (3rd) floor of the Building, and (ii) between the Ground Floor Licensed Area and the Fifth Floor Licensed Area, and (iii) between the Fifth Floor Licensed Area and the Meet-Me-Room. Such pairs are dedicated to City's use and are collectively referred to as the "Interconnection".

Licensor shall continue to provide City with the Interconnection in place on February 1, 2016, unless (i) additional interconnections are added pursuant to Section 3.4 of the Master Agreement, or (ii) new Interconnections are established as a result of the relocation of some or all of City's equipment following the substitution of other space for the First Floor Licensed Area and/or Fifth Floor Licensed Area Section 4.b.ii. below or the relocation of City's Ground Floor Cabinets pursuant to Section 5 below, or (iii) either party terminates the Master Agreement with respect to the Fifth Floor Licensed Area pursuant to Section 8 below.

#### 4. Term; Extension of Master Lease Term and City Termination Right.

a. Extension. Effective as of the Amendment Effective Date the term of the Master Agreement is extended through January 31, 2021, which shall be the "Expiration Date" of the Master Agreement, subject to the provisions of Section 4.b. of this Amendment.

b. Required Extension of Master Lease Term; Relocation; City Termination Right.

i. Master Lease Extension. The "Master Lease" (as described in Section 2.5 of the Master Agreement) is comprised of two leases: (i) that certain Turn Key Data Center Lease, dated November 11, 2007, between Master Landlord and Licensor (as successor in interest to UnitedLayer, LLC, a California limited liability company) for premises on the ground floor of the Building (the "Ground Floor Lease"), and (ii) that certain Master Turn Key Data Center Lease, dated February 13, 2008, between Master Landlord and Licensor (as successor in interest to UnitedLayer, LLC, a California limited liability company) for premises on the fifth floor of the Building (as amended from time to time, the "Fifth Floor Lease"). Licensor acknowledges that the Ground Floor Lease and the Fifth Floor Lease each expire prior to the extended January 31, 2021 Expiration Date of the Master Agreement set forth in Section 4.a. of this Amendment. Licensor represents and warrants that the First Floor Lease includes an



option for Licensor to extend the term of such lease for a five (5) year period (collectively, the "First Floor Master Lease Extension Option"), which Master Lease Extension Option can be exercised during the period commencing one year prior to the stated expiration date of the First Floor Lease and ending nine months prior to the stated expiration date of such lease. Licensor has indicated that the Fifth Floor Lease does not include an option to extend the term of such lease. In addition to the terms and conditions of Section 2.5 of the Master Agreement regarding the Master Lease, Licensor agrees to timely and properly exercise the First Floor Master Lease Extension Option, or to otherwise extend the terms of such lease through the January 31, 2021 Expiration Date of the Master Agreement, and to use commercially reasonable efforts to extend the term of the Fifth Floor Lease through the January 31, 2021 Expiration Date of the Master Agreement. Upon the extension of the terms of such leases, and in no event later than June 30, 2017, Licensor shall provide City with written evidence satisfactory to City of the extension of both leases, which evidence may include, at City's election, written confirmation from the Master Landlord that both leases comprising the Master Lease have been extended as required by this Section 4.b.

ii. Licensor's Election to Relocate Equipment if No Extension of First Floor Lease and/or Fifth Floor Lease.

A. Proposal to Substitute Space; Requirements. If Licensor fails to provide to City satisfactory evidence of Licensor's extension of the terms of both the First Floor Lease and the Fifth Floor Lease, by June 30, 2017, as provided above, then Licensor, at Licensor's sole election, may elect to provide substitute space for the First Floor Licensed Area and/or the Fifth Floor Licensed Area, as the case may be the "Substitute Space"), and if City consents to such substitution Licensor shall bear the cost of relocating City's equipment from the Fifth Floor Licensed Area to the Substitute Space and reestablishing Interconnection, all in accordance with the provisions of subparagraph 4.b.ii.B. below. The Substitute Space shall be space in the Building under the control of Licensor through the January 31, 2021 Expiration Date of the Master Agreement; shall be of similar size as the Ground Floor Licensed Area or Fifth Floor Licensed Area, as applicable, shall be similarly equipped (HVAC, PDU, UPS), shall be serviced with similar power, redundant power, and emergency power, shall have similar connectivity, and shall meet similar Department of Justice security standards. If Licensor elects to provide Substitute Space under this subparagraph 4.b.ii., Licensor shall provide City with written notice of such election (the "Substitution Notice") on or before June 30, 2017, which Substitution Notice shall designate the proposed Substitute Space and shall be accompanied by written evidence satisfactory to City that Licensor has the right to occupy the Substitute Space throughout the balance of the term of the Master Agreement, including, at a minimum, written confirmation of such right from the Master Landlord, and if the Substitute Space is in premises not covered by the First Floor Lease or the Fifth Floor Lease, the Substitution Notice shall also be accompanied by (i) a copy of lease or occupancy agreement giving Licensor the right to use the applicable space and to sublicense it to City, and (ii) an agreement in essentially the same form as the original Waiver Agreement among Master Landlord, Licensor and City, made and entered into in 2011, an unexecuted copy of which is attached hereto as Exhibit F (a "Waiver Agreement") from the master landlord waiving any lien rights against City's equipment, allowing City to self insure for any property and liability coverages required by the applicable lease agreement, and allowing City entry rights during a reasonable period for City to remove its equipment in the event of termination or expiration of the applicable lease agreement prior, on terms acceptable to City in its sole discretion. If the proposed Substitute Space is not acceptable to City, in City's sole and absolute discretion, City shall notify Licensor in writing within forty-five (45) days of receipt of the properly given Substitution Notice and accompanying documentation. If City does not provide a

notice rejecting the proposed Substitute Space by such date, City shall be deemed to have consented to such substitution.

B. Relocation of City Equipment; Reimbursement. If City consents to the substitution of the First Floor Licensed Area and/or Fifth Floor Licensed Area, Licensor shall reimburse City for City's reasonable and actual cost of relocation into the Substitute Space, not to exceed \$100,000, including costs incurred by City for the services of IBM Professional Services and/or any other vendor(s) approved by City, in its sole discretion, performing the move or providing project management services in coordinating the move. Licensor shall cooperate with City to ensure that the relocation of City's equipment and reestablishment of Interconnection are performed in a manner which minimizes downtime to City to the greatest extent possible, and such downtime shall be scheduled at a time that minimizes disruption to City's operations. There shall be not more than six (6) hours of downtime for the physical move of City's equipment and reestablishment of Interconnection. If the parties determine that the relocation cannot be accomplished within such period, Licensor shall reimburse City for either the establishment of a new mainframe with cutover or for all costs associated with set up and running through City's back up facility at Rancho Cordova during the relocation. Upon completion of the relocation, the Substitute Space shall be substituted for the Ground Floor Licensed Area and/or Fifth Floor Licensed Area, as applicable, and shall be part of the Licensed Area.

iii. City's Right to Terminate for Failure to Extend First Floor Lease. If Licensor fails to provide to City satisfactory evidence of extension of the term of both the First Floor Lease and the Fifth Floor Lease by June 30, 2017, as provided above, and Licensor does not elect to provide or City does not accept the Substitute Space, City shall have the option to terminate the Term of the Master Agreement, by giving written notice to Licensor at any time prior to the date Licensor actually provides evidence of such extension or prior to the relocation, and in such event the Master Agreement shall terminate as of December 31, 2017, and the parties shall have no further obligations or liabilities under the Master Agreement as of the effective date of such termination; provided, however, in no event shall the termination of the Master Agreement release City or Licensor from any obligations or liabilities which arose under the Master Agreement prior to such termination.

