PARTICIPATING ADDENDUM



MAILROOM EQUIPMENT, SUPPLIES & MAINTENANCE

Led by the State of Arizona

Master Agreement #: ADSPO16-169897, as amended

Contractor: PITNEY BOWES INC.

Participating Entity: STATE OF ILLINOIS

The below listed products, including support, accessories, furniture, supplies, and options for these products, as contained in Pitney Bowes' manufacturer's established catalog/price list, or services, except the DMT product line, are included in this contract portfolio. The DMT product line on the Contractor page of the NASPO ValuePoint website is not included in this contract. Any product that requires the use of Planet Press is not included in this contract.

- Rental Postage Meter
- Ultra-Low Volume Mailing Systems
- Low Volume Mailing Systems
- Medium Volume Mailing Systems
- High Volume Mailing Systems
- Production Volume Mailing Systems
- Integrated Postal Scales
- Low Volume Letter Openers
- High Volume Letter Openers
- Low Volume Letter Folders
- High Volume Letter Folders
- Inserters
- Low Volume Folder Inserter.
- Medium Volume Folder Inserter
- High Volume Folder Inserter
- Production Folder Inserter
- Software (PC Postage)
- Low Volume Ink Jet Envelope Addressing System
- Medium Volume Ink Jet Envelope Addressing System
- High Volume Ink Jet Envelope Addressing System
- High Volume Tabbers
- Pre-Sorting Equipment

The following products or services are not included in this agreement:

- Production Ink Jet Envelope Addressing System
- Low Volume Tabbers
- Medium Volume Tabbers
- Pressure Sealing Production
- Extractors

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Unified Procurement Program
ADSPO16-169897

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Master Agreement Terms and Conditions:

- Scope: This addendum covers the NASPO ValuePoint Master Agreement for Mailroom Equipment, Supplies & Maintenance led by the State of Arizona for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Officer for General Services.
- Participation: This NASPO ValuePoint Master Agreement may be used by all governmental
 units and qualified not-for-profit agencies authorized to use statewide in the State of Illinois.
 Issues of interpretation and eligibility for participation are solely within the authority of the
 State of Illinois Chief Procurement Officer for General Services. For a list of qualified notfor-profit agencies, please refer to
 https://www.illinois.gov/cms/agency/stateuse/Documents/QNFP_Agencies.pdf.
- 3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

<u>Contractor</u>

<u>L</u> .	Name:	Art Adams, Director, Government Contract Compliance
	Address:	Pitney Bowes Inc. 3001 Summer Street, Stamford, CT 06926
	Telephone:	(203) 351-7866
	Fax:	(203) 460-3827
	Email:	art.adams@pb.com

Contractor - Government Sales Channel Director - Central Region

Name:	Name: Francie Coffey		
Address:	PO Box 13447, Oklahoma City, OK 73113		
Telephone:	213 256 1917		
Fax:	1 203 460 9181		- ·· ·
Email:	francie.coffey@pb.com		<u>. </u>

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Participating I	Entity
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Name:	Michelle Casey		
Address: 401 S. Spring Street, Room 712, Springfield, Illinois 62706			
Telephone:	217-494-5577		
Email:	Michelle.casey@illinois.gov		

4. Participating Entity Modifications or Additions to The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity. The following changes are modifying or supplementing the Master Agreement terms and conditions.

The Parties to this Participating Addendum are the State of Illinois acting through the undersigned Agency (collectively the State) and the Contractor. This Participating Addendum, consisting of the signature page and numbered sections listed above and below and any attachments referenced in this Participating Addendum, constitute the entire agreement between the Parties concerning the subject matter of the Participating Addendum, and in signing the Participating Addendum, the Contractor affirms that the Certifications and the Financial Disclosures and Conflicts of Interest attached hereto are true and accurate as of the date of the Contractor's execution of the Participating Addendum. This Participating Addendum supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the Participating Addendum. This Participating Addendum, Standard Certifications, and Financial Disclosures and Conflicts of Interest will prevail in the event of a conflict between this Participating Addendum and Master Contract ADSPO16-169897. This Participating Addendum can be signed in multiple counterparts upon agreement of the Parties.

This Participating Addendum uses Illinois Procurement Gateway Certifications and Disclosures, including Forms B.

4.1 DEFINITIONS

- 4.1.1 "Chief Procurement Officer" and "Chief Procurement Officer for General Services" means the chief procurement officer appointed pursuant to 30 ILCS 500/10-20(a)(4).
- 4.1.2 "Governmental unit" means State of Illinois, any State agency as defined in Section 1-15.100 of the Illinois Procurement Code, officers of the State of Illinois, any public authority which has the power to tax or any other public entity created by statute.
- 4.1.3 "Purchase order" means the written request by a governmental unit or qualified not-for-profit agency for the personal property, supplies or services



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subject to this Participating Addendum. Purchase Orders shall contain the scope of work, which includes the Service Level Agreement as defined in Master Agreement ADSPO16-169897, data categorization, delivery, and invoice information. All Purchase Orders made by governmental units and qualified not-for-profit agencies incorporate with full force and effect all the terms and conditions in this Participating Addendum.

4.1.4 "Qualified not-for-profit agency" means any not-for-profit agency that qualifies under Section 45-35 of the Illinois Procurement Code and that either (1) acts pursuant to a board established by or controlled by a unit of local government or (2) receives grant funds from the State or from a unit of local government

4.2 JOINT AND COOPERATIVE PURCHASING

- 4.2.1 The personal property, supplies or services subject to this Participating Addendum shall be distributed or rendered directly to each governmental unit or qualified not-for-profit agency.
- 4.2.2 Contractor agrees to extend all terms and conditions, specifications, and pricing or discounts specified in the NASPO ValuePoint Master Agreement ADSPO16-169897 for the items in this Participating Addendum to all authorized governmental units and qualified not-for-profit agencies pursuant to the terms in this Participating Addendum. The personal property, supplies or services subject to this Participating Addendum shall be distributed or rendered directly to each governmental unit or qualifiednot-for-profit agency. Contractor shall bill each governmental unit or qualified not-for-profit agency separately for its actual share of the costs of the personal property, supplies or services purchased. The credit or liability of each governmental unit or qualified not-for-profit agency shall remain separate and distinct. Disputes between Contractor and governmental units or qualified not-for-profit agencies shall be resolved between the affected parties.

4.3 SUBCONTRACTORS:

4.3.1 For purposes of this subsection, subcontractors are those specifically hired to perform all or part of the work covered by this Participating Addendum. If subcontractors will be utilized, Contractor must identify below the names and addresses of all subcontractors it will be entering into a contractual agreement that has an annual value of \$50,000 or more in the performance of this Participating Addendum, together with a description of the work to be performed by the subcontractor and the anticipated amount of money to the extent the information is known that each subcontractor is expected

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to	receive	pursuant	to	the	Participating	Addendum.	Attach	additional
sh	eets as r	necessary.						

- 4.3.2 Will subcontractors be utilized?

 ☐ Yes ☐ No
- 4.3.3 All contracts with the subcontractors identified above must include the Standard Certifications completed and signed by the subcontractor.
- 4.3.4 If the annual value of any the subcontracts is more than \$50,000, then the Contractor must provide to the State the Financial Disclosures and Conflicts of Interest for that subcontractor.
- 4.3.5 If the subcontractor is registered in the Illinois Procurement Gateway (IPG) and the Contractor is using the subcontractor's Standard Certifications or Financial Disclosures and Conflicts of Interest from the IPG, then the Contractor must also provide a completed Forms B for the subcontractor.
- 4.3.6 If at any time during the term of the Participating Addendum, Contractor adds or changes any subcontractors, Contractor will be required to promptly notify, in writing, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Participating Addendum. Any subcontracts entered into prior to award of the Participating Addendum are done at the Contractor's and subcontractor's risk.

4.4 WHERE SERVICES ARE TO BE PERFORMED:

Contractor will perform all material services under this contract in the United States. From time to time and in the ordinary course of its general business operations, Contractor may provide services incidental to performance of this contract from locations outside the US. Contractor will provide further information on this on request. These services are not unique to this contract and are not separately priced under this contract.

Contractor follows standard industry practices when sourcing certain components products and within the product solutions offered under agreement. Contractor's supply chain operation sources from multiple contractors within the United States and globally. Although certain components and products may be sourced globally, most of Contractor's product solutions provided to the end user are assembled or configured within the United States. In addition, certain levels of technical phone support may be performed offshore however an alternative on-shore service offering has been arranged and requires assistance from the end user's personnel. For example, when contacting our Customer/Product Support Services, Contractor's phone system provides the



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caller with an option for the caller to identify as a "government" account. The calls are then routed to Contractor's call centers located within the United States for immediate assistance. These services are performed by Contractor's personnel within the United States. When 877-213-7284 is dialed by the end user, during normal business hours, option 1 is for Customer/Product Support Services and option 3 is the option for Postage by Phone which are both staffed by onshore agents.

4.5 PRICING

- 4.5.1 Type of Pricing: The Illinois Office of the Comptroller requires the State to indicate whether the Participating Addendum value is firm or estimated at the time it is submitted for obligation. The total value of this Participating Addendum is estimated.
- 4.5.2 Expenses Allowed: Expenses are allowed as provided in Master Agreement ADSPO16-169897.
- 4.5.3 Intentionally omitted.
- 4.5.4 Contractor's Pricing:
 - 4.5.4.1 Contractor's Price for the Initial Term: See the pricing in Master Agreement ADSPO16-169897.
 - 4.5.4.2 Renewal Compensation: If the Participating Addendum is renewed, the price shall be at the same rate as for the initial term unless a different compensation or formula for determining the renewal compensation is stated in this section.
 - 4.5.4.2.1 Agency/University Formula for Determining Renewal Compensation: Renewal as stated in Master Agreement ADSPO16-169897.
 - 4.5.4.2.2 Contractor's Price for Renewal(s): Renewal pricing as provided in Master Agreement ADSPO16-169897.

4.6 TERM AND TERMINATION

4.6.1 TERM OF THIS CONTRACT: The initial term of this Participating Addendum will be effective upon the final execution date by the Participating State and co-terminus with the Master Agreement term unless otherwise cancelled or terminated as set forth in this Participating Addendum by the Participating State.



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- 4.6.1.1 In no event will the total term of the Participating Addendum, including the initial term, any renewal terms and any extensions, exceed 10 years.
- 4.6.1.2 Contractor shall not commence billable work in furtherance of the Participating Addendum prior to final execution of the contract except when permitted pursuant to 30 ILCS 500/20-80.
- All underlying leases entered into during this term of this Participating Addendum shall remain in full force and effect for the full term of the lease subject to the termination provisions within such lease. If the initial term of the lease exceeds the term of this Participating Addendum, the lease will remain in effect and all terms and conditions under this Participating Addendum shall survive and remain in full force and effect for the entire term of the lease.

4.6.2 **RENEWAL**:

- 4.6.2.1 The State may renew or extend the term date of this Participating Addendum if the Lead State extends the term date in Master Agreement number ADSPO16-169897. Any renewal is subject to the same terms and conditions as the original Participating Addendum unless otherwise provided in the pricing section. The State may renew this Participating Addendum for any or all of the option periods specified, may exercise any of the renewal options early, and may exercise more than one option at a time based on continuing need and favorable market conditions, when in the best interest of the State. The Participating Addendum may neither renew automatically nor renew solely at the Contractor's option.
- 4.6.2.2 Pricing for the renewal term(s), or the formula for determining price, is shown in the pricing section of this Participating Addendum.
- 4.6.2.3 The State reserves the right to renew for a total of three years in any one of the following manners:
 - One renewal covering the entire renewal allowance;
 - Individual one-year renewals up to and including the entire renewal allowance; or



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- Any combination of full or partial year renewals up to and including the entire renewal allowance.
- 4.6.3 TERMINATION FOR CAUSE: The State may terminate this Participating Addendum, in whole or in part, immediately upon notice to the Contractor if: (a) the State determines that the actions or inactions of the Contractor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) the Contractor has notified the State that it is unable or unwilling to perform the Participating Addendum.
 - 4.6.3.1 If Contractor fails to perform to the State's satisfaction any material requirement of this Participating Addendum, is in violation of a material provision of this Participating Addendum, or the State determines that the Contractor lacks the financial resources to perform the Participating Addendum, the State shall provide written notice to the Contractor to cure the problem identified within a thirty (30) day period of time after receipt of the State's written notice. If not cured by that date the State may either: (a) immediately terminate the Participating Addendum or (b) enforce the terms and conditions of the Participating Addendum.
 - 4.6.3.2 For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.
- 4.6.4 TERMINATION FOR CONVENIENCE: The State may, for its convenience and with 30 days' prior written notice to Contractor, terminate this Participating Addendum (but not any leases entered into hereunder, which may only be terminated for lack of appropriations or for breach) in whole or in part and without payment of any penalty or incurring any further obligation to the Contractor.
 - 4.6.4.1 The Contractor shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this contract up to and including the date of termination.
 - 4.6.4.2 Equipment ordered under the Contractor's Lease Agreement or Contractor's Service Level Agreement is based on a firm initial lease term of (36, 48 or 60 month) equipment installation commitment. Any cancellation of a lease other than for lack of appropriations or for documented uncured cause following the procedure set forth in section 4.6.3 (Termination for



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Cause) herein shall require the payment of an early termination fee determined in accordance with Section L10.1 of the Contractor's Lease Agreement, the form of which is attached hereto as Exhibit B. This provision excludes DMT lease offering. Leases may be terminated for lack of appropriation or documented uncured cause without penalty or incurring any early termination charge.

- 4.7 AVAILABILITY OF APPROPRIATION: This Participating Addendum is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this Participating Addendum, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.
- 4.8 REPORTING: Pursuant to Section 7 of Master Agreement ADSPO16-169897, Contractor shall provide quarterly usage reports. Contractor shall provide Illinois specific quarterly usage reports until the expiration of the term. The reporting period and submission due date shall be on the following schedule:

Fiscal Year Quarter 1 July-September due October 31

Fiscal Year Quarter 2 October-December due January 31

Fiscal Year Quarter 3 January-March due April 30

Fiscal Year Quarter 4 April-June due July 31

4.9 ELECTRONIC PROCUREMENT:

- 4.9.1 The State of Illinois's eProcurement system, BidBuy, allows for the upload of multiple services and supplies. Contractor must complete and submit the file provided by the State within 30 days of receipt.
- 4.9.2 All Purchase Orders for agencies subject to the jurisdiction of the Chief Procurement Officer shall be made in the State's electronic procurement system unless an exception has been granted by the Chief Procurement Officer.



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- 4.9.3 Contractor shall not accept any Purchase Order from an agency subject to the jurisdiction of the Chief Procurement Officer if the Purchase Order is not made in the State's electronic procurement system unless an exception has been granted by the Chief Procurement Officer.
- 4.9.4 Within 30 days of notification from the Chief Procurement Officer, Contractor shall not accept any Purchase Order from a governmental unit or qualified not-for-profit agency who is not subject to the jurisdiction of the Chief Procurement Officer unless the Purchase Order is made in the State's electronic procurement system.

4.10 PROCEDURES/SECURITY:

- 4.10.1 Contractor shall indicate the time and date of arrival at the work location for each governmental unit. Contractor shall sign in upon arrival at and sign out prior to leaving the work location. This shall be the basis for hours worked. Travel time and expenses are not reimbursable. Contractor will not be compensated for any time off work locations grounds. The sign-in/sign-out must be done in the presence of the end user or designee.
- 4.10.2 Upon request from the governmental entity or qualified not-for-profit agency to the Contractor, the Contractor shall provide a repair record for each repair or call-out service rendered. The report shall include nature of call, repairs made, material used and labor used. The end user shall sign the record and retain a copy of said record for the governmental unit or qualified-not-for-profit agency.
- 4.10.3 The Contractor certifies that it is in compliance with the Pro-Children Act of 1994, (Public Law 103-227). The Contractor prohibits smoking in any portion of its facility used for the provision of health, day care, early childhood development services, education or library services to children under 18 years of age which services are support by Federal or State government assistance (except portions of the facilities which are used for inpatient substance abuse treatment).
- 4.10.4 For orders placed by the Illinois Department of Corrections or Illinois Department of Juvenile Justice, the following additional terms and conditions apply:
 - 4.10.4.1 The Department of Corrections Chief Engineer and the Contract shall coordinate all scheduled work with minimal interference to employees and inmates. The Chief Engineer will schedule the service work. All repairs will be discussed with and approved by the Chief Engineer before the Contractor

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proceeds with them. All planned service work under this Participating Addendum shall be performed during normal workdays, which are Monday through Friday, less holidays, between 7:00 a.m. and 3:00 p.m. The Contractor shall send only one serviceman to perform service work unless additional servicemen are pre-approved by the Chief Engineer. All work performed shall be rendered in the presence of the Chief Engineer or his designee.