5. Licensor's Right to Relocate Ground Floor Cabinets. Licensor shall have the right at Licensor's sole cost to relocate City's Ground Floor Cabinets within either the premises covered by the First Floor Lease or other premises in the Building under the control of Licensor upon sixty (60 days) advance written notice to the City, or, in the event of an emergency, as determined by Licensor in good faith in its sole discretion, with such notice as practicable under the circumstances, so long as Licensor exercises such right in a non-discriminatory manner. The premises to which the City's Ground Floor Cabinets are relocated shall be similarly equipped (HVAC, PDU, UPS), shall be serviced with similar power, redundant power, and emergency power, shall have similar connectivity, and shall meet similar Department of Justice security standards. Licensor shall not arbitrarily require the City to relocate City's Ground Floor Cabinets. The provisions of Section 4.b.ii.B. of this Amendment shall apply to any such relocation, and Licensor shall provide evidence satisfactory to City of Licensor's right to occupy and sublicense the applicable space together with a Waiver Agreement from the master landlord acceptable to City, if such space is not the subject of an earlier Waiver Agreement.

6. Monthly Base Fee; Adjustment Dates; Base Fee Adjustments. Effective as of February 1, 2016, (i) the Monthly Base Fee set forth in Section 1 of the Master Agreement shall be changed to "\$185,624.50, subject to adjustment as provided in

Section 4.2 and, if applicable, as provided in Section 3.4”, (ii) the Adjustment Dates set forth in Section 1 of the Master Agreement shall be changed to “February 1, 2017, February 1, 2018, February 1, 2019, and February 1, 2020”, and (iii) the table set forth in Section 3.4(c) of the Master Agreement shall be deleted and the table set forth in the attached Exhibit B shall be substituted therefor.

7. Cloud Services. In addition to City’s right to delete or add up to six (6) Ground Floor Cabinets pursuant to Section 3.4 of the Master Agreement, effective as of the Amendment Effective Date City shall also have the option to substitute Cloud Services for up to six (6) Ground Floor Cabinets. As used herein, Cloud Services shall mean data storage, computing, and networking infrastructure as a service. For Cloud Services, Licensor would provide not only the required Cabinets but also the hardware, maintenance and support for City’s computing needs on or off site. The cost of such Cloud Services shall be as set forth in the attached Exhibit C. City shall have the right to add Cloud Services and not the Additional Cabinets or to add a combination of Cloud Services and Additional Cabinets shall be limited to the total monthly contract amount for the six (6) additional Ground Floor Cabinets with 60 amp 3 phase primary and redundant power. Upon City’s request Licensor shall promptly meet with City’s designated representatives, determine City’s Cloud Services requirements, and thereafter send a proposal to City with total one-time set up and monthly charges for the requested Cloud Services based on the rates set forth in Exhibit C. If City elects to accept such proposal, City and Licensor shall confirm in writing the terms and conditions applicable to such Cloud Services, which terms and conditions shall be acceptable to City and Licensor in their respective reasonable discretion and shall be subject to and consistent with the terms and conditions of the Master Agreement. The parties anticipate that the terms applicable to Cloud Services will include, at a minimum, the following:

- (i) Licensor will endeavor to provide overall network availability 99.99% of the time.
- (ii) If any incident of Network Downtime in the aggregate in any calendar month exceeds four minutes, City will be entitled to request a credit equal to one three hundred sixtieth (1/360) of that month's invoice for IP monthly recurring charges for each hour or partial hour that network availability was disrupted.
- (iii) City will continue to own the data for which the Cloud Services are provided and will have the right to access such data and transfer it if Licensor goes bankrupt. Licensor will provide City with not less than seven (7) days prior written notice prior to declaring bankruptcy to allow City to transfer City’s data from Licensor’s servers.
- (iv) Licensor shall provide City with prompt written and telephone or email notice if part or all of City’s data is subject to a subpoena.
- (v) Data backup will be performed in accordance with industry standards.
- (vi) Licensor shall maintain annual SSAE 16 and SOC2 certifications and provide copies to City upon City’s written request made from time to time. At City’s written election, Licensor shall provide Cyber Risk Insurance through Licensor’s carrier at cost, and City shall reimburse Licensor for such cost as an additional Service.

8. Either Party’s Right to Terminate the Master Agreement with Respect to the Fifth Floor Licensed Area. City and Licensor shall each have the option to terminate the Master Agreement with respect to the Fifth Floor Licensed Area without cost or penalty effective at any time on or after January 31, 2018, upon one (1) year’s advance written notice to the other party, which notice shall specify the date of such partial termination (the “Partial Termination Date”), which Partial Termination Date shall be not earlier than

one year from the date of such notice and not earlier than January 31, 2018. City shall vacate and surrender the Fifth Floor Licensed Area on or before the Partial Termination Date. Effective as of the later of (i) the date City vacates and surrenders the Fifth Floor Licensed Area or (ii) the Partial Termination Date, (a) the Monthly Base Fee specified in Section 1 of the Master Agreement shall be reduced by \$29,978.33 per month (so that the Monthly Base Fee then payable shall be reduced by \$29,978.33, as previously increased pursuant to the terms of Section 4.2 of the Master Agreement), and (b) City shall have no further obligation under Section 4.4 (Electrical Costs) of the Master Agreement to pay the Direct Electrical Fee or the Shared Electrical Fee.

9. Additional Services. Effective as of the Amendment Effective Date, Exhibit D attached to this Amendment shall be added to the Master Agreement as Exhibit D and the following provision shall be added to the Master Agreement as Section 9.3:

"9.3. Additional Services. City reserves the right to request that Licensor, at City's cost, perform any of those minor services, including those listed on the attached Exhibit D, or incur additional minor expenses not covered under this Agreement from time to time, as reasonably requested by the City and approved in writing by the City's Real Estate Division, acting through the Director of Property or his or her designee. If Licensor, in its sole discretion, agrees to perform such services or incur such additional expenses, City shall reimburse Licensor for the cost of such services, which shall be at the rate shown on the attached Exhibit D or at such other pre-approved cost for such additional expenses not shown on Exhibit D, as an Additional Charge under Section 4.3 above."

10. Attorneys Fees. In the event a dispute arises concerning this Amendment, the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees. For purposes of this Amendment, reasonable fees of attorneys of City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

11. Applicable Law. This Amendment shall be governed by, construed and enforced in accordance with the laws of the State of California.

12. Miscellaneous. Except as expressly modified herein, the terms, covenants and conditions of the Master Agreement and Service Agreement shall remain unmodified and in full force and effect. The Master Agreement and Service Agreement as amended by this Amendment constitutes the entire agreement of the parties concerning the subject matter hereof, and supersedes and cancels any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein. The execution of this Amendment shall not constitute a waiver of relinquishment of any rights that City may have relating to the Master Agreement. Licensor and City hereby ratify and confirm all of the provisions of the Master Agreement as amended by this Amendment.

13. Exhibits. The following Exhibits are a part of this Amendment:

Exhibit A-1 – Replacement Exhibit A-1 to Master Agreement  
Exhibit A-2 – Replacement Exhibit A-2 to Master Agreement

- Exhibit B – Replacement Table for Section 3.4(c) Base Fee Adjustment of Master Agreement
- Exhibit C – Cloud Services
- Exhibit D – New Exhibit D to Master Agreement - Additional Services and Additional Charges
- Exhibit E – Replacement Schedule 2 of Exhibit C to Master Agreement – Cold Aisle/Hot Aisle Data Center Layout

**IN WITNESS WHEREOF**, Licensor and City have caused this Amendment to be executed effective as of the Effective Date.

LICENSOR:

UNITEDLAYER, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Abhijit Phanse  
Its Chief Executive Officer

CITY:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
JOHN UPDIKE  
Director of Property

RECOMMENDED:

\_\_\_\_\_  
\_\_\_\_\_, Department of Technology

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Anita L. Wood  
Deputy City Attorney

EXHIBIT A-1 TO FIRST AMENDMENT

to serve as

Exhibit A-1 to Master Agreement

EXHIBIT A-2 TO FIRST AMENDMENT

to serve as

Exhibit A-2 to Master Agreement



EXHIBIT B TO FIRST AMENDMENT

to serve as

Replacement Table for Section 3.4(c) Base Fee Adjustment of Master Agreement

Co-Location	Monthly Charge for Applicable Period				
	Feb 1, 2016 - Jan 31, 2017	Feb 1, 2017 - Jan 31, 2018	Feb 1, 2018 - Jan 31, 2019	Feb 1, 2019 - Jan 31, 2020	Feb 1, 2020 - Jan 31, 2021
Cabinet: 42U Private Locking Co-Location Cabinet	\$1,393.07	\$1,448.79	\$1,506.74	\$1,567.01	\$1,629.69
Power: 20 Amps Breakered (16A Usable as primary, 8A usable in redundant configuration) 120V	\$486.66	\$506.13	\$526.37	\$547.43	\$569.32
Power: 20 Amps Breakered (8A Usable - redundant circuit) 120V	\$243.33	\$253.06	\$263.19	\$273.71	\$284.66
Power: 30 Amps Breakered (24A Usable as primary, 12A usable in redundant configuration) 120V	\$729.99	\$759.19	\$789.56	\$821.14	\$853.99
Power: 30 Amps Breakered (12A Usable - redundant circuit) 120V	\$365.00	\$379.59	\$394.78	\$410.57	\$426.99
Power: 20 Amps Breakered (16A Usable as primary, 8A usable in redundant configuration) 208V	\$973.32	\$1,012.25	\$1,052.74	\$1,094.85	\$1,138.65
Power: 20 Amps Breakered (8A Usable - redundant circuit) 208V	\$486.66	\$506.13	\$526.37	\$547.43	\$569.32
Power: 30-Amps Breakered (24A Usable as primary, 12A usable in redundant configuration) 208V	\$1,459.98	\$1,518.38	\$1,579.11	\$1,642.28	\$1,707.97
Power: 30 Amps Breakered (12A Usable - redundant circuit) 208V	\$729.99	\$759.19	\$789.56	\$821.14	\$853.99

Power: 3-PHASE 30 Amps Breakered (3-PHASE 24A Usable as primary, 3-PHASE 12A usable in redundant configuration) 208V. MAX POWER CAPACITY: 10.75KW.	\$2,189.97	\$2,277.57	\$2,368.67	\$2,463.42	\$2,561.96
Power: 3-PHASE 30 Amps Breakered (3-PHASE 12A Usable - redundant circuit) 208V. MAX POWER CAPACITY: 10.75KW	\$1,094.99	\$1,138.78	\$1,184.34	\$1,231.71	\$1,280.98
Power: 3-PHASE 60 Amps Breakered (3-PHASE 48A Usable as primary, 3-PHASE 24A usable in redundant configuration) 208V. MAX POWER CAPACITY: 21.5KW.	\$4,379.94	\$4,555.14	\$4,737.34	\$4,926.84	\$5,123.91
Power: 3-PHASE 60 Amps Breakered (3-PHASE 24A Usable - redundant circuit) 208V. MAX POWER CAPACITY: 21.5KW.	\$2,189.97	\$2,277.57	\$2,368.67	\$2,463.42	\$2,561.96
Cross-Connect: Fiber Riser between floors (12 Pack)	\$3,300.00	\$3,432.00	\$3,569.28	\$3,712.05	\$3,860.53
Cross-Connect: Fiber Riser between floors (24 Pack)	\$6,000.00	\$6,240.00	\$6,489.60	\$6,749.18	\$7,019.15
Cross-Connect: Meet Me Room	\$370.00	\$384.80	\$400.19	\$416.20	\$432.85
Cross-Connect: Meet Me Room (3 Pack)	\$600.00	\$624.00	\$648.96	\$674.92	\$701.92
Cross-Connect: Meet Me Room (6 Pack)	\$1,155.00	\$1,201.20	\$1,249.25	\$1,299.22	\$1,351.19
Cross-Connect: Meet Me Room (12 Pack)	\$2,200.00	\$2,288.00	\$2,379.52	\$2,474.70	\$2,573.69
Cross-Connect: Cabinet Cross-Connect within datacenter	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cross-Connect: UnitedConnect - 4 x 10Gbps Cloud Connect	\$400.00	\$416.00	\$432.64	\$449.95	\$467.94

	Install Charge for Applicable Period				
	Feb 1, 2016 - Jan 31, 2017	Feb 1, 2017 - Jan 31, 2018	Feb 1, 2018 - Jan 31, 2019	Feb 1, 2019 - Jan 31, 2020	Feb 1, 2020 - Jan 31, 2021
Cabinet: 42U Private Locking Co-Location Cabinet	\$1,393.07	\$1,448.79	\$1,506.74	\$1,567.01	\$1,629.69
Power: 20 Amps Breakered (16A Usable as primary, 8A usable in redundant configuration) 120V	\$486.66	\$506.13	\$526.37	\$547.43	\$569.32
Power: 20 Amps Breakered (8A Usable - redundant circuit) 120V	\$243.33	\$253.06	\$263.19	\$273.71	\$284.66
Power: 30 Amps Breakered (24A Usable as primary, 12A usable in redundant configuration) 120V	\$729.99	\$759.19	\$789.56	\$821.14	\$853.99