- 4.10.4.2 Unattended vehicles must be locked at all times and at no time shall any vehicle be left unattended with the motor running or the key in the ignition.
- 4.10.4.3 All security rules will apply to employees of Contractor including vehicles, machinery and hand tools. An Outside Contractor Booklet will be issued for all on-site Contractor employees to review and acknowledge receipt of prior to the start of the project.
- 4.10.4.4 Contractor shall submit names; dates of birth and Social Security Numbers of all on-site employees that will perform on-site services within five (5) working days after Purchase Order for security background checks. Contractor or Contractor's employee must pass a security background check prior to being allowed on the premises.
- 4.10.4.5 All applicants for positions covered in a Purchase Order pursuant to this Participating Addendum may be required to provide a urine sample as part of their background investigation. In additional, Contractor employees who perform on-site services may be required to under a Urinalysis or Blood Test if there is reasonable suspicion to believe that they are under the influence or using controlled substances or marijuana. Any Contractor employee who does not pass the urinalysis and/or blood test will not be allowed on-site at the facility.
- 4.10.4.6 Employees and vehicles of Contractor will enter and exit through the gate (vehicles are to be cleared prior to start of work).

4.11 STANDARD BUSINESS TERMS AND CONDITIONS

4.11.1 PAYMENT TERMS AND CONDITIONS:



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- 4.11.1.1 Late Payment: Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 III. Adm. Code 900. This shall be Contractor's sole remedy for late payments by the State. Payment terms contained on Contractor's invoices shall have no force and effect.
- 4.11.1.2 Expenses: The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this Participating Addendum by the Parties even if the effective date of the Participating Addendum is prior to execution.
- 4.11.1.3 Prevailing Wage: As a condition of receiving payment Contractor must (i) be in compliance with the Participating Addendum, (ii) pay its employees prevailing wages when required by law, (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request. Examples of prevailing wage categories include public works, printing. janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. The prevailing wages are revised by the Department of Labor and are available on the Department's official website, which shall be deemed proper notification of any rate changes under this subsection. Contractor is responsible for contacting the Illinois Department of Labor to ensure understanding of prevailing wage requirements at (http://www.state.il.us/agency/idol/index.htm) or 217-782-6206.
- 4.11.1.4 Federal Funding: A Purchase Order may be partially or totally funded with Federal funds. If federal funds are expected to be used, then the percentage of the good/service paid using Federal funds and the total Federal funds expected to be used will be provided in the Purchase Order.
- 4.11.1.5 Invoicing: By submitting an invoice, Contractor certifies that the supplies or services provided meet all requirements of the Participating Addendum and Master Agreement ADSPO16-169897, and the amount billed and expenses incurred are as allowed in Master Agreement ADSPO16-169897. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Contractor



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may have to seek payment through the Illinois Court of Claims. 30 ILCS 105/25. All invoices are subject to statutory offset. 30 ILCS 210.

- 4.11.1.6 Contractor shall not bill for any taxes unless accompanied by proof that the governmental unit or qualified-not-for-profit agency is subject to the tax. The governmental unit or qualified not-for-profit agency shall provide state tax exemption number and federal tax exemption information.
- 4.11.1.7 Contractor shall invoice at the completion of the purchase unless invoicing is tied in the Purchase Order to milestones, deliverables, or other invoicing requirements agreed to in the Purchase Order.
- 4.11.1.8 Contractor shall bill each governmental unit or qualified not-for-profit agency separately for its actual share of the costs of the personal property, supplies or services purchased. The credit or liability of each governmental unit or qualified not-for-profit agency shall remain separate and distinct. Disputes between contractors and governmental units or qualified not-for-profit agencies shall be resolved between the affected parties.
- 4.11.2 ASSIGNMENT: This Participating Addendum may not be assigned, transferred in whole or in part by Contractor without the prior written consent of the State, which consent shall not be unreasonably withheld, conditioned, or delayed.
- 4.11.3 SUBCONTRACTING: For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the Participating Addendum. Contractor must receive prior written approval before use of any subcontractors in the performance of this Participating Addendum. Contractor shall describe, in an attachment if not already provided, the names and addresses of all authorized subcontractors to be utilized by Contractor in the performance of this Participating Addendum, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this Participating Addendum. If required, Contractor shall provide a copy of any subcontracts within 15 days after execution of this Participating Addendum. All subcontracts must include the same certifications that Contractor must make as a condition of this Participating Addendum. Contractor shall include in each subcontract the subcontractor certifications as shown on the Standard Subcontractor Certification form

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available from the State. If at any time during the term of the Participating Addendum, Contractor adds or changes any subcontractors, then Contractor must promptly notify, by written amendment to the Participating Addendum, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Participating Addendum.

- 4.11.4 AUDIT/RETENTION OF RECORDS: Contractor and its subcontractors shall maintain books and records relating to the performance of the Participating Addendum or subcontract and necessary to support amounts charged to the State pursuant the Participating Addendum or Books and records, including information stored in databases or other computer systems, shall be maintained by the Contractor for a period of three years from the later of the date of final payment under the Participating Addendum or completion of the Participating Addendum, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay Participating Addendum or Purchase Order costs, the Contractor and its subcontractors must retain its records for five years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency/University, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Contractor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. The Contractor or subcontractors shall not impose a charge for audit or examination of the Contractor's books and records, 30 ILCS 500/20-65.
- 4.11.5 PERFORMANCE TIME: Contractor understands that timely performance of the Services is of critical importance to the Participating Entity. Contractor shall continue to perform its obligations while any dispute concerning the Participating Addendum is being resolved unless otherwise directed by the State.
- 4.11.6 NO WAIVER OF RIGHTS: Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.



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- 4.11.7 FORCE MAJEURE: Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the Participating Addendum if performance does not resume within 30 days of the declaration
- 4.11.8 CONFIDENTIAL INFORMATION: Each Party, including its agents and subcontractors, to this Participating Addendum may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this Participating Addendum. The receiving Party shall presume all information received from the other Party or to which it gains access pursuant to this Participating Addendum is confidential, provided that the State will not be in breach of its confidentiality obligations hereunder only to the extent required to meet the minimum requirements of the Illinois Freedom of Information Act. No confidential data collected, maintained, or used in the course of performance of the Participating Addendum shall be disseminated except as required to perform the services hereunder or as authorized by law or with the written consent of the disclosing Party, either during the period of the Participating Addendum or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the Participating Addendum, in whatever form it is maintained, promptly at the end of the Participating Addendum, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third Party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.
- 4.11.9 SECURITY REQUIREMENT FOR INFORMATION AND SYSTEMS. Contractor must ensure the following requirements are understood and allocate sufficient project time and resources to address the security requirements:
 - 4.11.9.1 An information security risk assessment, data classification and system categorization process and the submission of a system security plan must be completed and submitted to the Department of Innovation & Technology, Division of Information Security prior to the commencement of system development or solution delivery activities. Contractor must



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participate with the risk assessment and data classification and system categorization process. The formal risk assessment, data classification and system categorization process will be administered by the Illinois Department of Innovation & Technology, Division of Information Security. Vender program and project management personnel must ensure the coordination of these activities with State of Illinois program and project management personnel.

- 4.11.9.2 If not specifically addressed in other Contractor Information Technology Requirements, Contractor must adhere to State of Illinois and Illinois Department of Innovation & Technology technology and security Policies, Procedures, and Standards. https://www2.illinois.gov/sites/doit/support/policies/Pages/default.aspx.
- 4.11.9.3 Contractor must also adhere to a minimum security baseline as identified in the National Institute of Standards and Technology (NIST) Special Publication 800-53, Revision 4, Security and Privacy Controls for Federal Systems and Organizations. http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP .800-53r4.pdf. If not specifically addressed in other Contractor Information Technology Requirements. Contractors must assure the adoption of, at minimum, the low security control baselines. Exceptions to this requirement must be approved by the Illinois Department of Innovation & Technology, Division of Information Security.
- 4.11.9.4 Cloud solutions must adhere to recommendations of the Cloud Security Alliance. Contractors may find guidance and cross-referencing to the NIST 800-53, Revision 4 with the Cloud Security Alliance controls at https://cloudsecurityalliance.org/download/cloud-controls-matrix-v3-0-1/.
- 4.11.9.5 State and Federal laws, rules and regulations as well as industry-specific guidelines require specific and often enhanced security controls on information and systems. The State of Illinois is required to comply with the below laws, standards and regulations. Where applicable to the Services provided under this Participating Addendum, Contractor shall comply with the below as appropriate based upon the formal



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risk	assessmen	t to	include	а	data	classification	and	system
cate	gorization p	roc	ess.					•

- 4.11.9.5.1 Illinois Identity Protection Act (5 ILCS 179)
- 4.11.9.5.2 Illinois Personal Information Protection Act (815 ILCS 530)
- 4.11.9.5.3 The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99)
- 4.11.9.5.4 Federal Bureau of Investigations Criminal Justice Information Services (CJIS) Security Policy, version 5.5, issued June 26, 2016
- 4.11.9.5.5 Federal Centers for Medicare & Medicaid Services (CMS) MARS-E Document Suite, Version 2.0 Catalog of Minimum Acceptable Risk Security and Privacy Controls for Exchanges November 10, 2015.
- 4.11.9.5.6 Federal Centers for Medicare & Medicaid Services Information Security Acceptable Risk Safeguards (ARS) CMS Minimum Security Requirements Version 2.0 September 20, 2013.
- 4.11.9.5.7 Federal Internal Revenue Service (IRS)
 Publication 1075 Tax Information Security
 Guidelines for Federal, State and Local
 Agencies September 2016.
- 4.11.9.5.8 Federal Information Security Modernization Act of 2014 Amends the Federal Information Security Management Act of 2002 (FISMA).
- 4.11.9.5.9 Gramm-Leach-Bliley Act (GLB Act or GLBA), also known as the Financial Modernization Act of 1999.
- 4.11.9.5.10 Intentionally omitted.
- 4.11.9.5.11 Intentionally omitted.
- 4.11.9.5.12 Payment Card Industry (PCI) Data Security Standard (DSS) Version 3.2.



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- 4.11.9.6 Contractor must complete a business impact analysis (BIA) in compliance with guidelines of the Illinois Department of Innovation & Technology, Division of Information Security. Contractor must complete an Information Contingency Plan and Critical Infrastructure Contingency Plan which addresses the contingency and recovery requirements identified as part of the BIA. Contingency and recovery plans must be approved by the Department of Innovation & Technology, Division of Information Security prior to any information system commencing production. Contractor must agree to an initial on-site inspection, and annual on-site inspections of disaster recovery facilities by the state or a third-party acquired by the state at the discretion of the state.
- 4.11.9.7 Contractor must agree and assist with the facilitation of authenticated information system vulnerability scans to be conducted by the state or a third-party acquired by the state at the discretion of the state. These vulnerability scans must be completed prior to information systems commencing production, and high-risk vulnerabilities must be addressed prior to systems going into production.
- 4.11.9.8 The State may require the submission of an appropriate Service Organization Controls Report dependent upon the data and business processes supported by the contractor provided system or services.

 http://www.aicpa.org/Pages/default.aspxAICPA
- 4.11.10 USE AND OWNERSHIP: This contract does not contemplate work for hire. The State and Contractor will negotiate a mutually agreeable amendment to this Participating Addendum in the event work for hire becomes a requirement in any Purchase Order.
- 4.11.11 INDEMNIFICATION AND LIABILITY: The Contractor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by Contractor's of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any real or personal property, or any other damage or loss claimed to result in whole or in part from Contractor's negligent performance; (c) any act, activity or omission of Contractor or any of its employees, representatives, subcontractors or

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agents; or (d) any actual or alleged claim that the services or goods provided under this contract infringe, misappropriate, or otherwise violate any intellectual property (patent, copyright, trade secret, or trademark) rights of a third party. In accordance with Article VIII, Section 1(a),(b) of the Constitution of the State of Illinois and 1973 Illinois Attorney General Opinion 78, the State may not indemnify private parties absent express statutory authority permitting the indemnification. Neither Party shall be liable for incidental, special, consequential, or punitive damages.

- 4.11.12 INSURANCE: Contractor shall, at all times during the term and any renewals maintain and provide a Certificate of Insurance naming the State as additionally insured on General Liability and Auto Liability Policies. Certificates may not be modified or canceled until at least 30 days' notice has been provided to the State. Contractor shall provide: (a) General Commercial Liability occurrence form in amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Contractor's obligation to indemnify, defend, or settle any claims.
- 4.11.13 INDEPENDENT CONTRACTOR: Contractor shall act as an independent contractor and not an agent or employee of, or joint venture with the State. All payments by the State shall be made on that basis.
- 4.11.14 SOLICITATION AND EMPLOYMENT: Contractor shall not employ any person employed by the State during the term of this Participating Addendum to perform any work under this Participating Addendum. Contractor shall give notice immediately to the Agency's director if Contractor solicits or intends to solicit State employees to perform any work under this Participating Addendum.
- 4.11.15 COMPLIANCE WITH THE LAW: The Contractor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this Participating Addendum. Contractor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Contractor shall obtain at its own expense, all licenses and permissions necessary for the performance of this Participating Addendum.
- 4.11.16 BACKGROUND CHECK: Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense,



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criminal and driver history background checks of Contractor's and subcontractor's officers, employees or agents who perform on-site services. Contractor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background check.

- 4.11.17 APPLICABLE LAW: This Participating Addendum shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 III. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this Participating Addendum must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1. The State shall not enter into binding arbitration to resolve any Participating Addendum dispute. The State of Illinois does not waive sovereign immunity by entering into this Participating Addendum. The official text of cited statutes is incorporated by reference. An unofficial version can be viewed at (www.ilga.gov/legislation/ilcs/ilcs.asp).
- 4.11.18 ANTI-TRUST ASSIGNMENT: If Contractor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the Participating Addendum, then upon request of the Illinois Attorney General, Contractor shall assign to the State rights, title and interest in and to the claim or cause of action.
- 4.11.19 CONTRACTUAL AUTHORITY: When the Chief Procurement Officer signs a Participating Addendum on behalf of the State of Illinois, governmental units or and qualified not-for-profit agency, only the Agency, governmental unit or qualified not-for-profit agency that places an order with the Contractor shall have any liability to Contractor for that order.
- 4.11.20 NOTICES: Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the Participating Addendum using the Participating Addendum information following the signatures in the Participating Addendum or Purchase Order. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.
- 4.11.21 MODIFICATIONS AND SURVIVAL: Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this Participating Addendum officially



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declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Contractor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.

- 4.11.22 PERFORMANCE RECORD / SUSPENSION: Upon request of the State, Contractor shall meet to discuss performance or provide Participating Addendum performance updates to help ensure proper performance of the Participating Addendum. The State may consider Contractor's performance under this Participating Addendum and compliance with law and rule to determine whether to continue the Participating Addendum, suspend Contractor from doing future business with the State for a specified period of time, or to determine whether Contractor can be considered responsible on specific future contract opportunities.
- 4.11.23 FREEDOM OF INFORMATION ACT: This Participating Addendum and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act (FOIA) (5 ILCS 140) notwithstanding any provision to the contrary that may be found in this Participating Addendum or Master Agreement ADSPO16-169897.
- 4.11.24 SCHEDULE OF WORK: Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.
- 4.11.25 WARRANTIES FOR SUPPLIES AND SERVICES:
 - 4.11.25.1 Contractor warrants that the Supplies (the equipment listed on Attachments C, C-1 and C-2 of the NASPO Master Agreement) furnished under this Participating Addendum will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Contractor and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property



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rights of any third party. Contractor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.