Power: 30 Amps Breakered (12A Usable - redundant circuit) 120V	\$365.00	\$379.59	\$394.78	\$410.57	\$426.99
Power: 20 Amps Breakered (16A Usable as primary, 8A usable in redundant configuration) 208V	\$973.32	\$1,012.25	\$1,052.74	\$1,094.85	\$1,138.65
Power: 20 Amps Breakered (8A Usable - redundant circuit) 208V	\$486.66	\$506.13	\$526.37	\$547.43	\$569.32
Power: 30 Amps Breakered (24A Usable as primary, 12A usable in redundant configuration) 208V	\$1,459.98	\$1,518.38	\$1,579.11	\$1,642.28	\$1,707.97
Power: 30 Amps Breakered (12A Usable - redundant circuit) 208V	\$729.99	\$759.19	\$789.56	\$821.14	\$853.99
Power: 3-PHASE 30 Amps Breakered (3-PHASE 24A Usable as primary, 3-PHASE 12A usable in redundant configuration) 208V. MAX POWER CAPACITY: 10.75KW.	\$2,189.97	\$2,277.57	\$2,368.67	\$2,463.42	\$2,561.96
Power: 3-PHASE 30 Amps Breakered (3-PHASE 12A Usable - redundant circuit) 208V. MAX POWER CAPACITY: 10.75KW	\$1,094.99	\$1,138.78	\$1,184.34	\$1,231.71	\$1,280.98
Power: 3-PHASE 60 Amps Breakered (3-PHASE 48A Usable as primary, 3-PHASE 24A usable in redundant configuration) 208V. MAX POWER CAPACITY: 21.5KW.	\$4,379.94	\$4,555.14	\$4,737.34	\$4,926.84	\$5,123.91
Power: 3-PHASE 60 Amps Breakered (3-PHASE 24A Usable - redundant circuit) 208V. MAX POWER CAPACITY: 21.5KW.	\$2,189.97	\$2,277.57	\$2,368.67	\$2,463.42	\$2,561.96
Cross-Connect: Fiber Riser between floors (12 Pack)	\$3,300.00	\$3,432.00	\$3,569.28	\$3,712.05	\$3,860.53
Cross-Connect: Fiber Riser between floors (24 Pack)	\$6,000.00	\$6,240.00	\$6,489.60	\$6,749.18	\$7,019.15
Cross-Connect: Meet Me Room	\$370.00	\$384.80	\$400.19	\$416.20	\$432.85
Cross-Connect: Meet Me Room (3 Pack)	\$600.00	\$624.00	\$648.96	\$674.92	\$701.92
Cross-Connect: Meet Me Room (6 Pack)	\$1,155.00	\$1,201.20	\$1,249.25	\$1,299.22	\$1,351.19
Cross-Connect: Meet Me Room (12 Pack)	\$2,200.00	\$2,288.00	\$2,379.52	\$2,474.70	\$2,573.69
Cross-Connect: Cabinet Cross-Connect within datacenter	\$250.00	\$260.00	\$270.40	\$281.22	\$292.46
Cross-Connect: UnitedConnect - 4 x 10Gbps Cloud Connect	\$400.00	\$416.00	\$432.64	\$449.95	\$467.94

EXHIBIT C TO FIRST AMENDMENT

Cloud Services

**Exhibit C**

Private Cloud					
	Monthly Charge for Applicable Period				
	Feb 1, 2016 - Jan 31, 2017	Feb 1, 2017 - Jan 31, 2018	Feb 1, 2018 - Jan 31, 2019	Feb 1, 2019 - Jan 31, 2020	Feb 1, 2020 - Jan 31, 2021
<p><b>Private Cloud: 100 Virtual Machine Private Cloud</b></p> <ul style="list-style-type: none"> <li>- Compute: 100 Virtual Machines</li> <li>- VM Specification: vCPU: 1   RAM: 4 GB   HDD: 100 GB Flash Accelerated Block Storage</li> </ul> <p>Private Cloud Includes:</p> <ul style="list-style-type: none"> <li>- Dedicated High-Performance Hardware</li> <li>- 10Gbps Private Cloud Network Backbone</li> <li>- Enabled for 40Gbps Connectivity to CCSF Network</li> <li>- 10Gbps Storage Area Network Backbone</li> <li>- Flash Accelerated SAN Storage</li> <li>- VMware Licensing</li> <li>- Private Cloud vCenter Integration</li> <li>- 24x7x365 Managed Resource Monitoring &amp; Alerting</li> <li>- 24x7x365 Managed Support</li> </ul>	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000

<p><b>Private Cloud: Storage Cloud</b></p> <ul style="list-style-type: none"> <li>- <b>Configuration Option A: Replication Ready Backup Storage Cloud</b> <ul style="list-style-type: none"> <li>- 200TB Primary Datacenter (200 Paul) Backup Storage</li> </ul> </li> <li>- <b>Configuration Option B: High-Performacne Storage Cloud</b> <ul style="list-style-type: none"> <li>- 80 TB Primary Datacenter Flash Accelerated Block Storage</li> </ul> </li> <li>- <b>Configuration Option C: Ultra High-Performacne Flash Storage Cloud</b> <ul style="list-style-type: none"> <li>- 20 TB Primary Datacenter All-Flash Block Storage</li> </ul> </li> </ul> <p>Storage Cloud Includes:</p> <ul style="list-style-type: none"> <li>- Secondary Datacenter Replication Ready <ul style="list-style-type: none"> <li>- Option to Duplicate to an Additional UnitedLayer Datacenter</li> </ul> </li> <li>- Dedicated High-Performance Hardware</li> <li>- 10Gbps Private Cloud Network Backbone</li> <li>- Enabled for 40Gbps Connectivity to CCSF Network</li> <li>- 10Gbps Storage Area Network Backbone</li> <li>- Option to Add Private Cloud Storage Packs: <ul style="list-style-type: none"> <li>- Private Cloud Storage: All-FLASH Block Storage (20TB)</li> <li>- Private Cloud Storage: Flash Accelerated Block Storage (80TB)</li> <li>- Private Cloud Storage: Backup Storage (100TB)</li> <li>- Private Cloud Storage: Backup Storage Long Term Archive (100TB)</li> </ul> </li> <li>- CommVault Integration Ready</li> <li>- 24x7x365 Managed Resource Monitoring &amp; Alerting</li> <li>- 24x7x365 Managed Support</li> </ul>	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Private Cloud: VM Upgrade: Add VCPU	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00

Private Cloud: VM Upgrade: Add 1GB RAM	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50
Private Cloud: VM Upgrade: Add 1GB Storage (Flash Accelerated)	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Private Cloud: VM Upgrade: Microsoft Windows Server Standard License	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
Private Cloud: VM Upgrade: Microsoft Windows Server Enterprise License	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
Private Cloud: VM Upgrade: Redhat Enterprise Server License	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
Private Cloud: Dedicated Load Balancer 4Gbps (Includes 25 VIPs)	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Private Cloud: Dedicated Load Balancer 10Gbps (Includes 25 VIPs)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud: Add Load Balancer VIP (25 Pack)	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Private Cloud: Dedicated Firewall 4Gbps (Includes 25 Security Policies)	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Private Cloud: Dedicated Firewall 10Gbps (Includes 25 Security Policies)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud: Add Firewall Security Policies (25 Pack)	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00

	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Private Cloud Storage: All-FLASH Block Storage (20TB)	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Private Cloud Storage: Flash Accelerated Block Storage (80TB)	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Private Cloud Storage: Backup Storage (100TB)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud Storage: Backup Storage Long Term Archive (100TB)	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Private Cloud: Multi-Homed Internet Bandwidth per Gbps	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud: IPv4 /26 Address Space: 61 Host IPs (64 Total)	\$128.00	\$128.00	\$128.00	\$128.00	\$128.00
Private Cloud: IPv6 /48 Address Space 65,635 subnets of /64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Private Cloud Disaster Recovery: VM Replication to Remote Datacenter -SRM (Includes protection for 50 VMs)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud Disaster Recovery: Remote Storage Replication Management (1TB)	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Private Cloud Disaster Recovery: Database Replication Management (per 10 DB Instance)	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00

Private Cloud Managed Service OS Patch Management (50 VMs)	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00
Private Cloud Managed Service: Denial of Service Scrubbing service	TBD	TBD	TBD	TBD	TBD
Private Cloud Managed Service: Vulnerability Scanning	TBD	TBD	TBD	TBD	TBD
Private Cloud Managed Service: Intrusion Detection Firewall Services	TBD	TBD	TBD	TBD	TBD
Private Cloud Managed Service: DBA as a Service	TBD	TBD	TBD	TBD	TBD

**Private Cloud**

	Install Charge for Applicable Period				
	Feb 1, 2016 - Jan 31, 2017	Feb 1, 2017 - Jan 31, 2018	Feb 1, 2018 - Jan 31, 2019	Feb 1, 2019 - Jan 31, 2020	Feb 1, 2020 - Jan 31, 2021



**Private Cloud: 100 Virtual Machine Private Cloud**

- Compute: 100 Virtual Machines
- VM Specification: vCPU: 1 | RAM: 4 GB | HDD: 100 GB Flash Accelerated Block Storage

Private Cloud Includes:

- Dedicated High-Performance Hardware
- 10Gbps Private Cloud Network Backbone
- Enabled for 40Gbps Connectivity to CCSF Network
- 10Gbps Storage Area Network Backbone
- Flash Accelerated SAN Storage
- VMware Licensing
- Private Cloud vCenter Integration
- 24x7x365 Managed Resource Monitoring & Alerting
- 24x7x365 Managed Support

\$10,000

\$10,000

\$10,000

\$10,000

\$10,000

<p><b>Private Cloud: Storage Cloud</b></p> <ul style="list-style-type: none"> <li>- <b>Configuration Option A: Replication Ready Backup Storage Cloud</b> <ul style="list-style-type: none"> <li>- 200TB Primary Datacenter (200 Paul) Backup Storage</li> </ul> </li> <li>- <b>Configuration Option B: High-Performacne Storage Cloud</b> <ul style="list-style-type: none"> <li>- 80 TB Primary Datacenter Flash Accelerated Block Storage</li> </ul> </li> <li>- <b>Configuration Option C: Ultra High-Performacne Flash Storage Cloud</b> <ul style="list-style-type: none"> <li>- 20 TB Primary Datacenter All-Flash Block Storage</li> </ul> </li> </ul> <p>Storage Cloud Includes:</p> <ul style="list-style-type: none"> <li>- Secondary Datacenter Replication Ready <ul style="list-style-type: none"> <li>- Option to Duplicate to an Additional UnitedLayer Datacenter</li> </ul> </li> <li>- Dedicated High-Performance Hardware</li> <li>- 10Gbps Private Cloud Network Backbone</li> <li>- Enabled for 40Gbps Connectivity to CCSF Network</li> <li>- 10Gbps Storage Area Network Backbone</li> <li>- Option to Add Private Cloud Storage Packs: <ul style="list-style-type: none"> <li>- Private Cloud Storage: All-FLASH Block Storage (20TB)</li> <li>- Private Cloud Storage: Flash Accelerated Block Storage (80TB)</li> <li>- Private Cloud Storage: Backup Storage (100TB)</li> <li>- Private Cloud Storage: Backup Storage Long Term Archive (100TB)</li> </ul> </li> <li>- CommVault Integration Ready</li> <li>- 24x7x365 Managed Resource Monitoring &amp; Alerting</li> <li>- 24x7x365 Managed Support</li> </ul>	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Private Cloud: VM Upgrade: Add VCPU	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00

Private Cloud: VM Upgrade: Add 1GB RAM	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50
Private Cloud: VM Upgrade: Add 1GB Storage (Flash Accelerated)	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Private Cloud: VM Upgrade: Microsoft Windows Server Standard License	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
Private Cloud: VM Upgrade: Microsoft Windows Server Enterprise License	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
Private Cloud: VM Upgrade: Redhat Enterprise Server License	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
Private Cloud: Dedicated Load Balancer 4Gbps (Includes 25 VIPs)	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Private Cloud: Dedicated Load Balancer 10Gbps (Includes 25 VIPs)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud: Add Load Balancer VIP (25 Pack)	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Private Cloud: Dedicated Firewall 4Gbps (Includes 25 Security Policies)	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Private Cloud: Dedicated Firewall 10Gbps (Includes 25 Security Policies)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud: Add Firewall Security Policies (25 Pack)	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Private Cloud Storage: All-FLASH Block Storage (20TB)	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00

Private Cloud Storage: Flash Accelerated Block Storage (80TB)	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Private Cloud Storage: Backup Storage (100TB)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud Storage: Backup Storage Long Term Archive (100TB)	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Private Cloud: Multi-Homed Internet Bandwidth per Gbps	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
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Private Cloud: IPv6 /48 Address Space 65,635 subnets of /64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Private Cloud Disaster Recovery: VM Replication to Remote Datacenter -SRM (Includes protection for 50 VMs)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Cloud Disaster Recovery: Remote Storage Replication Management (1TB)	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Private Cloud Disaster Recovery: Database Replication Management (per 10 DB Instance)	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00

Private Cloud Managed Service OS Patch Management (50 VMs)	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00
Private Cloud Managed Service: Denial of Service Scrubbing service	TBD	TBD	TBD	TBD	TBD
Private Cloud Managed Service: Vulnerability Scanning	TBD	TBD	TBD	TBD	TBD
Private Cloud Managed Service: Intrusion Detection Firewall Services	TBD	TBD	TBD	TBD	TBD
Private Cloud Managed Service: DBA as a Service	TBD	TBD	TBD	TBD	TBD

**CCSF Hybrid Cloud Monthly Spend**

**Private Cloud Monthly Discount**

\$50K - \$100K	10%
\$100K - \$150K	15%
\$150K - \$250K	20%
\$250K+	25%

**CCSF Hybrid Cloud Discount Example (@Total Spend: \$180,000)**

	Standard Price	Discount Level	Discount Price
Private Cloud: 100 Virtual Machine Private Cloud	\$10,000	20%	\$8,000
Private Cloud Storage: Backup Storage (100TB)	\$5,000	20%	\$4,000

EXHIBIT D TO FIRST AMENDMENT

to serve as

Exhibit D to Master Agreement

Additional Services and Additional Charges

EXHIBIT E TO FIRST AMENDMENT

to serve as

Schedule 2 of Exhibit C to Master Agreement

Cold Aisle/Hot Aisle Data Center Layout

EXHIBIT F TO FIRST AMENDMENT

FORM OF LANDLORD WAIVER  
**WAIVER AGREEMENT**

LANDLORD: 200 Paul, LLC, a Delaware limited liability company ("**Landlord**")

TENANT: UnitedLayer 2.0, LLC, a Delaware limited liability company ("**Tenant**"),  
as successor in interest to UnitedLayer, LLC, a California limited liability  
company

BUILDING: 200 Paul Avenue, San Francisco, California ("**Building**")

TENANT SPACE: (i) Approximately 2,200 square feet of space in the ground floor  
datacenter in the Building, as shown on Exhibit "A-1" attached hereto  
(the "**Ground Floor Premises**"), and (ii) the entirety of Suite 501 and  
Suite 502 (other than the "Suite 501 Retained Areas" and the "Suite 502  
Retained Areas", as shown on Exhibit "A-2", attached hereto) located on  
the fifth floor of the Building, as shown on Exhibit "A-2" attached hereto  
(the "**Fifth Floor Premises**"; together, with the Ground Floor Premises,  
collectively, the "**Premises**"; together with the Pathway described in Item  
7(b) of the Basic Lease Information of the Ground Floor Lease (as defined  
below) and the Pathway described in Item 7(b) of the Basic Lease  
Information of the Fifth Floor Lease (as defined below)

LEASES: (i) That certain Turn Key Data Center Lease, dated November 11, 2007,  
between Landlord and Tenant (as successor in interest to UnitedLayer,  
LLC, a California limited liability company) for premises on the ground  
floor of the Building (the "**Ground Floor Lease**"), and (ii) that certain  
Master Turn Key Data Center Lease, dated February 13, 2008, between  
Landlord and Tenant (as successor in interest to UnitedLayer, LLC, a  
California limited liability company) for premises on the ground floor of  
the Building (as amended from time to time, the "**Fifth Floor Lease**")

GROUND FLOOR

LEASE EXPIRATION

DATE: December 31, 2017 ("**Ground Floor Lease Expiration Date**")

5TH FLOOR

LEASE EXPIRATION

DATE: January 31, 2018 ("**Fifth Floor Lease Expiration Date**")



CITY: The City and County of San Francisco ("City")

This Waiver Agreement (this "Waiver Agreement") is made and entered into as of (but not necessarily on) the latest date of execution, as set forth on the signature page hereto (the "Waiver Agreement Effective Date"), by and among Landlord, Tenant, and City.