- 4.11.25.2 Contractor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.
- 4.11.25.3 Contractor warrants that all services will be performed to meet the requirements of the Participating Addendum in an efficient and effective manner by trained and competent personnel. Contractor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the Participating Addendum, who is disruptive or not respectful of others in the workplace, or who in any way violates the Participating Addendum or State policies.
- 4.11.26 REPORTING, STATUS AND MONITORING SPECIFICATIONS: Contractor shall immediately notify the State of any event that may have a material impact on Contractor's ability to perform the Participating Addendum.
- 4.11.27 EMPLOYMENT TAX CREDIT: Contractors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. 35 ILCS 5/216, 5/217. Please contact the Illinois Department of Revenue (telephone #: 217-524-4772) for information about tax credits.
- SOFTWARE: Software license terms and conditions as listed on Attachment D, shall be mutually agreed upon by Pitney Bowes and the Chief Procurement Officer prior to use by governmental units or qualified not-for-profit agencies.
- 6. LEASE AGREEMENTS: Equipment Lease and Rental Agreements are authorized in accordance with the terms of NASPO ValuePoint Master Price Agreement number ADSPO16-169897. Attachment B reflects the lease and/or rental options Participating State/Entity has agreed to use. Any underlying leases to this agreement will remain in full force and effect throughout the stated lease term of such lease agreement, subject to termination provisions stipulated with such lease and subject to the availability of appropriations and termination for cause provisions in this Participating Addendum.

PARTICIPATING ADDENDUM



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- 6.1 Pitney Bowes Global Financial Services LLC "GFS" State & Local Rental Option B, and State & Local Fair Market Value Lease Option C pursuant to Sections 3.15 and 3.16, respectively and its terms and conditions are offered for lease transaction for the SMB Product line specifically listed on Attachments B.1, B.2, B.3.
- 7. All governmental units and qualified not-for-profit agencies that require the use of a Postage Meter will comply with all United States Postal Service regulations and meter terms and conditions applicable to the rental and use of postage meters supplied under this Participating Addendum as provided by the Contractor and attached hereto as Attachment C.
- 8. All orders pursuant to this Participating Addendum are to be made out to and processed by Pitney Bowes and should contain the following (1) Mandatory Language "PO is subject to NASPO ValuePoint Master Agreement number ADSPO16-169897" (2) Your Governmental Unit's or Qualified Not-for Profit Agency's Name, Address, Contact, & Phone Number.
 - Any order placed by a governmental unit or qualified not-for-profit agency for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.
- 9. Section 7.2 [State of Arizona Uniform Terms and Conditions], subsection 6 [Risk and Liability], subsection 6.1 [Risk of Loss] of Master Agreement number ADSPO16-169897 is hereby amended by adding the following at the end of said subsection 6.1: "provided, however, that the State shall be deemed to have accepted a Product as to which it doesn't indicate nonconformity within sixty (60) days of the delivery of the product.".
- 10. Individual Customer: Each governmental unit and qualified not-for-profit agency, as a Purchasing Entity, that purchases products/services under this Participating Addendum will be treated as if they were Individual Customers. Each governmental unit and qualified not-for-profit agency shall follow the terms and conditions of this Participating Addendum and Master Agreement; and they will have the same rights and responsibilities for their purchases that the Participating Entity has in the Master Agreement. Each governmental unit and qualified not-for-profit agency will be responsible for their own charges, fees, and liabilities. Each governmental unit and qualified not-for-profit agency will have the same rights to any indemnity or to recover any costs allowed in the contract for their purchases. The Contractor will apply the charges to each governmental unit or qualified not-for-profit agency individually.
- 11. ENTIRE AGREEMENT: This Participating Addendum together with documents incorporated by reference and the Master Price Agreement number ADSPO16-169897 (administered by the State of Arizona) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum together with documents incorporated by reference and the Price Agreement.

NASPO ValuePoint
PARTICIPATING ADDENDUM



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together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement and its exhibits, by any subsequent Purchase Order or otherwise, and any such attempts to add or incorporate such terms and conditions will be rejected. The terms and conditions of this Participating Addendum and its documents incorporated by reference and the Price Agreement and its exhibits, subject to the order of precedence in the Master Agreement, shall prevail and govern in the case of any such inconsistent or additional terms within the Participating State/Entity.

NASPO ValuePoint PARTICIPATING ADDENDUM



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IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
State of Illinois Chief Procurement Officer for General Services	Pitney Bowes Inc.
Signature:	Signature:
Name:	Name:
Ellen H. Daley	Arthur E. Adams, Jr.
Title:	Title:
Chief Procurement Officer for General Services	Director, Government Contract Compliance
Date: 6 - 7 - 18	Date: 5/21/2018

ATTACHMENT B

SUMMARY OF LEASING/RENTAL PROGRAMS UNDER ADSPO16-169897, as amended

Options B and C are offered for lease or rental transactions for the SMB Product line only.

Pitney Bowes Global Financial Services offers a variety of equipment leasing and lease/rental programs to enable your agency to acquire the equipment it needs with the innovative financing solution that works best for you. This Agreement cannot be used for Production Equipment Categories (Folders-Inserters Production, Inserters- Ink Jet Envelope Addressing System, Production, Pre-sorting Equipment Tabbers, Inserter Production and Software License and Subscriptions applicable to DMT, Production MailFolder-Inserter, Pre-Sorting Equipment) awarded under ADSPO16-00006328- to Pitney Bowes Inc.

FAIR MARKET VALUE/Rental (OPERATING LEASE) - Option B This program provides you with 36, 48 or 60 Month Rental. At the end of the rental period, you may purchase the equipment at the end of the Rental for its then Fair Market Value, or you can enter into a new Rental term or return the equipment. This includes cancellation for convenience with a termination charge of 90 day notice of cancellation and pay one quarterly payment. Sales & Purchase Tax will be charged, if required under Your State Statute.

FAIR MARKET VALUE LEASE - Option C

This program provides you with a 36, 48 or 60 Month lease term with the option to purchase the equipment at the end of the lease for its then Fair Market Value, or you can continue leasing the equipment based on its Fair Market Value, or return the equipment. Sales & Purchase Tax will be charged, if required under Your State Statute.

Example of lease/rental payments based on a \$10,000.00 equipment price:

MONTHLY LEASE RATES				
TERM	OPTION B	OPTION C		
	FMV Operating Lease	FMV Lease		
36	0.0377	0.0342		
48	0.0309	0.0277		
60	0.0270	0.0237		

MONTHLY LEASE RATES				
TERM	OPTION B	OPTION C		
	FMV Operating Lease*	FMV Lease*		
36	\$377.00	\$342.00		
48	\$309.00	\$277.00		
60	\$270.00	\$237.00		

^{*}Monthly payments excludes any State or Purchase Tax. Sales and /or Purchase Tax will be charged if required under your State Statue.

Attachment B.1

OPTION B -- NASPO VALUEPOINT FMV RENTAL TERMS AND CONDITIONS:

Pitney Bowes Global Financial Services LLC will serve as a sub-contractor under ADSPO16-169897, as amended, and will be the Less under this Fair Market Value Rental Terms and Condition Agreement. PBGFS does not warrant, service or otherwise support the equipment. Those services are provided by Pitney Bowes Inc. (PBI). Due to federal regulations, only PBI can own a Meter. This Agreement cannot be used for Production Equipment Categories (Production Ink Jet Envelope Addressing System, Production Tabber: Inserter Production, Production Folder-Inserter, Pre-Sorting Equipment) awarded under ADSPO16-00006328- to Pitney Bowes Inc.

The Pricing Plan for the NASPO ValuePoint Fair Market Value Rental Terms and Conditions is as follows:

Monthly Rate Factors:

Term:	Lease Rate:
36	.0377
48	.0309
60	.0270

Total Value of the Order multiplied by the applicable Monthly Rate Factor = Monthly Equipment Payment, plus applicable monthly meter rental and value based service fees, plus the monthly cost of service maintenance for years 2 thru end of initial term, plus any applicable taxes multiplied by three (3) months = equals the Quarterly Payment.

For further clarification a 36 month rental based on a \$10,000 equipment order would equal a \$377.00 monthly equipment lease payment multiplied by 3 months equaling a \$1,131 quarterly lease payment. Applicable quarterly cost of service maintenance for years 2 thru end of initial term, quarterly meter rental and value based services fees, plus any taxes, if applicable, would be added to the Quarterly payment.

L1. DEFINITIONS

L1.1 The following terms mean:

- "<u>Agreement</u>" the Order, your State's Participating Addendum, the NASPO ValuePoint Master Agreement ADSPO16-169897, as amended, these terms and conditions, and any attached exhibits.
- "Bank"- The Pitney Bowes Bank, Inc.
- "<u>Consumable Supplies</u>" ink, ink rollers, printheads, toner and drum cartridges, ribbons and similar items. Product-specific consumable supplies are identified in the product operator guide.
- "Covered Equipment" the equipment rented or sold to you from PBGFS or PBI that is covered by the SLA as stated on the Order. Covered Equipment does not include any Meter, or any standalone software, and SendKit equipment.
- "Delivery Date" the date the Equipment or other item is delivered to your location.
- "Effective Date" the date the Order is received by us.
- "<u>Equipment</u>" the equipment listed on the Order, excluding any Meter, and any standalone software and SendKit equipment.
- "Initial Term" the lease period listed on the Order
- "Install Date" the date the Equipment or other item is installed at your location.

- "Meter" any postage meter supplied by PBI under the Order, including (i) in the case of a Connect+TM or SendProTM P and C series mailing system, the postal security device, the application platform, the system controller and the print engine and (ii) in the case of all other mailing systems, the postal security device, the user interface or keyboard and display and the print engine.
- *<u>Lease</u>* the Order and this NASPO ValuePoint Fair Market Value Rental Terms and Conditions.
- "<u>Maintenance Service</u>" the maintenance service for the Covered Equipment selected by you on the Order, excluding software maintenance.
- "Master Agreement" NASPO ValuePoint Master Agreement ADSPO16-169897 Mail Room Equipment, Supplies and Maintenance contract, as amended, administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.
- "NASPO ValuePoint" NASPO ValuePoint Cooperative Purchasing Organization LLC, a wholly owned subsidiary of National Association of State Procurement Officials (NASPO).
- "<u>Order</u>" the executed agreement between the applicable Pitney Bowes company and you for the Equipment.
- "PBGFS" Pitney Bowes Global Financial Services LLC.
- "PBI" Pitney Sowes Inc.

- "Pitney Bowes" PBGFS and its subsidiaries, and PBI.
- <u>"Postage Meter Rental Agreement"</u> an agreement governing the use and rental of a Meter you enter into with us.
- "SLA" the Service Level Agreement.
- "<u>SLMA</u>" a Software License and Maintenance Agreement you enter into with us
- "SOW" a Statement of Work you enter into with us.
- "Slate Participating Addendum" the bilateral agreement executed by us and your participating state incorporating the Master Agreement.
- "<u>We</u>," "<u>Our</u>," or "<u>Us</u>" the Pitney Bowes company with whom you've entered into the Order.
- "You." "Your," "Lessee", or "Customer" the entity identified on the Order.

L2. AGREEMENT

- L2.1 You are leasing the Equipment listed on the Order.
- L2.2 You may not cancel this Lease for any reason except as expressly set forth in Sections L10 and L11; all payment obligations are unconditional.
- L2.3 Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 III. Adm. Code 900.
- L2.4 You authorize us to file a Uniform Commercial Code financing statement naming you as debtor/lessee with respect to the Equipment.

L3. PAYMENT TERMS AND OBLIGATIONS

- L3.1 We will invoice you in arrears each quarter for all payments on the Order (each, a "Quarterly Payment"), except as provided in any statement of work attached to the Order. You will make each Quarterly Payment by the due date shown on our invoice.
- L3.2 Your Quarterly Payment may include an origination fee, amounts carried over from a previous unexpired lease, SLMA fees and other charges.
- L3.3 Any Meter rental fees and SLA fees (collectively "PBI Payments"), will be included with your Quarterly Payment and begin with the start of the Lease Term (as defined below).

L4. EQUIPMENT OWNERSHIP

We own the Equipment. PBI owns any Meter. Except as stated in Section L6, you will not have the right to become the owner of the Equipment at the end of this Agreement.

L5. LEASE TERM

The Lease term is the number of months stated on the Order ("Lease Term"). The Lease Term will commence on the date the Equipment is delivered, if we do not install the Equipment. If we install the Equipment, the Lease Term will commence on the installation date.

L6. END OF LEASE OPTIONS

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- L6.1 During the 90 days before your Lease ends, you may, if not in default, select one of the following options:
 - (a) enter into a new lease with us;
- (b) purchase the Equipment "as is, where is" for fair market value; or
- (c) return the Equipment and Meter in its original condition, reasonable wear and tear excepted and pay us our then applicable processing fee. If you return the Equipment and Meter, you will, as specified by us, either properly pack and return them to us in the return box and with the shipping label provided by us or furnish them to such service carrier as we specify to pick up and ship them to us.
- L6.2 Upon cancellation, you agree to either return all items pursuant to Section L6.1(c) or purchase the Equipment.

L7. WARRANTY AND LIMITATION OF LIABILITY

- L7.1 PBGFS AND THE BANK MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT.
- L7.2 PBI provides you with the warranty as provided in the Master Agreement and as follows:
- (a) PBI warrants that the Equipment will be free from defects in material and workmanship and will perform according to the equipment user guide for a period of one year (360) days from the date of acceptance (the "Warranty Period").
- (b) PBI warrants that the Maintenance Service provided will be performed in a professional and workmanlike manner.
- (c) Your remedy in the event of any warranty claim is as provided within the Master Agreement.
- (d) A "defect" does not include the failure of rates within a rate update to conform to published rates.
- (e) There is no warranty for Equipment requiring repair or replacement because of your negligence, usage which exceeds PBI's recommendations, damage in transit, virus contamination or loss of data, misuse, external forces, loss or fluctuation of power, fire, flood, or other natural causes, or service by anyone other than PBI. There is no warranty for Equipment arising from the use of third party supplies (such as ink) that results in: (i) damage to PBI Equipment; (ii) poor indicia, text, or image print quality; (iii) indicia readability failures; or (iv) a failure to print indicia, text, or images.
- (f) The print engine(s), print engine components, structural components and printed circuit board assemblies supplied with the PBI Equipment may be reclaimed, reconditioned or remanufactured. Any such item is warranted to perform according to the same standards as the equivalent new item.
- (g) The warranty does not cover Consumable Supplies.
- L7.3 PBGFS AND THE BANK ARE NOT LIABLE FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), OR EXPENSE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT.

L8. EQUIPMENT OBLIGATIONS

- L8.1 <u>Condition and Repairs</u>. You will keep the Equipment free from liens and in good repair, condition, and working order.
- L8.2 <u>Inspection.</u> We may inspect the Equipment and related maintenance records.
- L8.3 <u>Location.</u> You may not move the Equipment from the location specified on the Order without our prior written consent which will not be unreasonably withheld.

LO. RISK OF LOSS AND VALUEMAX® PROGRAM

L9.1 Risk of Loss.

- (a) You bear the entire risk of loss to the Equipment from the date of delivery by PBI until the Equipment is returned to, and received by, us, regardless of cause, ordinary wear and tear excepted ("Loss").
- (b) No Loss will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.
- (c) The State of Illinois is Self-Insured.

L10. NON-APPROPRIATION

L10.1 This lease is contingent upon and subject to the availability of funds beyond the then current fiscal period. If funds are not available beyond the then current fiscal period, the State, at its sole option, may terminate or suspend this lease, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.

L11. EARLY TERMINATION

- L11.1 You further warrant that you intend to enter into this Lease for the entire Stated Term and you acknowledge that we have relied upon such represented intention when determining the applicable pricing plan.
- L11.2 Either party may terminate this lease for the other party's breach of its obligations under this lease; provided that the breaching party has a thirty (30) day period in which to cure such alleged breach after receiving written notice of such alleged breach.