**WHEREAS**, Landlord is the owner and/or landlord of the Building;

**WHEREAS**, Tenant leases the Premises from Landlord, pursuant to the Ground Floor Lease and Fifth Floor Lease (collectively, the "Leases");

**WHEREAS**, City anticipates that (a) Tenant and City will enter into an agreement (the "City Agreement") pursuant to which Tenant will provide colocation and electrical services in a portion of the Ground Floor Premises and a portion of the Fifth Floor Premises (the "Colocation Services") for a term commencing on or around February 1, 2011 and expiring on January 31, 2016, subject to City's option to terminate the City Agreement early, as well as certain connections between City's space and the Building's 3<sup>rd</sup> floor meet-me-room and between City's ground floor space and fifth floor space (the "Interconnections"), and (b) certain equipment and/or other personal property belonging to City (collectively, the "City Equipment") may be installed, maintained or otherwise placed in the Premises by or on behalf of City; and

**WHEREAS**, prior to entering into the City Agreement, City requests that Landlord waive liens on the City Equipment and consent to City's access to the City Equipment during the term of the Leases and the City Agreement and the removal by City of the City Equipment from the Building.

**NOW, THEREFORE**, for and in consideration of the premises contained herein and of other good and valuable consideration paid by each party hereto to the other, the receipt and sufficiency of which are hereby mutually acknowledged, Landlord, Tenant, and City hereby agree as follows:

**1. Landlord Estoppel.** Landlord hereby represents and warrants to City, and its assignees, that, to Landlord's Actual Knowledge (defined below) as of the date this Waiver Agreement is executed by Landlord: (a) the term of the Ground Floor Lease has commenced and, unless otherwise terminated earlier, will expire on the Ground Floor Lease Expiration Date, subject to any extension options under the Ground Floor Lease; (b) the term of the Fifth Floor Lease has commenced and, unless otherwise terminated earlier, will expire on the Fifth Floor Lease Expiration Date, subject to any extension options under the Fifth Floor Lease; (c) Tenant has the right under the Leases to use or grant City the right to use the Pathway (as defined in each of the Leases) in order to provide the Interconnections as contemplated by the City Agreement, subject to the conditions and restrictions in the Leases; (d) Tenant is not in default under the Ground Floor Lease or the Fifth Floor Lease; (e) Tenant has no outstanding obligations with respect to the Premises and/or under the Leases that would, with the passage of time, the giving of notice, or both, result in Tenant being in default under either of the Leases; and (e) Landlord has agreed to furnish at least 183.36 kW of electricity to the Ground Floor Premises and at least 135.5 kW of electricity to the Fifth Floor Premises. As used herein, the phrase "Landlord's Actual Knowledge" or similar phrase shall mean the actual current knowledge, as of

the date this Waiver Agreement is executed by Landlord, of Richard Berk, Vice President Portfolio Management, West Region, of Digital Realty Trust, Inc. (the foregoing individual, being an employee of Digital Realty Trust, Inc., who would have direct and specific knowledge regarding the Building, but who shall not have the duty of additional investigation in connection with this Consent, being referred to herein as "**Landlord's Knowledge Party**").

2. **Waiver of Landlord's Lien.** Landlord hereby expressly waives and releases any and all contractual liens and security interests or constitutional and/or statutory liens and security interests arising by operation of law to which Landlord might now or hereafter be entitled on the City Equipment (except for judgment liens against City that may arise in favor of Landlord). Notwithstanding the foregoing, the waiver contained herein shall not waive, release or otherwise affect any unsecured claim Landlord may have against Tenant.

3. **City Entry Right; City Right to Remove City Equipment; Indemnity.**

(a) During the term of the Fifth Floor Lease and the Fifth Floor Removal Period (as defined below), Landlord will permit City, or its agent or representative, to enter the Building during normal business hours for the purpose of accessing the City Equipment located in the Fifth Floor Premises, including the right to remove the City Equipment (the "**Fifth Floor Access**"); provided, however, that (i) during the Fifth Floor Removal Period, City must provide Landlord with five (5) business days' written notice of its intent to remove the City Equipment; and (ii) if City, in removing such City Equipment, causes any physical damage to the Building, City will, at its expense, cause same to be repaired to the condition the Building was in prior to said damage. For the purposes of this Waiver Agreement, the term "**Fifth Floor Removal Period**" shall mean the forty-five (45) day period following (i) the Fifth Floor Lease Expiration Date, or in the event that the Fifth Floor Lease is terminated prior to the Fifth Floor Lease Expiration Date, (ii) the later to occur of (a) the date such termination is effective, or (b) the date the City receives written notice of such termination.

(b) During the term of the Ground Floor Lease and the Ground Floor Removal Period (as defined below), Landlord will permit City, or its agent or representative, to enter the Building during normal business hours for the purpose of accessing the City Equipment located in the Ground Floor Premises, including the right to remove the City Equipment (the "**Ground Floor Access**"); provided, however, that (i) during the Ground Floor Removal Period, City must provide Landlord with five (5) business days' written notice of its intent to remove the City Equipment; and (ii) if City, in removing such City Equipment, causes any physical damage to the Building, City will, at its expense, cause same to be repaired to the condition the Building was in prior to said damage. For the purposes of this Waiver Agreement, the term "**Ground Floor Removal Period**" shall mean the forty-five (45) day period following (i) the Ground Floor Lease Expiration Date, or in the event that the Ground Floor Lease is terminated prior to the Ground Floor Lease Expiration Date, (ii) the later to occur of (a) the date such termination is effective, or (b) the date the City receives written notice of such termination. Each of the Fifth Floor Removal Period and the Ground Floor Removal Period may be referred to herein, occasionally, as a "**Removal Period**".

(c) Each of Tenant and City, jointly and severally, do hereby waive and release any claim that such parties now or hereafter have with regard to, and shall indemnify and hold Landlord harmless from and against, any and all costs, expenses, losses, liabilities, damages, liens, causes of action and claims, including without limitation reasonable attorney's fees and costs, arising out of the acts, activities or omissions of Tenant and/or City and/or their respective agents, representatives, employees and/or contractors on or about or with respect to the Premises and/or the Building in connection with the exercise of City's rights under this Waiver Agreement. Landlord shall concurrently with providing any notice of default or termination under either of the Leases to Tenant, provide a copy of such notice to City.

#### 4. Insurance.

(a) **Generally.** During any Removal Period, City, and its agents, must obtain (and provide Landlord evidence of) insurance coverage consistent with the requirements set forth on **Exhibit "B"** attached hereto (some or all of which may be established by umbrella insurance coverage), prior to any such entry. All of City's, and its agents', insurance policies with respect to the City Equipment and the requirements of this Waiver Agreement shall be endorsed so as to include a waiver of subrogation in accordance with and to the full extent of City's (and its agents') waiver of claims with respect to the Landlord Group set forth in this Section 4.