L12. MISCELLANEOUS

- L12.1 If more than one lessee is named in this Lease, liability is joint and several.
- L12.2 EXCEPT IN THE EVENT OF AN ASSIGNMENT OR SUBLEASE TO ANOTHER STATE AGENCY, YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT OR THIS LEASE WITHOUT OUR PRIOR WRITTEN APPROVAL, WHICH SHALL NOT BE UNREASONABLY WITHHELD. ANY ASSIGNMENT WITHOUT OUR APPROVAL IS VOID.
- L12.3 We may sell, assign, or transfer all or any part of this Lease or the Equipment with prior written approval from the State, which shall not be unreasonably withheld. Any sale, assignment, or transfer will not affect your rights or obligations under this Agreement.
- L12.4 Contractor shall not bill for any taxes unless accompanied by proof that the governmental unit or qualified-not-for-profit agency is subject to the tax. The governmental unit or qualified not-for-profit agency shall provide state tax exemption number and federal tax exemption information.
- L12.5 If there is a conflict between any of the terms and conditions in this Agreement, your State's Participating Addendum and the Master Agreement ADSPO16-169897, as amended, the Participating Addendum shall prevail
- L12.6 Any Meter rented under this Agreement is subject to the applicable USPS regulations and meter terms and conditions as may be provided by PBI.
- Our Equipment may contain embedded software. You L12.7 agree: (i) that PBI and its licensors own the copyrights and other intellectual property in and to the embedded software; (ii) that you do not acquire any right, title or interest in or to the embedded software, (iii) only to use the embedded software with our Equipment in which the embedded software resides; (iv) that you may not copy the embedded software; (v) that you may neither modify nor create derivative works of the embedded software (vi) that you may neither distribute nor disclose the embedded software (or any portion thereof) to any other person; (vii) that you may not translate, decompile, disassemble, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; and (viii) that you may not export the embedded software in contravention of applicable export control laws. The embedded software contains third party software. Notwithstanding the above, this section does not modify any terms that may accompany such third party software.
- L12.8 The Connect+ or SendPro™ P and C series mailing system may use an internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+ or SendPro™ P and C series mailing system and the internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction.
- L12.9 We will provide you with a welcome letter by email.

OPTION C -- NASPO VALUEPOINT FAIR MARKET VALUE LEASE TERMS AND CONDITIONS:

Pitney Bowes Global Financial Services LLC will serve as a sub-contractor under ADSPO16-169897, as amended, and will be the Lessor under this Fair Market Value Lease Terms and Condition Agreement. PBGFS does not warrant, service or otherwise support the equipment. Those services are provided by Pitney Bowes Inc. (PBI). Due to federal regulations, only PBI can own a Meter. This Agreement cannot be used for Production Equipment Categories (Production Ink Jet Envelope Addressing System, Production Tabbers, Inserter Production, Production Folder-Inserter, Pre-Sorting Equipment) awarded under ADSPO16-00006328- to Pitney Bowes Inc.

The Pricing Plan for the NASPO ValuePoint Fair Market Value Lease Terms and Conditions is as follows:

Monthly Rate Factors:

Term:	<u>Lease Rate:</u>
36	.0342
48	.0277
60	.0237

Total Value of the Order multiplied by the applicable Monthly Rate Factor = Monthly Equipment Lease Payment, plus applicable monthly meter rental a value based service fees, plus the monthly cost of service maintenance for years 2 thru end of initial term, plus any applicable taxes, multiplied by thru (3) months = equals the Quarterly Payment.

For further clarification a 36 month lease based on a \$10,000 equipment order would equal a \$342.00 monthly equipment lease payment multiplied by a months equaling a \$1,026 quarterly lease payment. Applicable quarterly cost of service maintenance for years 2 thru end of initial term, quarterly meter rental and value based services fees, plus any taxes, if applicable, would be added to the Quarterly payment.

L1. DEFINITIONS

L1. DEFINITIONS

L1.1 The following terms mean:

<u>Agreement</u>" - the Order, your State's Participating Addendum, the NASPO ValuePoint Master Agreement ADSPO16-169897, as amended, these terms and conditions, and any attached exhibits.

"Bank"- The Pitney Bowes Bank, Inc.

"<u>Consumable Supplies</u>" - Ink, ink rollers, printheads, toner and drum cartridges, ribbons and similar items. Product-specific consumable supplies are identified in the product operator guide.

"<u>Covered Equipment</u>" - the equipment rented or sold to you from PBGFS or PBI that is covered by the SLA as stated on the Order. Covered Equipment does not include any Meter, or any standalone software, and SendKit equipment.

"<u>Delivery Date"</u> - the date the Equipment or other item is delivered to your location.

"Effective Date" - the date the Order is received by us.

"<u>Equipment</u>" - the equipment listed on the Order, excluding any Meter, and any standalone software and SendKit equipment.

"Initial Term" - the lease period listed on the Order

"<u>install Date</u>" - the date the Equipment or other item is installed at your location.

"<u>Meter</u>" - any postage meter supplied by PBI under the Order, including (i) in the case of a Connect+ TM or SendPro TM P or C series mailing system, the postal security device, the application platform, the system controller and the print engine and (ii) in the case of all other mailing systems, the postal security device, the user interface or keyboard and display and the print engine.

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"<u>Lease</u>" – the Order and this NASPO ValuePoint Fair Market Value Lease Terms and Conditions.

"Maintenance Service" - the maintenance service for the Covered Equipment selected by you on the Order, excluding software maintenance.

"Master Agreement" – NASPO ValuePoint Master Agreement ADSPO16-169897, as amended, Mail Room Equipment, Supplies and Maintenance contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.

"<u>MASPQ ValuePoint</u>" – NASPO ValuePoint Cooperative Purchasing Organization LLC, a wholly owned subsidiary of National Association of State Procurement Officials (NASPO).

"Order" - the executed agreement between the applicable Pitney Bowes company and you for the Equipment.

"PBGFS" - Pitney Bowes Global Financial Services LLC.

"PBf" - Pitney Bowes Inc.

"Pitney Bowes" - PBGFS and its subsidiaries, and PBI.

"Postage Meter Rental Agreement" -- an agreement governing the use and rental of a Meter you enter into with us.

"SLA" - the Service Level Agreement.

"<u>SLMA</u>" – a Software License and Maintenance Agreement you enter into with us

"SOW" - a Statement of Work you enter into with us.

"State Participating Addendum" the bilateral agreement executed by us and your participating state incorporating the Master Agreement.

"<u>We</u>," "<u>Our</u>," or "<u>Us</u>" – the Pitney Bowes company with whom you've entered into the Order.

"You," "Your," "Lessee", or "Customer" - the entity identified on the Order.

L2. AGREEMENT

- L2.1 You are leasing the Equipment listed on the Order.
- L2.2 You may not cancel this Lease for any reason except as expressly set forth in Sections L10 and L11 below, all payment obligations are unconditional.

Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 III. Adm. Code 900.

L2.4 You authorize us to file a Uniform Commercial Code financing statement naming you as debtor/lessee with respect to the Equipment.

L3. PAYMENT TERMS

- L3.1 We will invoice you in arrears each quarter for all payments on the Order (each, a "Quarterly Payment"), except as provided in any statement of work attached to the Order. You will make each Quarterly Payment by the due date shown on our invoice.
- L3.2 Your Quarterly Payment may include an origination fee, amounts carried over from a previous unexpired lease, SLMA fees and other charges.
- L3.3 Any Meter rental fees and SLA fees (collectively "PBI Payments"), will be included with your Quarterly Payment and begin with the start of the Lease Term (as defined below). After the Initial Term, your Quarterly Payment will increase if your PBI Payments increase.

L4. EQUIPMENT OWNERSHIP

We own the Equipment. PBI owns any Meter, Except as stated in Section L6, you will not have the right to become the owner of the Equipment at the end of this Agreement.

L5. LEASE TERM

The Lease term is the number of months stated on the Order ("Lease Term"). The Lease Term will commence on the date the Equipment is delivered, if we do not install the Equipment. If we install the Equipment, the Lease Term will commence on the installation date.

L6. END OF LEASE OPTIONS

- L6.1 During the 90 days before your Lease ends, you may, if not in default, select one of the following options:
 - (a) enter into a new lease with us;

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- (b) purchase the Equipment "as is, where is" for fair market value; or
- (c) return the Equipment and Meter in its original condition, reasonable wear and tear excepted and pay us our then applicable processing fee. If you return the Equipment and Meter, you will, as specified by us, either properly pack and return them to us in the return box and with the shipping label provided by us or furnish them to such service carrier as we specify to pick up and ship them to us.
- L6.2 If you do not select one of the options in Section L6.1, Upon cancellation, you agree to either return all items pursuant to Section L6.1(c) or purchase the Equipment.

L7. WARRANTY AND LIMITATION OF LIABILITY

- L7.1 PBGFS AND THE BANK MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT.
- L7.2 PBI provides you with the warranty as provided in the Master Agreement and as follows:
- (a) PBI warrants that the Equipment will be free from defects in material and workmanship and will perform according to the equipment user guide for a period of one year (360) days from the date of acceptance (the "Warranty Period").
- (b) PBI warrants that the Maintenance Service provided will be performed in a professional and workmanlike manner.
- (c) Your remedy in the event of any warranty daim is as provided within the Master Agreement.
- (d) A "defect" does not include the failure of rates within a rate update to conform to published rates.
- (e) There is no warranty for Equipment requiring repair or replacement because of your negligence, usage which exceeds PBI's recommendations, damage in transit, virus contamination or loss of data, misuse, external forces, loss or fluctuation of power, fire, flood, or other natural causes, or service by anyone other than PBI. There is no warranty for Equipment adsing from the use of third party supplies (such as ink) that results in: (i) damage to PBI Equipment; (ii) poor indicia, text, or image print quality; (iii) indicia readability failures; or (iv) a failure to print indicia, text, or images.
- (f) The print engine(s), print engine components, structural components and printed circuit board assemblies supplied with the PBI Equipment may be reclaimed, reconditioned or remanufactured. Any such item is warranted to perform according to the same standards as the equivalent new item.
- (g) The warranty does not cover Consumable Supplies.
- L7.3 PBGFS AND THE BANK ARE NOT LIABLE FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), OR EXPENSE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT.

L8. EQUIPMENT OBLIGATIONS

- L8.1 <u>Condition and Repairs</u>. You will keep the Equipment free from liens and in good repair, condition, and working order.
- L8.2 $\underline{\text{Inspection}},$ We may inspect the Equipment and related maintenance records.
- L8.3 <u>Location.</u> You may not move the Equipment from the location specified on the Order without our prior written consent which will not be unreasonably withheld.

L9. RISK OF LOSS AND VALUEMAX® PROGRAM

L9.1 Risk of Loss.

- (a) You bear the entire risk of loss to the Equipment from the date of delivery by PBI until the Equipment is returned to, and received by, us, regardless of cause, ordinary wear and tear excepted ("Loss").
- (b) No Loss wift relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.
- (c) The State of IL is self insured.

L10. NON-APPROPRIATION

L10.1 This lease is contingent upon and subject to the availability of funds beyond the then current fiscal period. If funds are not available beyond the then current fiscal period, the State, at its sole option, may terminate or suspend this lease, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the fallure of appropriation or of a reduction or decrease.

L11. EARLY TERMINATION

- L11.1 You further warrant that you intend to enter into this Lease for the entire Stated Term and you acknowledge that we have relied upon such represented intention when determining the applicable pricing plan.
- L11.2 Either party may terminate this lease for the other party's breach of its obligations under this lease; provided that the breaching party has a thirty (30) day period in which to cure such alleged breach after receiving written notice of such alleged breach.

L12. MISCELLANEOUS

L12.1 If more than one lessee is named in this Lease, liability is joint and several.

L12.2 YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT

OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH CONSENT WILL NOT BE UNREASONABLY WITHHELD. ANY ASSIGNMENT WITHOUT OUR CONSENT IS VOID.

- L12.3 We may sell, assign, or transfer all or any part of this Lease or the Equipment. Any sale, assignment, or transfer will not affect your rights or obligations under this Agreement.
- L12.4 Contractor shall not bill for any taxes unless accompanied by proof that the governmental unit or qualified-not-for-profit agency is subject to the tax. The governmental unit or qualified not-for-profit agency shall provide state tax exemption number and federal tax exemption information
- L12.5 If there is a conflict between any of the terms and conditions in this Agreement, your State's Participating Addendum and the Master Agreement ADSPO16-169897, as amended, the Participating Addendum shall prevail.
- L12.6 Any Meter rented under this Agreement is subject to the applicable USPS regulations and meter terms and conditions as may be provided by PBI.
- L12.7 Our Equipment may contain embedded software. You agree: (i) that PBI and its licensors own the copyrights and other intellectual property in and to the embedded software; (ii) that you do not acquire any right, title or interest in or to the embedded software; (iii) only to use the embedded software with our Equipment in which the embedded software resides; (iv) that you may not copy the embedded software; (v) that you may neither modify nor create derivative works of the embedded software (vi) that you may neither distribute nor disclose the embedded software (or any portion thereof) to any other person; (vii) that you may not translate, decompile, disassemble, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; and (viii) that you may not export the embedded software in contravention of applicable export control laws. The embedded software contains third party software. Notwithstanding the above, this section does not modify any terms that may accompany such third party software.
- L 12.8 The Connect+ and SendPro P or C Series mailing system may use an internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+ and SendPro P or C Series mailing system and the internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction.
 - L 12.9 We will provide you with a welcome letter by email.

ATTACHMENT C- POSTAGE METER RENTAL TERMS

1. DEFINITIONS

As used in this Agreement, the following terms mean:

"<u>Agreement</u>" – the Order, your State's Participating Addendum, the NASPO ValuePoint Master Agreement ADSPO16-169897, these terms and conditions, and any attached exhibits.

"Bank"- The Pitney Bowes Bank, Inc.

"Term" - the rental period listed on the Order.

"Meter" - any postage meter supplied by PBI under the Order, including (i) in the case of a Connect+™ or SendPro™ P or C series mailing system, the postal security device, the application platform, the system controller and the print engine and (ii) in the case of all other mailing systems, the postal security device, the user interface or keyboard and display and the print engine.

"Master Agreement" – NASPO ValuePoint Master Agreement ADSPO16-169897 Mail Room Equipment, Services and Maintenance contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.

<u>NASPO ValuePoint</u> - NASPO ValuePoint Cooperative Purchasing Organization LLC, a wholly owned subsidiary of National Association of State Procurement Officials (NASPO).

"Order" - the executed order between the applicable Pitney Bowes company and you for the products covered by the order.

"<u>PBGFS</u>" - Pitney Bowes Global Financial Services LLC or a wholly-owned subsidiary of Pitney Bowes Inc.

"<u>PB/</u>", "<u>We</u>" "<u>Our</u>," or "<u>Us</u>" - Pitney Bowes Inc.

"Reserve Account" - the Postage By Phone® Reserve Account that you maintain at the Bank.

<u>"State Participating Addendum"</u> – the bilateral agreement executed by us and your participating state incorporating the Master Agreement."

"USPS" - the United States Postal Service.

"You," or "Your" - the person identified on the Order who is renting a Meter or purchasing services.

2. METER RENTAL

2.1 <u>Fees</u>

- (a) We will invoice you the Meter rental ("rental") fees listed on the Order.
- (b) After the Initial Term, we may increase the rental fees in accordance with the Master Agreement only if such increase is approved by You in writing in advance.
- (d) When you receive written notice of an increase, you may terminate this Agreement as of the date the increase becomes effective.

(e) If you do not pay the fees when due or you do not comply with the Agreement, we may disable the Meter, terminate the Agreement, retake the Meter, and collect from you all fees due for services utilized

2.2 Postage

- (a) You may transfer funds to the Bank for deposit into your Reserve Account or you may transfer funds to the United States Postal Service ("USPS") through a lockbox bank ("Lockbox Bank"). See section U1 for details.
- (b) If you participate in any optional PBI, PBGFS, or Bank postage advance programs (such as Purchase Power), we will advance payment on your behalf to USPS, subject to repayment by you under the terms of the postage advance program and billed separately from your Meter rental fees,
- (c) If you purchase postage through a Lockbox Bank, the USPS is responsible for refunds of unused postage and those refunds will be made in accordance with then current USPS regulations.

2.3 Terms of Use; Federal Regulations

- (a) You may use the Meter solely for the purpose of processing your mail, provided that you are authorized by the USPS to use the Meter, and that you comply with (i) this Agreement, (ii) any operator guide and (iii) all USPS regulations.
- (b) You agree to use only attachments or printing devices authorized by us.
- (c) You must receive our written consent before moving the Meter to a different location.
- (d) Federal regulations require that we own the Meter.
- (e) Tampering with or misusing the Meter is a violation of federal law.
- (f) Activities of the USPS including the payment of refunds for postage by the USPS to clients will be made in accordance with the current Domestic Mail Manual.
- If the Meter is used in any unlawful scheme, or is not used for any consecutive 12 month period, or if you take the Meter or allow the Meter to be taken outside the United States without proper written permission of USPS Headquarters, or if you otherwise fail to abide by the postal regulations and this Agreement regarding care and use of the Meter, then this Agreement and any related Meter rental may be revoked. You acknowledge that any use of this Meter that fraudulently deprives the USPS of revenue can cause you to be subject to civil and criminal penalties applicable to fraud and/or false claims against the United States. The submission of a false or fraudulent statement can result in imprisonment of up to 5 years and fines of up to \$10,000 (18 U.S.C. 1001) and a civil penalty of up to \$5,000 plus an assessment of twice the amount falsely claimed (3 U.S.C. 3802). The mailing of matter bearing a fraudulent postage meter imprint is an example of a violation of these statutes.
- (h) You are responsible for immediately reporting (within 72 hours or less) the theft or loss of the Meter to us. Failure to comply with this notification provision in a timely manner may result in the denial of refund of any funds remaining on the Meter at the time of loss or theft.