(b) **Waivers.** City hereby waives (and shall cause its agents to waive) its rights against Landlord, Digital Realty Trust, L.P., Digital Realty Trust, Inc., and their respective directors, officers, shareholders, members, employees, agents, constituent partners, affiliates, beneficiaries, trustees and representatives (collectively, the "**Landlord Group**"), with respect to any claims or damages or losses (including any claims for bodily injury to persons and/or damage to property, including the City Equipment) which are caused by or result from (i) risks insured against under any insurance policy carried by City, or its agents, at the time of such claim, damage, loss or injury, or (ii) risks which would have been covered under any insurance required to be obtained and maintained by City, or its agents, under this Waiver Agreement had such insurance been obtained and maintained as required. The foregoing waivers shall be in addition to, and not a limitation of, any other waivers or releases contained in this Waiver Agreement.

(c) **City Right to Self-Insure.** Notwithstanding the provisions of Section 4(a), City may elect not to obtain such insurance coverage and instead self-insure such coverage (the "**Self-Insured Coverages**") by either (a) not maintaining the insurance policies for the Self-Insured Coverages required pursuant to this Waiver Agreement, or (b) maintaining deductibles or self-insured retentions for the policies for the Self-Insured Coverages required pursuant to this Waiver Agreement in excess of \$10,000. In the event City elects to self-insure the Self-Insured Coverage, (1) liability coverage will apply as if City was maintaining a policy without deductible or self-insured retention, (2) City waives any and all rights to make any claim against Landlord and its employees, agents or insurers for any loss or losses incurred by City or any third party which could have been covered had City obtained insurance described in (1) above, (3) City shall indemnify, defend and hold harmless Landlord against all costs, expenses, damages and losses (including attorneys' fees) claimed against Landlord by City or any third party resulting from City's failure to obtain insurance for the Self-Insured Coverages, (4) the right to self-insure the Self-Insured Coverages shall not be deemed to invalidate or void any other requirements or conditions of this Waiver Agreement, including, without limitation, the waiver of subrogation, release of Landlord and City's indemnity obligations set forth in this Waiver Agreement, (5) City will provide Landlord and Landlord's mortgagee with certificates of insurance from City's primary, umbrella and excess coverage carriers specifying the extent of self-insurance coverage hereunder, (6) if such election causes Landlord's insurance rates to increase, City shall pay to Landlord the amount of such increase on demand, and (7) City shall cause any of City's contractors, subcontractors or agents (other than City departments or divisions covered by the Self-Insured Coverages) performing work or entering the Building on behalf of City under the terms of this Waiver Agreement to procure and maintain insurance as required by Section 4(a).

5. **Abandonment.** Any of the City Equipment that has not been removed (a) from the Fifth Floor Premises prior to the expiration of the Fifth Floor Removal Period, and/or (b) from the Ground Floor Premises prior to the expiration of the Ground Floor Removal Period, shall be deemed to have been abandoned by City and Tenant. If Tenant and/or City abandon the City Equipment, as aforesaid, Landlord shall have the option to remove such City Equipment from the Premises and/or Building, and City's right to such City Equipment shall, upon such expiration of the respective Removal Period, be deemed forfeited. Tenant and City, jointly and severally, do hereby waive and release any claim that such parties now or hereafter have with regard to, and shall indemnify and hold Landlord harmless from and against, any and all costs,

expenses, losses, liabilities, damages, liens, causes of action and claims, including without limitation reasonable attorney's fees and costs, arising out of the exercise of the rights contained in this Section 5 by Landlord.

6. **Survival.** Landlord's, Tenant's, and City's waivers and indemnifications contained within this Waiver Agreement shall survive the expiration or earlier termination of the Leases, and the expiration of all Removal Periods.

7. **Notices.** Any notice which may or shall be given by any party under the provisions of this Waiver Agreement shall be in writing and may be delivered by (i) hand delivery or personal service or (ii) a reputable overnight courier service which provides evidence of delivery. Such addresses may be changed from time to time by the respective parties by giving notice to the other parties as provided herein. Notice shall be deemed given, (a) when delivered (if delivered by hand or personal service), or (b) if sent by a reputable overnight courier service, on the business day immediately following the business day on which it was sent.

**Notice Addresses**

**To Landlord:**

Richard Berk  
Vice President Portfolio Management  
Digital Realty Trust  
1100 Space Park Drive  
Suite 104  
Santa Clara, CA 95054

**To Tenant:**

UnitedLayer 2.0, LLC  
200 Paul Ave., Suite 110  
San Francisco, CA 94538

**To City:**

City and County of San Francisco  
Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property  
Re: 200 Paul Co-location

with a copy to:

City and County of San Francisco  
Department of Technology  
One South Van Ness, 2<sup>nd</sup> Floor  
San Francisco, CA. 94103  
Attn: Chief Operations Officer

7. **Miscellaneous.** This Waiver Agreement shall become effective only upon the execution and delivery (to each of the other parties) by each of Landlord, Tenant, and City. The provisions hereof shall inure to the benefit of Landlord, Tenant, and City, and their respective successors and assigns, and shall be binding upon Landlord, Tenant and City, and their respective successors and assigns. Each party hereto represents and warrants that the individual

executing this Waiver Agreement on its behalf is duly authorized to do so. Delivery of an executed counterpart of a signature page to this Waiver Agreement by facsimile or electronic transmission shall be effective as delivery of a manually executed counterpart of this Waiver Agreement.

[No further text this page.]

**IN WITNESS WHEREOF**, Landlord, Tenant, and City have caused this Waiver Agreement to be duly executed on the respective dates set forth below to be effective as of the Waiver Agreement Effective Date.

**Landlord:**

200 PAUL, LLC,  
a Delaware limited liability company

By: 200 Paul Holding Company, LLC,  
a Delaware limited liability company,  
its Member and Manager

By: Digital Realty Trust, L.P.,  
a Maryland limited partnership,  
its Manager

By: Digital Realty Trust, Inc.,  
a Maryland corporation,  
its General Partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
  
Date: \_\_\_\_\_

**Tenant:**

UNITEDLAYER 2.0, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
  
Date: \_\_\_\_\_

**City:**

CITY AND COUNTY OF SAN FRANCISCO  
a municipal corporation,

By: \_\_\_\_\_  
Name: John Updike  
Title: Acting Director of Real Estate  
  
Date: \_\_\_\_\_

\_\_\_\_\_  
APPROVED AS TO FORM:  
  