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(i) You understand that the rules and regulations regarding the use of this Meter as documented in the Domestic Mail Manual may be updated from time to time by the USPS and it is your obligation to comply with any rules and regulations regarding its use.

2.4 Care and Risk of Loss

- (a) You agree to take proper care of the Meter(s).
- (b) You assume all risk of loss or damage to the Meter while you have possession.

2.5 Rate Updates and Soft-Guard® Program

- (a) Your Meter may require periodic rate Information updates that you can obtain under our Soft-Guard® program.
- (b) The Soft-Guard® Subscription, we will provide up to 6 rate updates during each 12 month period following the date of installation...
- (c) We will provide rate updates only if required due to a postal or carrier change in rate, service, Zip Code or zone change.
- (d) Your Soft-Guard® Subscription does not cover any change in rates due to custom rate changes, new classes of carrier service, or a change in Zip Code or zone due to equipment relocation.
- (e) We will not be responsible for any losses arising out of or resulting from the failure of rating or software downloads to conform to published rates.

2.6 Repair or Replacement

- If the Meter malfunctions or fails due to reasons other than your negligence or accident,, usage which exceeds our recommendations, use of Meter in a manner not authorized by this Agreement or any operator guide, use of equipment in an environment with unsuitable humidity and/or line voltage, damage in transit, virus contamination or loss of data, loss or fluctuation of power, fire, flood or other natural causes, external forces beyond our control, sabotage or service by anyone other than us, failure to use applicable software updates, use of Meter with any system for which we have advised you we will no longer provide support or which we have advised you is no longer compatible, or use of third party supplies (such as ink), hardware or software that results in (i) damage to Meter (Including damage to printheads), (ii) poor indicia, text or image print quality, (iii) indicia readability failures or (iv) a failure to print indicia, text or images
- (b) REPAIR OR REPLACEMENT IS YOUR SOLE REMEDY.

2.7 <u>LIMITATION OF LIABILITY</u>

See - Master Agreement

2.8 Collection of Information

(a) You authorize us to access and download information from your Meter and we may disclose this information to the USPS or other governmental entity.

- (b) We will not share with any third parties (except the USPS or other governmental entity) individually identifiable information that we obtain about you in this manner unless required to by law or court order. We will provide notice to you prior to issuing any individually identifiable data if such is required by court order or other applicable law.
- (c) We may elect to share aggregate, non-personallyidentifiable data about our customers' postage usage with third parties.

3. VALUE BASED SERVICES

Value Based Services Include services such as USPS® e-Return Receipt and USPS® Confirmation Services.

3.1 <u>Fees</u>

- (a) Any fees charged by the USPS for any Value Based Service you purchase is payable by you in the same way that you pay for postage.
- (b) The USPS is solely responsible for its services.
- (c) We are not responsible for any malfunctions of any part of the communication link connecting the IntelliLink® Control Center with the USPS data system.
- 3.2 THE VALUE BASED SERVICES PROVIDED BY THE USPS ARE PROVIDED WITHOUT ANY WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WE ARE NOT LIABLE FOR ANY DAMAGES YOU MAY INCUR BY REASON OF YOUR USE OF THE VALUE BASED SERVICES PROVIDED BY THE USPS, INCLUDING INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES.
- 3.3 <u>Ending the Value Based Services</u>. We have the right to terminate the Value Based Services if the USPS discontinues offering the service or you materially breach your obligations under this Agreement and fail to cure the breach within thirty (30) days after you have been notified of it in writing. Payment obligations shall not be considered material.

4. <u>EMBEDDED SOFTWARE AND SUBSCRIPTION</u> <u>SERVICES</u>

4.1 Our Equipment may contain embedded software. You agree that: (i) PBI and its licensors own the copyrights and other intellectual property in and to the embedded software; (ii) you are licensed only to use the embedded software with our Equipment in which the embedded software resides; (iii) you will not copy, modify, decompile, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; (iv) you will not distribute or otherwise disclose the embedded software (or any portion thereof) to any other person; and (v) you may not export the embedded software in contravention of applicable export control laws. The embedded software contains third party software, which, notwithstanding the above, is subject to any terms that may accompany such third party software.

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- Subscription Services. We may offer certain ondemand services to you on a subscription basis as indicated in the applicable Order. Upon payment of any applicable subscription fees, we grant you a non-exclusive, nontransferable license to access and use the subscription services for the term set forth in the Order for your internal business purposes only. You may not provide access to the subscription services to any third party, or use the subscription services on behalf of any third party absent our written consent. You will comply with all applicable laws, rules and regulations governing your use of the subscription services, including any data protection or privacy laws. You will not use the services to send or store infringing, obscene, threatening or unlawful material or disrupt the use by others of the subscription services, network service or network equipment, and you will not reverse engineer, decompile or disassemble the subscription services. If the subscription services you purchased come with their own terms of use, your use of those subscription services will be governed by those terms. Maintenance and technical support for any on-demand services will be provided in accordance with a separate agreement covering the same.
- 5.1 The Connect+™ and SendPro P or C series mailing systems may use an internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+™ and SendPro P or C series mailing systems and the internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction.

6. ENDING THIS AGREEMENT.

- 6.1 Your right to use the Meter, or Value Based Services is limited in duration to the Term.
- 6.2 Reserved.
- 6.3 We reserve the right to recover or disable the Meter and terminate this use at any time if in violation of the terms of use under the Federal Regulations.
- 6.4 After cancellation or termination of this Agreement, you must return the Meter to us in the same condition as you received it, reasonable wear and tear excepted.

5. <u>INTERNET ACCESS POINT</u>

UNITED STATES POSTAL SERVICE ACKNOWLEDGMENT OF DEPOSIT

- UI.1 In connection with your use of a Postage Evidencing System as defined in the Code of Federal Regulations ("CFR"), you may transfer funds to the USPS through a Lockbox Bank for the purpose of prepayment of postage on Postage Evidencing Systems, generating evidence of postage, both PC Postage and meters (a "Deposit"), or you may transfer funds to the Bank for deposit into your Reserve Account.
- UI.2 To the extent you deposit funds in advance of the use of any evidence of postage, you may make Deposits in the Lockbox Bank account identified as "United States Postal Service CMRS-PB" or make deposits in your Reserve Account, in either case through electronic means, including Automated Clearinghouse Transfers. The USPS may, at its discretion, designate itself or a successor as recipient of Deposits made by you to the Lockbox Bank account described above.
- UI.3 Any deposit made by you in your Reserve Account is subject to the Postage By Phone® Reserve Account Agreement and Disclosure Statement governing your Reserve Account.
- UI.4 Any Deposit made by you in the Lockbox Bank account shall be credited by the USPS only for the payment of evidence of postage. Such Deposits may be commingled with Deposits of other clients. You shall not receive or be entitled to any interest or other income earned on such Deposits.
- UI.5 The USPS will provide a refund to you for the remaining account balances of Deposits held by the USPS. These refunds are provided in accordance with the rules and regulations governing deposit of funds for evidence of postage, published in the CFR.
- UI.6 The Lockbox Bank, which shall collect funds on behalf of the USPS, shall provide PBI, on each business day, information as to the amount of each Deposit made to the USPS by you, so that PBI can update its records.
- UI.7 PBI may deposit funds on your behalf. The USPS will make no advances of funds to you. Any relationship concerning advances of funds is between you and PBI, PBGFS and/or the Bank.
- UI.8 You acknowledge that the terms of this Acknowledgement may be changed, modified, or revoked by the USPS, with appropriate notice.
- UI.9 Postal Regulations governing the deposit of funds are published in the CFR or its successor. You acknowledge that you shall be subject to all applicable rules, regulations, and orders of the USPS, including future changes to such rules, regulations, and orders, and such additional terms and conditions as may be determined in accordance with applicable law. The USPS rules, regulations, and orders shall prevail in the event of any conflict with any other terms and conditions applicable to any Deposit.

SENDPRO™ TERMS AND CONDITIONS

If you are acquiring a SendPro subscription: (i) without SendKit equipment, your Terms Of Use are available at http://www.pitneybowes.com/us/license-terms-of-use/sendpro-subscription.html; and (ii) with SendKit equipment, your Terms Of Use are available at http://www.pitneybowes.com/us/license-terms-of-use/sendpro-term.html. Your use of the SendPro application is entirely governed by the SendPro Terms of Use and any other provisions of the Pitney Bowes Terms will not apply.

ATTACHMENT D SOFTWARE LICENSE AGREEMENTS

SMB Terms

Business Manager Software License Agreement OCT 2016
Distribution Solutions SLMA Nov 2015-Pathfinder-v092215
EULA ConnectRight Mailer
SendPro U.S. Terms of Use Subscription MAY 2016
SendPro U.S. Terms of Use with Equipment Lease MAY 2016
Hosting Addendum for Distribution Solution Products May 2015

Pitney Bowes Business Manager Software License Agreement

PLEASE READ THIS SOFTWARE LICENSE AGREEMENT CAREFULLY BEFORE INSTALLING THE SOFTWARE. THIS SOFTWARE LICENSE AGREEMENT STATES THE TERMS AND CONDITIONS UPON WHICH PITNEY BOWES INC. ("PITNEY BOWES" OR "LICENSOR") OFFERS TO LICENSE THE SOFTWARE. BY INSTALLING. OR OTHERWISE USING THE SOFTWARE, YOU ("LICENSEE") ACKNOWLEDGE THAT YOU HAVE READ THIS SOFTWARE LICENSE AGREEMENT, AND THAT YOU AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS. YOU ALSO REPRESENT THAT YOU HAVE THE LEGAL CAPACITY TO ENTER INTO A BINDING CONTRACT AND ARE AUTHORIZED TO BIND THE USER OF THE SOFTWARE. IF YOU DO NOT AGREE TO ALL OF THE TERMS AND CONDITIONS OF THIS SOFTWARE LICENSE AGREEMENT, YOU MAY NOT INSTALL THE SOFTWARE NOR USE IT AND IT IS YOUR RESPONSIBILITY TO EXIT THE INSTALLATION PROGRAM WITHOUT INSTALLING THE SOFTWARE, AND, IF INSTALLED, TO DELETE THE SOFTWARE FROM YOUR COMPUTER.

This license covers all software programs and user documentation supplied by Pitney Bowes. This includes Pitney Bowes' proprietary programs and databases as well as programs and databases developed by third parties and distributed under license by Pitney Bowes.

GENERAL PROVISIONS

1.0 DEFINITIONS.

- 1.1 Licensed Software. For purposes of this Agreement, "LICENSED SOFTWARE" shall mean LICENSOR's Business Manager Software and any related licensed materials such as data base files, operating instructions and user manuals. LICENSED SOFTWARE shall also include any updates and revisions to the LICENSOR's Business Manager Software that are provided to LICENSEE under the terms and conditions of the SALES/LEASE AGREEMENT or the Software Maintenance Agreement.
- 1.2 Sales/Lease Agreement. For purposes of this Agreement. "SALES/LEASE AGREEMENT" shall mean the sales or lease agreement between LICENSOR and LICENSEE for the LICENSED SOFTWARE and any accompanying equipment.
- 1.3 Term. For a sale of a Pitney Bowes Business Manager Software license to LICENSEE, "TERM" shall be co-terminus with LICENSOR's Software Maintenance and Data Subscription Agreement (described

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below). For a lease of a Pitney Bowes Business Manager Software license to LICENSEE, "TERM" shall mean the term of the lease.

License Fee: For a sale of a Pitney Bowes Business Manager Software license to LICENSEE, "LICENSE FEE" shall mean the fee paid by LICENSEE for the Licensed Software only. LICENSEE FEE shall not include any fees paid by LICENSEE for any professional services, mailing equipment or peripherals. For a lease of a Pitney Bowes Business Manager Software license to LICENSEE, "LICENSE FEE" shall mean the portion of LICENSEE's lease payment that is allocated for payment of the Licensed Software only. LICENSE FEE shall not include any portion of LICENSEE's lease payment that is allocated for payment of any professional services, mailing equipment or peripherals.

2.0 LICENSE TERMS AND RESTRICTIONS.

- 2.1 Subject to written agreement for payment of all applicable fees stated in the SALES/LEASE AGREEMENT in accordance with the Illinois Prompt Payment Act, LICENSOR grants to Licensee and Licensee accepts, for the TERM, a non-exclusive, non-transferable license to: (i) use the LICENSED SOFTWARE only with LICENSOR's mailing machines or other hardware that is identified in the SALES/LEASE AGREEMENT or an applicable Statement of Work between LICENSOR and LICENSEE; (ii) use the LICENSED SOFTWARE only at the location that is identified in the SALES/LEASE AGREEMENT or an applicable Statement of Work between LICENSOR and LICENSEE; (iii) process LICENSEE's own accounting data; and (iv) utilize operating instructions and user manuals in support of the use of the LICENSED SOFTWARE. Except as authorized in the SALES/LEASE AGREEMENT or an applicable Statement of Work between LICENSOR and LICENSEE, LICENSEE shall not use the LICENSED SOFTWARE in the operation of a time-sharing or service bureau arrangement or as an application service provider. Because this license is limited to designated hardware at a designated location, prior written authorization is required from LICENSOR to transfer the LICENSED SOFTWARE to another location. Such consent shall not be unreasonably withheld.
- 2.2 LICENSED SOFTWARE may not be copied, except for user manuals and operating instructions ("Documentation"). Documentation in printed or electronic form may be copied solely for use in support of the LICENSED SOFTWARE.
- 2.3 This Agreement does not include the right to sublicense, transfer or assign the LICENSED SOFTWARE without the prior written consent of LICENSOR, and any such attempted sublicense, transfer, or assignment shall be void.
- 2.4 LICENSEE is authorized to use the LICENSED SOFTWARE on a single mailing machine or other hardware as defined in SALES/LEASE AGREEMENT or an applicable Statement of Work between LICENSOR and LICENSEE only upon an agreement between the parties for the payment of the applicable

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LICENSE FEE. If LICENSEE wishes to add additional mailing machines or other hardware, then LICENSEE shall so notify LICENSOR, which shall then authorize such use upon executing an agreement for payment of any applicable additional fees.

3.0 LICENSEE RIGHTS AND OBLIGATIONS.

- 3.1 Installation and Acceptance. Installation of the LICENSED SOFTWARE shall be done in accordance with the applicable invoice for such LICENSED SOFTWARE. Each copy of the LICENSED SOFTWARE shall be deemed accepted upon installation of such copy, but in no event later than forty-five (45) days after the date of the SALES/LEASE AGREEMENT.
- 3.2 Confidentiality. LICENSEE acknowledges that the LICENSED SOFTWARE and Documentation may contain proprietary and confidential information of LICENSOR. LICENSEE will not disclose or show the LICENSED SOFTWARE or Documentation, or any part thereof, to anyone for any purpose other than in order to enable LICENSEE to use the LICENSED SOFTWARE in accordance with the terms of this Agreement, so long as the Documentation is clearly and conspicuously marked as proprietary and confidential, and further provided that such information is not subject to release pursuant to the Illinois Freedom of Information Act (FOIA) (50 ILCS 140). Upon termination of this Agreement, LICENSEE shall return all copies of the LICENSED SOFTWARE and Documentation. This Agreement and Documentation are subject to FOIA and may be disclosed by LICENSEE in response to a FOIA request unless an exemption under FOIA is applicable.
- 3.3 Software Maintenance. Upon payment of the appropriate maintenance support fees (as set forth in the Order) in accordance with the laws of the State of Illinois, including the Prompt Payment Act, maintenance support for the LICENSED SOFTWARE ("Maintenance Support") shall be provided in accordance with the terms set forth at http://www.pitneybowes.com/us/license-terms-of-use/shipping-and-mailing-maintenance-services-terms.html (the "Shipping & Mailing Maintenance Service Terms"). By execution of this Agreement, LICENSEE hereby agrees to and accepts the terms and conditions of LICENSOR's Shipping & Mailing Maintenance Service Terms; however, the "Delivery, Implementation", "Eligibility" and "Term; Termination" Sections contained in the Shipping & Mailing Maintenance Service Terms shall not control and the terms set forth in this Section 3.3 shall instead govern. Software maintenance for modifications to the LICENSED SOFTWARE that were requested by LICENSEE shall not be included within Maintenance Support and, if such support is provided, it shall be subject to additional charges at LICENSOR's then prevailing rates.

The governing terms related to Delivery; Implementation are as follows:

All Updates, Upgrades, fixes, Data Updates and rate changes will be delivered electronically unless physical media options are provided at PB's discretion. All Updates, etc. are your responsibility to install and implement unless otherwise agreed to in writing by PB.

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You are entitled to receive Maintenance Services for your Product under the following conditions:

- 1. You have identified to PB appropriate technical support contacts within your organization (if your organization has 50 or more users, please see Multiple User Policy, below);
- 2. You have implemented the most current update or patch available for your Product that has been made available to you with reasonable notice;
- 3. You have performed routine and preventative maintenance on your systems, including disaster recovery backups, operating system updates, implementing anti-virus protection, and SQL patches and updates;
- 4. Your Product has not been modified except by or at the written instruction of PB; and
- 5. Your use of the Product is in accordance with your license agreement and the documentation and in the manner reasonably intended by the Product.
- 6. Your license agreement and maintenance term are both paid in accordance with the Illinois Prompt Payment Act.

Maintenance Services will not be provided to installations of the Product in unsupported environments.

The governing terms related to Maintenance Support Term; Termination are as follows:

Maintenance Services are billed and provided in 12 month periods, which begin on the effective date of your license agreement. You will receive an invoice within 45 days of the expiration of the then-current term reflecting the then-current rates for Maintenance Services, which will be payable in accordance with your license agreement. If your license agreement includes a leasing arrangement, the term of Maintenance Services will be the term of your lease, and your obligation to pay for Maintenance Services will be set forth in the lease agreement. Maintenance Services are terminable during the term unless only as permitted in the license agreement, or in the case of the discontinuance of or material change to the Maintenance Services by PB, which in such case will be terminable within 30 days of your receipt of notice from PB detailing the change. If PB discontinues or materially changes Maintenance Services for your Product and you elect to terminate Maintenance Services, your remedy will be a pro-rata refund of pre-paid but unused Maintenance Service fees (or a reduction of lease payments in the amount allocated to such Maintenance Services for the balance of the lease term).

3.4 Third Party Software. LICENSEE shall be solely responsible for: (a) entering into its own arrangements with third parties for software functionality not provided by LICENSOR as part of the LICENSED SOFTWARE; and (b) payment of all fees for third-party software not expressly included in the LICENSE FEE paid under the SALES/LEASE AGREEMENT, including, without limitation, fees associated with LICENSEE's operating environment and databases, including, without limitation, Microsoft SQL. LICENSOR does not make any representation or warranty, express or implied, regarding any third party software.

4.0 PROPRIETARY RIGHTS.

- The LICENSED SOFTWARE and all copies thereof are proprietary to LICENSOR or third parties 4.1 under whose license LICENSOR provides the LICENSED SOFTWARE ("Third Party Licensors") and title thereto remains in LICENSOR or such Third Party Licensors. All applicable rights to any intellectual property in the LICENSED SOFTWARE or any modifications or derivative works are and shall remain in LICENSOR or such Third Party Licensors. Any third party software provided by LICENSOR remains proprietary to such Third Party Licensors. LICENSEE shall not sell, transfer, publish, disclose, display or otherwise make available the LICENSED SOFTWARE or any part thereof to anyone for any purpose other than in order to enable LICENSEE to use the LICENSED SOFTWARE as authorized by this Agreement. LICENSEE agrees to secure and protect each module, software product, documentation and copies thereof in a manner consistent with the maintenance of LICENSOR's and Third Party Licensors' rights therein and to take appropriate action by instruction or agreement with its employees or consultants who are permitted access to each program, software or documentation product to satisfy its obligations hereunder. All copies made by the LICENSEE of the LICENSED SOFTWARE, including translations, compilations, partial copies with modifications and updated works, are the property of LICENSOR. Violation of any provision of this paragraph shall be a material breach of this Agreement. LICENSEE, in recognition of the fact that the LICENSED SOFTWARE contains highly confidential and proprietary LICENSOR information and that LICENSOR may be irreparably damaged if the security of the LICENSED SOFTWARE is breached, agrees that, as permitted by applicable law, LICENSOR is entitled to seek injunctive relief, without the posting of any bond, and damages as may be determined by a court of competent jurisdiction
- 4.2 Termination. LICENSOR shall have the right to terminate this Agreement if LICENSEE materially breaches its obligations under this Agreement and fails to cure such breach within thirty (30) days after it has been notified in writing of such breach.
- **4.3 No Decompiling:** LICENSEE shall not reverse-engineer, decompile, modify or create derivative works from the LICENSED SOFTWARE or the Documentation. LICENSEE shall not generate any source code or object code listing from the LICENSED SOFTWARE. LICENSEE further agrees not to allow or

assist others to do any of the foregoing. Any rights in derivative works created by LICENSEE will be deemed to be the property of and owned by LICENSOR.

- 4.4 Survival Beyond Termination. The terms and provisions contained in this Section 4.0 shall survive the termination of this Agreement or any license hereunder. Upon any termination of a license hereunder, LICENSEE shall return the LICENSED SOFTWARE and Documentation and delete all copies thereof from its libraries. At LICENSOR's request, LICENSEE shall certify in writing that it has complied with its obligations under this Section 4.0.
- 4.5 Security. LICENSEE agrees to: (a) secure and protect the LICENSED SOFTWARE and Documentation and copies thereof in a manner consistent with the maintenance of LICENSOR's rights therein; and (b) take appropriate action by instruction or agreement with its employees and consultants who are permitted access to the LICENSED SOFTWARE and Documentation to: (i) prevent the LICENSED SOFTWARE and Documentation or copies thereof from being acquired by unauthorized persons or put to unauthorized use, (ii) prevent unauthorized copies of the LICENSED SOFTWARE and Documentation, and (iii) otherwise satisfy its obligations hereunder. LICENSEE shall be responsible for any such unauthorized acquisition, use or copying or other breach of its obligations under this Agreement to the extent such was in the scope of LICENSEE's control.

5.0 LIMITED WARRANTY AND LIABILITY.

5.1 Limited Warranty.

- 5.1.1 LICENSOR warrants that for a period of ninety (90) days from acceptance of the LICENSED SOFTWARE as provided in Section 3.1 hereof, such LICENSED SOFTWARE, when properly installed, will conform to all substantial operational functions as described in the Documentation if used in the operating environment specified therein. Notwithstanding the foregoing, as enhanced versions of the LICENSED SOFTWARE are released. LICENSOR's obligation to correct problems in the LICENSED SOFTWARE shall only apply to the most recent version of the LICENSED SOFTWARE.
- 5.1.2 LICENSOR further warrants its rights to enter into this Agreement and/or the right to grant this license and agrees to defend or settle, at its expense, any action at law against LICENSEE arising from a claim that the LICENSED SOFTWARE infringes any intellectual property right, or at LICENSOR's option, it may terminate this Agreement and refund the license fee paid, pro rata, based upon a thirty-six (36) month useful life of the LICENSED SOFTWARE subject to LICENSEE's obligations under Section 4.0 hereof.
- 5.1.3 LICENSOR MAKES NO FURTHER WARRANTY AND DISCLAIMS ANY AND ALL OTHER WARRANTIES OF ANY KIND OR NATURE WHETHER WRITTEN OR VERBAL, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF RESULTS, PERFORMANCE, MERCHANTABILITY, NONINFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE.

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- 5.2 Limited Liability. LICENSOR's entire liability and LICENSEE's exclusive remedy shall be as follows:
- 5.2.1 In situations involving performance or nonperformance of the LICENSED SOFTWARE furnished hereunder. LICENSEE's sole remedy is replacement or correction of the LICENSED SOFTWARE by LICENSOR so that it will substantially perform the functions as described in the Documentation. In the event LICENSOR is unable to correct the deficiency within a reasonable period of time, LICENSOR's liability shall be limited to a refund of the license fee paid by LICENSEE to LICENSOR for the LICENSED SOFTWARE, provided the claim of nonperformance is made by LICENSEE in writing and sent by LICENCEE within the ninety (90) day warranty period as set forth in Section 5.1.1 hereof. For a lease of a Pitney Bowes Business Manager Software license to LICENSEE, LICENSOR's liability shall be limited to a refund of payments already made for the LICENSE FEE and a release from future payments with respect to the LICENSE FEE under the SALES/LEASE AGREEMENT.
- **5.2.2** IN NO EVENT SHALL LICENSOR BE LIABLE FOR ANY LOST PROFITS, OR OTHER SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM AGAINST LICENSEE BY ANY OTHER PARTY.
- 5.2.3 In no event will LICENSOR be liable for the corruption of any data of the LICENSEE when the use of the LICENSED SOFTWARE is not within the contemplation of this Agreement.
- 5.2.4 In no event shall LICENSOR's liability under this Agreement or with respect to the LICENSED SOFTWARE, whether to LICENSEE or to third-parties exceed the amount of the license fee actually paid to or payable to LICENSOR under this agreement for the period ending on the date of the occurrence of the event which gave rise to the claim.
- **5.3** Modification to Software. In the event LICENSEE changes or modifies the LICENSED SOFTWARE in any manner, and such change is not expressly authorized by LICENSOR in writing, all warranties given hereunder are canceled and same shall release LICENSOR of any further obligation or liability.

6.0 ATTORNEYS' FEES

Only if and to the extent expressly permitted under Illinois' law. LICENSEE agrees to pay all costs, including reasonable attorneys' fees, incurred by LICENSOR as a result of any alleged default by LICENSEE, including costs of collection, if LICENSOR prevails in any such claim.

7.0 INDEMNIFICATION.

LICENSEE agrees that LICENSOR shall not be responsible for, and shall not indemnify, defend or and hold LICENSEE harmless from any claims or suits (including reasonable attorney's fees) against Licensee by a third party based on: (a) any event that would cause the warranty in this Agreement to be inapplicable under

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Section 5 (whether during or after the Warranty Period); (b) use of a release of the Pitney Bowes Software that is not the most current release made available to Licensee with notification that the release must be installed and reasonable time has been provided to LICENSEE to install the new release, to the extent that such claim or suit could have been avoided or mitigated by Licensee's use of such most current release; or (c) the breach by Licensee of any of its representations set forth in Section 2 of this Agreement.

8.0 MISCELLANEOUS.

- **8.1** Assignment. This Agreement shall be binding upon and inure to the benefit of either party successors and assigns. Neither this Agreement nor any rights or obligations hereunder shall be assigned or otherwise transferred by either party without the prior written consent of the other, which consent shall not be unreasonably withheld, conditioned, or delayed. In the event LICENSEE assigns its rights and obligations hereunder to an internal State of Illinois' agency or entity, prior written consent shall not be required; however, LICENSEE shall provide LICENSOR with prompt written notice of such.
- 8.2 Statement of Agreement. LICENSEE agrees that this Agreement and the Participating Addendum constitute the complete and exclusive statement of the agreement between the parties which supersedes all proposals, concurrent or prior agreements, oral or written, and all other communications between the parties relating to the subject matter of this Agreement. All amendments to this Agreement shall be in writing and signed by both parties. Except as may be otherwise provided in this Agreement and exclusive of the Participating Addendum, no terms contained in any related Statement of Work, purchase order, or invoice shall be made a part of this Agreement.
- **8.3** Captions and Headings. All captions, headings and titles contained in this Agreement are for convenience and reference purposes only and shall not be deemed a part of this Agreement.
- 8.4 Partial Invalidity. If any part of this Agreement, or the application thereof, is for any reason held or otherwise found to be unenforceable, it shall be deemed severable and the validity of the remainder of this Agreement or the application of such provisions to other circumstances shall not be affected thereby.
- 8.5 Governing Law and Jurisdiction. This Agreement shall be interpreted in accordance with the laws of the State of Illinois and the United States. Any action brought hereunder shall be brought in a court of competent jurisdiction in Illinois.
- 8.6 Export Laws. LICENSEE hereby gives assurances to LICENSOR that, unless it has obtained prior written authorization from the United States Department of Commerce or is otherwise permitted by the United States Department of Commerce Export Administration Regulations, it will not export or otherwise disclose, directly or indirectly, any technology or software received from LICENSOR nor allow the direct product thereof to be shipped, or to be disclosed either directly or indirectly, to any destination that is prohibited by the United States Government or to any foreign national that is prohibited by the United States Government.

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- 8.7 Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed sufficiently given if delivered by hand to the intended recipient or mailed by certified mail, return receipt requested, to: in the case of LICENSEE, to its address first set forth in this Agreement or the address to which LICENSOR sends invoices to LICENSEE; and in the case of LICENSOR, to Pitney Bowes Inc., 27 Waterview Drive (MSC 28-00), Shelton, CT 06848-8000, Attention: Business Manager Product Manager, with a copy to Pitney Bowes Inc., 3001 Summer Street, Stamford, CT 06926-0700, Attn: EVP & Chief Legal and Compliance Officer. Any such notice shall be deemed delivered on the day hand delivered at the specified address or on the date shown on the return receipt.
- 8.8 Non-waiver. A waiver of any breach or default under this Agreement shall not constitute a waiver of any other or subsequent breach or default. Failure or delay by either party to enforce compliance with any term or condition of this Agreement shall not constitute a waiver of such term or condition.

SOFTWARE LICENSE AND MAINTENANCE AGREEMENT

For Distribution Solutions Software (September 2015)

THIS SOFTWARE LICENSE AND MAINTENANCE AGREEMENT (this "Agreement") is between Pitney Bowes Inc., a Delaware corporation, with offices at 3001 Summer St., Stamford, CT 06926-0700, ("Pitney Bowes") and the customer ("Licensee") named in the sales agreement ("Sales Agreement") or lease agreement (which agreement may include financing provisions) ("Lease Agreement") or Participating Addendum with Pitney Bowes or one of its affiliates relating to one or more of the software products named in such Agreement (whichever of the Sales Agreement or the Lease Agreement is applicable is referred to herein as the "Sales/Lease Agreement"). If Licensee is not a resident of the United States, Pitney Bowes will be the affiliate or subsidiary of Pitney Bowes operating in Licensee's geography. The terms of this Agreement are in addition to, and do not supersede, the terms of the Sales/Lease Agreement, except that, with respect to the Pitney Bowes Software (as defined in Section 1.1 below), this Agreement does supersede those portions of the Sales/Lease Agreement that refer expressly to software (other than those portions that relate to financing with respect to the Licensed Software). In the event of a conflict between the terms of this Agreement and the Sales/Lease Agreement or Participating Addendum with respect to the Pitney Bowes Software, the terms of the Participating Addendum shall control. LICENSEE'S SIGNATURE ON THE SALES/LEASE AGREEMENT OR USE OF THE PITNEY BOWES SOFTWARE CONSTITUTES LICENSEE'S AGREEMENT TO THIS SOFTWARE LICENSE AGREEMENT.

1 LICENSE

1.1 License Grant and Term. Pitney Bowes grants to Licensee, pursuant to, and subject to Licensee's compliance with, the terms and conditions set forth in this Agreement Licensee accepts a non-exclusive, non-transferable license to access and use the Pitney Bowes Software for the Term (the "License"). The "Term" is the term of the applicable Lease Agreement in the case of Pitney Bowes Software subject to a Lease Agreement. This license does not include the right to grant sublicenses. "Pitney Bowes Software" means: (a) whichever of the software named above that is listed, with prices, in the Sales/Lease Agreement, (b) any Pitney Bowes proprietary software or third party proprietary software that connects with or interfaces the software named above to any Pitney Bowes, Licensee or third party equipment, software or service, (c) any other Pitney Bowes proprietary software and third party proprietary software that are listed, with prices, in the Sales/Lease Agreement and are directly related to Licensee's use of the software referred to in clause (a), and (d) any Pitney Bowes or third party proprietary development tools provided under this Agreement that are reasonably required to use the Pitney Bowes Software. Notwithstanding the foregoing, "Pitney Bowes Software" excludes any Pitney Bowes proprietary software and any third-party software that is subject to a separate software license agreement ("Excluded Software"). All obligations with respect to Excluded Software shall be exclusively governed by such separate software license agreement and, in the case of Excluded Software that is third-party software, shall be exclusively owed to Licensee by the third-party licensor thereof.