\_\_\_\_\_  
DENNIS J. HERRERA, City Attorney  
  
\_\_\_\_\_  
By: \_\_\_\_\_  
Deputy City Attorney

Exhibit "A-1"  
Depiction of Ground Floor Premises

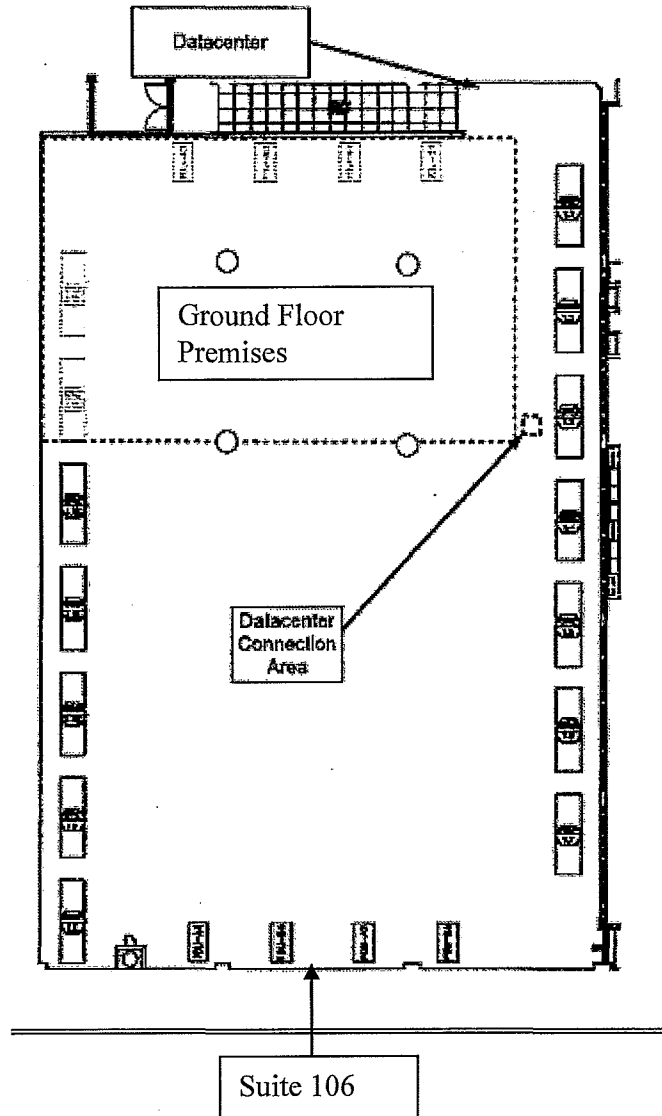
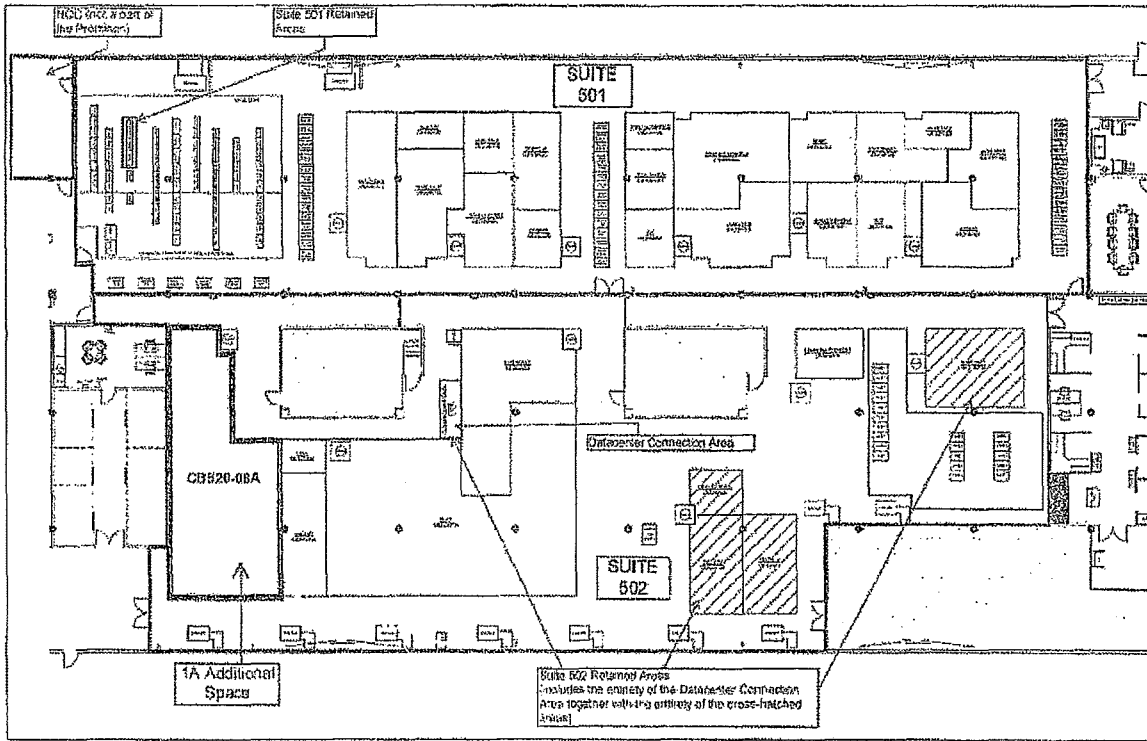


Exhibit "A-2"  
Depiction of Fifth Floor Premises





**Exhibit "B"**  
**Insurance Provisions**

**Policies**

- |  |  |
|--|--|
| A. Commercial general liability insurance (including contractual liability): | \$2,000,000 single limit; \$5,000,000 aggregate limit  |
| B. "All Risk" Personal Property Insurance:                                   | Full Replacement Value of Tenant's Personal Property in Tenant Space.  |
| C. Workers' Compensation Insurance:  | in accordance with the laws of the state in which the Property is located, and Employer's Liability insurance with a limit not less than \$1,000,000 Bodily Injury Each Accident; \$1,000,000 Bodily Injury By Disease - Each Person; and \$1,000,000 Bodily Injury By Disease - Policy Limit. |

**Requirements:**

All insurance required under this Lease shall be issued by insurers with a "General Policyholders Rating" of at least A-, X, as set forth in "Best's Insurance Guide." Such insurers shall be authorized to do business in California.

Print Form

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission       Youth Commission       Ethics Commission
- Planning Commission       Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.**

**Sponsor(s):**

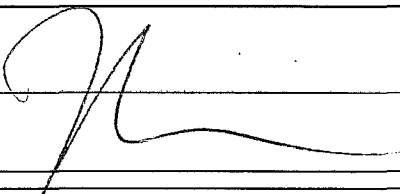
Supervisor Mark Farrell

**Subject:**

License Amendment - United-Layer - Data Center Space and Services at 200 Paul Avenue - \$2,227,494.00 Total Rent in the First Year

**The text is listed below or attached:**

Attached.

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:

**FORM SFEC-126:**  
**NOTIFICATION OF CONTRACT APPROVAL**  
(S.F. Campaign and Governmental Conduct Code § 1.126)

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): SF Board of Supervisors	City elective office(s) held: Members, Board of Supervisors
<b>Contractor Information</b> <i>(Please print clearly.)</i>	
Name of contractor: UnitedLayer, LLC, a Delaware limited liability company (the "Licensor")	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
1) Abhijit Phanse, BV Jagadeesh, Allen Hill, Jim Edmunds (Search Fund Partners), Dan Peterson (Peterson Partners) 2) Abhijit Phanse, CEO 3) None 4) None 5) UnitedLayer does not sponsor or control any political committee	
Contractor address: 200 Paul Ave., San Francisco, CA	
Date that contract was approved:	Amount of contract: \$12,284,219.57 over 5 years
Describe the nature of the contract that was approved: License at 200 Paul Ave for the City's Department of Technology computer and related equipment	
Comments:	

This contract was approved by (check applicable):

- the City elective officer(s) identified on this form (Mayor, Edwin Lee)
- a board on which the City elective officer(s) serves San Francisco Board of Supervisors  
Print Name of Board
- the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

<b>Filer Information</b> <i>(Please print clearly.)</i>	
Name of filer: Clerk of the Board, Angela Calvillo	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, San Francisco, CA 94102	E-mail: Board.of.supervisors@sfgov.org

\_\_\_\_\_  
Signature of City Elective Officer (if submitted by City elective officer)

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

\_\_\_\_\_  
Date Signed