1.2 Software Use. Licensec is authorized to use the Pitney Bowes Software and the User Manual (as defined in Section 1.4) solely for its own internal operations at the location(s) indicated in the Sales/Lease Agreement, this Agreement or any applicable Statement of Work or Statement of Work Addendum (collectively, a "SOW"). Notwithstanding the foregoing, the Pitney Bowes Software may only be installed and used outside of the United States when the base application of the Pitney Bowes Software is installed within the United States. Licensee shall not use the Pitney Bowes Software in the operation of a time-sharing or service bureau arrangement or as an application service provider. Licensee shall not allow access to the Pitney Bowes Software through any other means than those indicated in the Sales/Lease Agreement or in any applicable SOW. If this License is for a designated computer system, no authorization is required from Pitney Bowes to transfer the Pitney Bowes Software to another Licensee location shall require prior written consent of Pitney Bowes, which shall not be unreasonably withheld. Upon completion of the transfer, Licensee shall certify to Pitney Bowes in writing that all copies of the Pitney Bowes

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Software at the prior location were either transferred to the new location or destroyed.

- 1.3 Computer System. Licensee is authorized to install and use the Pitney Bowes Software on a server or, if deployed in a client/server configuration, on load balanced application servers, in either case with user access as defined in the User Manual or applicable SOW. If Licensee wishes to add additional computer servers or systems or users to the computer system environment, then Licensee shall so notify Pitney Bowes, which shall deliver the Pitney Bowes Software or provide access to the Pitney Bowes Software upon execution of a written agreement as to payment of any applicable additional fees.
- 1.4 User Manual. Licensee is entitled to one (1) copy of the applicable User Manual in electronic, paper or other form as usually accompanies the Pitney Bowes Software for each License granted. "User Manual" means any manual and other written documentation (including on-line documentation) supplied by Pitney Bowes to Licensee at the time of delivery of, and for use with, the Pitney Bowes Software or in connection with Software Maintenance (other than updates or enhancements, if any, relating to carrier compliance), in each case where such manual or other documentation describes the core functionality of the Pitney Bowes Software. Pitney Bowes may make changes in the User Manual to correct or remove errors in documentation and to bring the User Manual into substantial compliance with the Pitney Bowes Software.
- 1.5 Backup Copies. Licensee shall have the right to make no more than two (2) copies of the Pitney Bowes Software solely for backup and archival purposes and exclusively for Licensee's internal use, provided that such copies include all original copyright and other proprietary notices.
- 1.6 Fees. Fees for the License and Software Maintenance, if applicable, are included in payments under the Sales/Lease Agreement. If the number of locations or the number of users or computer systems and transactions exceeds what is permitted under the applicable Sales/Lease Agreement, Pitney Bowes or its affiliates may invoice Licensee for such additional use at the rates in the applicable Sales/Lease Agreement. Any amounts due for such additional usage shall be paid in accordance with the applicable Sales/Lease Agreement and the Participating Addendum.
- 1.7 Reservation of Rights. Any right not specifically granted in this Agreement by Pitney Bowes is expressly reserved. Nothing herein grants Licensee any ownership rights to the Pitney Bowes Software, or any ownership rights or license to the trademarks, copyrights, trade secrets and patents of Pitney Bowes or Pitney Bowes's licensors, other than as is necessary to execute the Pitney Bowes Software as permitted herein.
- 1.8 Hazardous Materials. If the Pitney Bowes Software permits the shipment of hazardous materials, the following terms apply:
- (a) Licensee hereby represents and warrants that it has obtained and maintained any and all certifications, licenses or other authorizations necessary or proper in furtherance of its use of the Pitney Bowes Software, including without limitation, federal certification pursuant to United States Department of Transportation regulations regarding the identification, processing and transportation of hazardous materials. Licensee further represents and warrants that during the Term of this Agreement it will, (i) properly and consistently train its federally certified hazardous materials employee(s) concerning the entering of commodity code information into the Pitney Bowes Software in compliance with all applicable laws and regulations, (ii) ensure that any Licensee site utilizing the Pitney Bowes Software is properly certified to ship hazardous materials, (iii) ensure that a federally certified hazardous materials employee is available on any applicable site during installation of the Pitney Bowes Software, (iv) identify hazardous material commodities that are shipped, (v) prepare hazardous commodity information, (vi) enter and maintain commodity code information in the Pitney Bowes Software, and (vii) enter and maintain hazardous material templates where applicable.
- (b) Licensee acknowledges and agrees that Pitney Bowes will not (i) identify what is a hazardous material, (ii) make any suggestions on what types of hazardous materials can be shipped individually or together, nor (iii) make any suggestion on what types of containers are to be used when shipping hazardous materials.

2 WARRANTY

- 2.1 Warranty. (a) Pitney Bowes warrants during the Warranty Period that the Pitney Bowes Software will conform to all substantial operational functions of the Pitney Bowes Software described in the User Manual if installed and used in the operating environment specified therein or in the applicable SOW. The "Warranty Period" for the Pitney Bowes Software is ninety (90) days from the date Licensee receives access to the Pitney Bowes Software via a license key, or any similar activation technology; provided that, due to its installation procedures, the Warranty Period for the SendSuite*Live shipping software for multiple sites ("Multi-Site Software") is ninety (90) days from the date of Acceptance of the Multi-Site Software at the initial site. "Acceptance" shall be deemed to have occurred on the earlier of: (i) when Licensee has indicated its acceptance of the Pitney Bowes Software; (ii) after thirty days from delivery of the Pitney Bowes Software (the "Acceptance Period") unless Licensee has provided a notice of rejection during such period; or (iii) when the Pitney Bowes Software has been installed and conforms to all substantial operational functions as described in the User Manual therefor. Licensee shall not unreasonably withhold or delay its acceptance. If the Pitney Bowes Software does not so conform during the Warranty or Acceptance Period, Pitney Bowes shall, at its option, (i) repair the Pitney Bowes Software, (ii) replace the Pitney Bowes Software or (iii) as may be applicable, refund the License fee paid under a Sales Agreement for the non-conforming Pitney Bowes Software or, if the Pitney Bowes Software is subject to a Lease Agreement, refund payments made for the License fee and secure a release from future payments with respect to such License fee under such Lease Agreement. In the case of clause (iii), this Agreement shall be deemed to be terminated as it applies to the relevant Pitney Bowes Software.
- (b) If Pitney Bowes supplies carrier rate information ("Rate Information") to Licensee in connection with this Agreement, the media upon which the Rate Information is supplied are warranted to be free from defects for a period of ninety (90) days after installation (or after Acceptance in the case of the Multi-Site Software). Licensee's sole remedy for breach of this warranty shall be replacement of the Rate Information media. The Rate Information itself, although obtained from carriers or other sources believed to be reasonably reliable, is not warranted to be accurate, complete or correct. Pitney Bowes shall have no liability for any damages Licensee may incur as a result of Licensee's use of the Rate Information.
- (c) The warranties in this Agreement shall not apply if the Pitney Bowes Software fails to perform as a result of: (i) the Pitney Bowes Software not having been used in a manner authorized by this Agreement or for the ordinary purpose for which it is designed or in accordance with the applicable SOW; (ii) the Pitney Bowes Software having been altered, modified, converted or repaired by anyone other than Pitney Bowes or at its written directive; (iii) the Pitney Bowes Software having been used with any Licensee or third-party hardware or software not specified in the applicable SOW or provided by or recommended for use by Pitney Bowes; (iv) negligence, misuse, abuse, operator error or any other cause within Licensee's control; (v) virus, contamination, loss of data, external forces, loss of electrical power or power fluctuation; (vi) casualty or sabotage; (vii) breach of this Agreement by Licensee; or (viii) any use of the Pitney Bowes Software beyond the number of locations except, in the case of clause (iv), (v) or (vi), to the extent the same results from Pitney Bowes's negligence or willful misconduct.
- 2.2 Warranty Limitation. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE PITNEY BOWES SOFTWARE, EXCLUDED SOFTWARE, USER MANUAL, SOFTWARE MAINTENANCE AND OTHER SERVICES RELATING TO ANY OF THE FOREGOING ARE PROVIDED "AS IS"; AND PITNEY BOWES DOES NOT MAKE, AND LICENSEE SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE PITNEY BOWES SOFTWARE, EXCLUDED SOFTWARE, USER MANUAL, SOFTWARE MAINTENANCE, OTHER SERVICES RELATED TO ANY OF THE FOREGOING OR ANY INFORMATION GENERATED BY LICENSEE'S USE OF THE PITNEY BOWES SOFTWARE, EXCLUDED SOFTWARE OR USER MANUAL. THE EXPRESS WARRANTIES GIVEN IN THIS AGREEMENT ARE GIVEN IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTY OF OR RELATING TO RESULTS, ACCURACY, PERFORMANCE, RESOURCE UTILIZATION OR INFRINGEMENT. WITHOUT LIMITING THE FOREGOING, PITNEY BOWES DOES NOT REPRESENT OR WARRANT THAT THE PITNEY BOWES

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SOFTWARE OR EXCLUDED SOFTWARE WILL MEET LICENSEE'S OR ANY THIRD-PARTY'S REQUIREMENTS, WILL OPERATE ERROR-FREE OR UNINTERRUPTED OR FREE FROM OTHER DEFECT OR FAILURE, OR WILL BE COMPATIBLE WITH OR OPERATE IN COMBINATION WITH ANY OTHER SOFTWARE OR HARDWARE SELECTED OR USED BY LICENSEE OR ANY THIRD-PARTY, OR THAT ANY DEFECT THEREIN OR IN THE SOFTWARE MAINTENANCE IS CORRECTABLE. Some states do not allow the disclaimer of implied warranties. Therefore, the above disclaimer may not apply to Licensee.

3 PROPRIETARY RIGHTS

- 3.1 Ownership of Pitney Bowes Software. The Pitney Bowes Software, and all materials relating thereto, including, but not limited to, the User Manual, computer software (in object and/or source code form), script, programming code, data, information or HTML script, modifications, enhancements, adaptations or customizing thereof, and derivative works, and all trade secrets, know-how, methodologies and processes related to any of the foregoing and all copyrights, trademarks, patents, trade secrets and other proprietary rights inherent in or appurtenant to any of the foregoing (collectively, the "Pitney Bowes Materials") are proprietary to Pitney Bowes and/or its licensors and suppliers and shall remain the sole and exclusive property of Pitney Bowes and/or its licensors and suppliers. The Pitney Bowes Materials are protected by United States copyright and international treaty provisions. Licensee shall not sell, transfer, publish, disclose, distribute, display, copy, use or otherwise make available the Pitney Bowes Materials or copies thereof to others except as expressly permitted in this Agreement. Licensee shall not remove, disfigure or alter any of the proprietary notices or trademarks incorporated into the Pitney Bowes Materials. The Pitney Bowes Materials, and all copies thereof, including translations, compilations, partial copies, modifications and updated works, are the property of Pitney Bowes and/or its licensors and suppliers.
- 3.2 Security. Licensee agrees to: (a) secure and protect the Pitney Bowes Materials and copies thereof in a manner consistent with the maintenance of Pitney Bowes's rights therein; and (b) take appropriate action by instruction or agreement with its employees and consultants who are permitted access to the Pitney Bowes Materials to: (i) prevent the Pitney Bowes Materials or copies thereof from being acquired by unauthorized persons or put to unauthorized use, (ii) prevent unauthorized copies of the Pitney Bowes Materials, and (iii) otherwise satisfy its obligations hereunder. Licensee shall be responsible for any such unauthorized acquisition, use or copying or other breach of its obligations under this Agreement to the extent such was under Licensee's control.
- 3.3 No Decompiling. Licensee agrees not to: (a) disassemble, decompile or otherwise reverse engineer the Pitney Bowes Software or otherwise attempt to learn the source code, structure, algorithms or ideas underlying the Pitney Bowes Software; (b) alter or modify the Pitney Bowes Software create derivative works therefrom; (c) circumvent, obfuscate or remove any functions in the Pitney Bowes Software; (d) alter or remove any copyright and/or patent notices in the Pitney Bowes Software; (e) reuse any license key issued by Pitney Bowes or its licensors, or defeat or subvert, or attempt to defeat or subvert, the mechanisms of the Pitney Bowes Software designed to manage authorization, verification or tracking; or (f) allow or assist others (including, but not limited to, Licensee's employees and consultants who are permitted access to the Pitney Bowes Materials) to do any of the foregoing. All rights in derivative works created by Licensee will be deemed to be the property of and owned by Pitney Bowes.
- 3.4 Permitted Pitney Bowes Actions. During the term of the License, if Licensee is enjoined from (or Pitney Bowes believes Licensee may be enjoined from) using the Pitney Bowes Software as a result of any action or proceeding based upon any Claim (as defined in Section 6.3), or if Pitney Bowes believes that a Claim may arise, or a Claim has been asserted, Pitney Bowes may, at its own expense and without diminishing its indemnification obligations under this Agreement: (a) procure for Licensee the right to use the Pitney Bowes Software; (b) provide Licensee with substitute software with the substantial operational functions of the original Pitney Bowes Software, provided that it has the substantial operational functions of the original Pitney Bowes Software; or (d) terminate this Agreement as it applies to the relevant Pitney Bowes Software. If this Agreement is terminated pursuant to this Section, Pitney Bowes shall:
 - (1) if Licensee is a party to a Sales Agreement with respect to the Pitney Bowes Software, refund to Licensee an amount equal to: (A) the license fee paid for the Pitney Bowes Software, multiplied by a fraction of which: (i) the numerator is thirty-six (36) minus the number of months between the commencement of the

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Warranty Period and the effective date of termination; and (ii) the denominator is thirty-six (36); plus (B) any prepaid fees for Software Maintenance for the period after the effective date of termination; or.

(2) if Licensee is a party to a Lease Agreement with respect to the Pitney Bowes Software, secure for Licensee a release from its payment obligations with respect to the License fee for the Pitney Bowes Software and its other payment obligations with respect to any such Software Maintenance fees included in its payments under the Lease due after the effective date of termination of this Agreement.

4 SOFTWARE MAINTENANCE; TRAINING

4.1 Software Maintenance. Software Maintenance for the Pitney Bowes Software shall be provided during the Warranty Period at no additional cost to Licensee as an ancillary feature of the License in accordance with the terms set forth at http://www.pitneybowes.com/us/license-terms-of-use/shipping-and-mailing-maintenance-services-terms.html. However, the "Delivery; Implementation", "Eligibility" and "Term; Termination" Sections contained in the Shipping & Mailing Maintenance Service Terms shall not control and the terms set forth in this Section 4.1 shall instead govern. Software Maintenance may be available after the Warranty Period at an additional charge for as long as Pitney Bowes makes such Software Maintenance generally available to its licensees of the Pitney Bowes Software.

The governing terms related to Delivery; Implementation are as follows:

All Updates, Upgrades, fixes, Data Updates and rate changes will be delivered electronically unless physical media options are provided at PB's discretion. All Updates, etc. are your responsibility to install and implement unless otherwise agreed to in writing by PB.

The governing terms related to Maintenance Support Eligibility are as follows:

You are entitled to receive Maintenance Services for your Product under the following conditions:

- 1. You have identified to PB appropriate technical support contacts within your organization (if your organization has 50 or more users, please see Multiple User Policy, below);
- 2. You have implemented the most current update or patch available for your Product that has been made available to you with reasonable notice;
- You have performed routine and preventative maintenance on your systems, including disaster recovery backups, operating system updates, implementing anti-virus protection, and SQL patches and updates;
- 4. Your Product has not been modified except by or at the written instruction of PB; and
- 5. Your use of the Product is in accordance with your license agreement and the documentation and in the manner reasonably intended by the Product;
- 6. Your license agreement and maintenance term are both paid in accordance with the laws of Illinois, including the Prompt Payment Act.

Maintenance Services will not be provided to installations of the Product in unsupported environments.

The governing terms related to Maintenance Support Term; Termination are as follows:

Maintenance Services are billed and provided in 12 month periods, which begin on the effective date of your license agreement. You will receive an invoice within 45 days of the expiration of the then-current term reflecting the then-current rates for Maintenance Services, which will be payable in accordance with your license agreement. If your license agreement includes a leasing arrangement, the term of Maintenance Services will be the term of your lease, and your obligation to pay for Maintenance Services will be set forth in the lease agreement. Maintenance Services are terminable during the term unless only as permitted in the license agreement, or in the case of the discontinuance of or material change to the Maintenance Services by PB, which in such case will be terminable within 30 days of your receipt of notice from PB

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detailing the change. If PB discontinues or materially changes Maintenance Services for your Product and you elect to terminate Maintenance Services, your remedy will be a pro-rata refund of pre-paid but unused Maintenance Service fees (or a reduction of lease payments in the amount allocated to such Maintenance Services for the balance of the lease term).

4.2 Training. Pitney Bowes will provide product training and other services as specified in the Sales/Lease Agreement and/or applicable SOW.

5 LIABILITY

- 5.1 Limitation of Liability. EXCLUSIVE OF ANY INDEMNIFICATION OBLIGATIONS, PITNEY BOWES'S AND ITS AFFILIATES' TOTAL LIABILITY UNDER OR RELATING TO THIS AGREEMENT AND THE PITNEY BOWES SOFTWARE (WHETHER SUCH LIABILITY ARISES FROM ANY CLAIM BASED ON CONTRACT, WARRANTY, TORT OR OTHERWISE) SHALL NOT EXCEED, IN THE AGGREGATE, THE AMOUNT PAID TO PITNEY BOWES AND ITS AFFILIATES BY LICENSEE UNDER OR RELATING TO THIS AGREEMENT AND THE RELEVANT PITNEY BOWES SOFTWARE DURING THE TWELVE MONTH PERIOD PRECEDING THE DATE THE APPLICABLE CLIAM(S) AROSE, REGARDLESS OF WHEN NOTICE OF SUCH CLAIM(S) WAS GIVEN. NOTWITHSTANDING THE FOREGOING, PITNEY BOWES'S AND ITS AFFILIATES' ENTIRE LIABILITY AND LICENSEE'S SOLE REMEDY WITH RESPECT TO THE PROVISION OF MAINTENANCE SUPPORT IS, AT PITNEY BOWES'S OPTION, REFUND OF AMOUNTS PAID FOR SOFTWARE MAINTENANCE FOR THE RELEVANT PITNEY BOWES SOFTWARE DURING SUCH TWELVE MONTH PERIOD, REPLACEMENT OF ANY DEFECTIVE MEDIA, OR PROVISION AGAIN BY PITNEY BOWES OF SUCH SOFTWARE MAINTENANCE. THIS LIMITATION OF LIABILITY SHALL NOT APPLY TO LIABILITY FOR DEATH OR BODILY INJURY TO THE EXTENT THAT APPLICABLE LAW PROHIBITS SUCH LIMITATION OR TO AMOUNTS THAT MAY BE OWED TO THIRD PARTIES WITH RESPECT TO THE INDEMNIFICATION OBLIGATIONS UNDER SECTION 6.1. WITHOUT LIMITING THE FOREGOING, PITNEY BOWES SHALL HAVE NO LIABILITY WITH RESPECT TO EXCLUDED SOFTWARE.
- 5.2 Excluded Damages. NEITHER PITNEY BOWES NOR LICENSEE NOR ANY OF THEIR RESPECTIVE AFFILIATES SHALL BE LIABLE TO THE OTHER OR ANY THIRD PARTY UNDER OR RELATING TO THIS AGREEMENT OR THE PITNEY BOWES SOFTWARE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF REVENUE OR PROFITS, LOST BUSINESS, LOST GOODWILL, LOST OR DAMAGED DATA, WORK STOPPAGE OR COMPUTER FAILURE OR MALFUNCTION, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHAT LEGAL OR EQUITABLE THEORY MAY BE ASSERTED. THE FOREGOING DOES NOT APPLY TO AMOUNTS THAT MAY BE OWED TO THIRD PARTIES WITH RESPECT TO INDEMNIFICATION OBLIGATIONS UNDER SECTION 6 OR TO OBLIGATIONS UNDER SEPARATE CARRIER AGREEMENTS RELATED TO THE THIRD PARTY CONTENT AVAILABLE TO YOU AS CLICK THROUGH AGREEMENTS ("CARRIER AGREEMENTS").

6 INDEMNIFICATION

6.1 By Pitney Bowes. Pitney Bowes shall indemnify, defend and hold Licensee harmless from all claims and suits (including reasonable attorneys' fees) against Licensee by a third party alleging infringement of a copyright, trademark, trade dress, trade secret or patent arising out of Licensee's authorized use of the Pitney Bowes Software during the term of the License. Pitney Bowes shall have no obligation to indemnify, defend and hold Licensee harmless with respect to any claim or suit that is: (a) based on any Third-Party Content (as defined in Section 9.8) except to the extent that Pitney Bowes's licensors or suppliers of such Third-Party Content have indemnified, defended and held Pitney Bowes harmless; (b) based on an event that would cause the warranty in this Agreement to be inapplicable under Section 2.1(c)(i), (ii) or (iii) (whether during or after the Warranty Period); or (c) not based on the most current release of the Pitney Bowes Software made available to Licensee to the extent that such claim or

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suit could have been avoided or mitigated by Licensee's use of such most current release and provided that Pitney Bowes notified Licensee of the need to update to the most current release and Licensee was provided reasonable time by which to do so. The provisions of this Section shall constitute the entire liability of Pitney Bowes with respect to a copyright, trademark, trade dress, trade secret or patent infringement claim or suit.

- 6.2 Licensee agrees that Pitney Bowes shall not be responsible for, and shall not indemnify, defend or hold Licensee harmless from any claims or suits (including reasonable attorneys' fees) against Licensee by a third party based on: (a) any event that would cause the warranty in this Agreement to be inapplicable under Section 2.1(c)(i), (ii) or (iii) (whether during or after the Warranty Period); (b) use of a release of the Pitney Bowes Software that is not the most current release made available to Licensee with notification to Licensee of the release that must be installed, and provided that a reasonable time is given to Licensee to install such release, to the extent that such claim or suit could have been avoided or mitigated by Licensee's use of such most current release; or (c) the breach by Licensee of any of its representations or warranties set forth in Section 1.8 of this Agreement.
- 6.3 Procedures. Licensee shall give Pitney Bowes prompt written notice of any matter with respect to which Licensee intends to seek indemnification under this Agreement (a "Claim"), provided, that the failure or delay in providing such notice shall not relieve Pitney Bowes from any obligation to indemnify Licensee except to the extent that such failure or delay directly prejudices the defense of any such Claim. Licensee may, at its election, conduct and control the defense of the Claim with counsel selected by it, subject to Pitney Bowes' consent, not to be unreasonably withheld or delayed. Licensee agrees to cooperate in investigating and/or contesting any Claim at no cost to Licensee. No compromise or settlement of the Claim may be effected by Pitney Bowes without the prior written consent of the Illinois Attorney General (which will not be unreasonably withheld or delayed).

7 TERMINATION

- 7.1 Termination. (a) This Agreement may be terminated: (i) by Pitney Bowes or Licensee, immediately upon written notice to the other party if the other party becomes insolvent, seeks protection under any bankruptcy, receivership, trust, deed, creditors arrangement, composition or comparable proceeding, proceedings in bankruptcy or insolvency are instituted against the other party, or a receiver is appointed with respect to the other party, or if any substantial part of the other party's assets is the object of attachment, sequestration or other type of comparable proceeding, and such proceeding is not vacated or terminated within thirty (30) days after its commencement or institution; or (ii) by Pitney Bowes, upon written notice to Licensee, as provided in Section 3.4; or (iii) by Pitney Bowes or Licensee, upon written notice to the other, in the event of a material breach of this Agreement or the Sales/Lease Agreement by such other party that is not cured within thirty (30) days after receipt by such other party of written notice thereof.
- (b) The License shall immediately terminate upon: (i) Licensee's unauthorized use, transfer or copying of the Pitney Bowes Materials, or any portion thereof; or (ii) Licensee's breach of Sections 3.1-3.3 or 9.14 or the Carrier Agreements.
- 7.2 Injunctive Relief. To the extent permitted by law, Licensee acknowledges that any breach of its obligations under this Agreement with respect to Pitney Bowes's or a third party's proprietary rights or confidential information may cause Pitney Bowes and/or such third party injury for which there exists no adequate remedies at law, and therefore Pitney Bowes may be entitled to seek injunctive relief, without the posting of any bond, in addition to all other remedies provided by this Agreement or available at law.
- 7.3 Remedies. Except as otherwise expressly provided in this Agreement, the obligations of Pitney Bowes to Licensee in respect of any breach of any term, condition or warranty (whether implied, by statute or otherwise) shall be limited, at Pitney Bowes's option, to: (a) using commercially reasonable efforts to correct or replace the defective feature of the Pitney Bowes Software in breach of such term, condition or warranty; or (b) the resupply or cost of resupply of any services. Such obligations shall only apply if Pitney Bowes is given written notice of such breach within thirty (30) days after the occurrence of such breach.

7.4 Effect of Termination. Upon termination of the License or this Agreement, Licensee shall cease use of the Pitney Page 53 of 77
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Bowes Materials and to the extent possible, shall irretrievably delete and/or remove such items from its servers, terminal and other computer systems and, to the extent not so deleted and/or removed, coordinate with Pitney Bowes so that it may collect such items, together with all copies thereof, if requested by Pitney Bowes in writing.

7.5 Survival. The following shall survive termination of this Agreement: Sections 2.2, 3.1-3.3, 5, 6, 7.2, 7.4, 7.5 and 9 and the portions of the Carrier Agreements indicated therein as surviving.

8 FORCE MAJEURE

A party hereto shall be excused from any obligation under this Agreement (other than payment and confidentiality obligations) to the extent and for so long as non-fulfillment of such obligation is due to fire, flood, storm, earthquake, epidemic, strike, civil war, riot, terrorism, explosion, compliance with any law, order or decree of any court or government agency or other cause beyond such party's reasonable control; provided, however, that such party's non-fulfillment of its obligation does not exceed ninety (90) days in duration.

9 MISCELLANEOUS

- 9.1 Governing Law. If Licensee is a resident of the United States, this Agreement and the rights and duties set forth herein, shall be governed by and construed in accordance with the laws of the State of Illinois, but without recourse to that state's conflict of laws' provisions. Any action brought hereunder shall be brought in a court of competent jurisdiction in Illinois. The application of the United Nations Convention of Contracts for the International Sale of Goods is expressly excluded.
- 9.2 Severability. If any provision of this Agreement is declared by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall be severed from this Agreement and the other provisions shall remain in full force and effect.
- 9.3 Modifications. This Agreement may not be modified or amended in any way except in writing signed by duly authorized representatives of Pitney Bowes and Licensee or as otherwise expressly provided herein. In no event shall terms contained in any Licensee purchase order be made a part of or supersede this Agreement.
- 9.4 Notices. Any notice under this Agreement may be given by delivery: in the case of notices to Licensee, to Licensee at its address in the Sales/Lease Agreement or the address to which Pitney Bowes or any of its affiliates sends invoices to Licensee; and in the case of notices to Pitney Bowes, to Pitney Bowes Inc., 1 Elmcroft Rd, Stamford, CT 06926-0700, Attn: President, Mailstream, The Americas, with a copy at such address to: Attn: Deputy General Counsel (MSC 64-03).
- 9.5 Non-waiver. A waiver of any breach or default under this Agreement shall not constitute a waiver of any other or subsequent breach or default. Failure or delay by either party to enforce compliance with any term or condition of this Agreement shall not constitute a waiver of such term or condition.
- 9.6 Binding Effect; Assignment. This Agreement shall be binding on and inure to the benefit of parties hereto and their respective successors and permitted assigns. Licensee may not assign this Agreement or assign, sublicense or transfer any of its rights hereunder without the prior written consent of Pitney Bowes; provided, however, that Licensee may assign this Agreement to an affiliate of Pitney Bowes for the purpose of such entity providing Licensee financing with respect to the Pitney Bowes Software or to an internal State of Illinois' agency or entity without prior written notice.
- 9.7 Confidentiality. Licensee acknowledges that the Pitney Bowes Materials may contain proprietary and confidential information. Licensee will not disclose or show the Pitney Bowes Materials that are clearly and conspicuously marked as confidential to anyone for any purpose other than in order to enable Licensee to use the Pitney Bowes Materials in accordance with the terms of this Agreement, or if such disclosure is required in response to an Illinois Freedom of Information Act ("FOIA") (5 ILCS 140) request where no applicable FOIA exemptions apply to withhold such information. Upon termination of this Agreement, except as otherwise provided in Section Page 54 of 77

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- 7.4, Licensee shall return all copies of the Pitney Bowes Materials.
- 9.8 Third Party Content; Regulated Functionality. Various third party software and other documentation ("Third Party Content") may have been incorporated into the Pitney Bowes Materials by Pitney Bowes under permission from Pitney Bowes's licensors and suppliers. The United States Postal Service ("USPS") or other governmental bodies may regulate certain functionality of the Pitney Bowes Software. Special terms and conditions applicable to the Third Party Content or such functionality are included in the Carrier Agreements; and Licensee agrees to be bound by and to comply with such terms and conditions. Pitney Bowes may amend such Carrier Agreements from time to time, by providing the revised portions of such Agreements to Licensee, to reflect (a) changes in Pitney Bowes's arrangements with its licensors or suppliers for Third-Party Content, or (b) regulatory requirements. Notwithstanding the foregoing, any separate software license agreement provided with any Excluded Software shall apply to such Excluded Software.
- 9.9 Termination of Third Party Content. If Pitney Bowes's license to any Third Party Content terminates, Licensee agrees: (a) that the Sales/Lease Agreement and all other agreements between Pitney Bowes or any of its affiliates and Licensee related thereto (e.g., equipment or software maintenance agreements) shall remain in full force and effect in accordance with their terms so long as such termination does not materially impact the functionality or ability of Licensee to utilize the software, equipment, or services; (b) upon Pitney Bowes' written request, to discontinue use of, and/or return the terminated Third Party Content; and that in the event of such request for discontinuance, Pitney Bowes shall have no further obligation with respect to such Third Party Content.
- 9.10 Other Functionality. Licensee shall be solely responsible for: (a) entering into its own arrangements with third parties, including carriers, for software functionality not provided by Pitney Bowes as part of the Pitney Bowes Software; and (b) payment of all fees for third-party software not expressly included in the License fee paid under the Sales/Lease Agreement, including, without limitation, fees associated with Licensee's operating environment.
- 9.11 Licensee Cooperation. For increased visibility of both Pitney Bowes and Licensee, Licensee agrees that Pitney Bowes may refer to Licensee as a Pitney Bowes customer.

For the foregoing purposes, Licensee hereby grants Pitney Bowes a limited, non-exclusive, nontransferable, worldwide, irrevocable royalty-free license for the term of the Sales/Lease Agreement or any other agreement between Pitney Bowes and Licensee to use the trade names and associated logos of Licensee or any of its affiliates ("Licensee Marks"). Pitney Bowes acknowledges that use of any Licensee Mark will not create in Pitney Bowes any right, title or interest in or to such Licensee Marks other than the license expressly granted herein. Licensee will reasonably cooperate with Pitney Bowes's marketing personnel regarding the above activities.

- 9.12 Audit. Pitney Bowes may conduct, or have conducted, during normal business hours and upon prior notice, audits of Licensee's use of the Pitney Bowes Software to verify Licensee's compliance with this Agreement. Licensee shall cooperate with such audits; and, if requested, shall provide Pitney Bowes with copies of audited materials. Such audits shall be conducted not more than once per calendar year. Pitney Bowes's cost of any audit requested by it shall be borne by Pitney Bowes.
- 9.13 U.S. Government Restricted Rights. The Pitney Bowes Software and Materials are provided with "RESTRICTED RIGHTS". Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in FAR52.227-14 and DFAR252.227-7013 et seq. or their successors. The use of the Pitney Bowes Software by the United States Government constitutes acknowledgment of Pitney Bowes's proprietary rights in the Pitney Bowes Software. Further, the Pitney Bowes Software and Materials are deemed to be "commercial computer software" and "commercial computer software documentation" as defined in DFARS Section 227.7202 and FAR Section 12.212, as applicable. Any use, modification, reproduction, release, performance, display or disclosure of the Pitney Bowes Software and Materials by the United States Government shall be solely in accordance with the terms of this Agreement.
- 9.14 Export and Other Laws. Licensee agrees that, unless it has obtained prior written authorization from the United States Department of Commerce or is otherwise permitted by the United States Department of Commerce Page 55 of 77
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Export Administration Regulations and, in either case, has the prior written consent of Pitney Bowes, it will not export or otherwise disclose, directly or indirectly, any technology or software received from Pitney Bowes nor allow the direct product thereof to be shipped or to be disclosed, either directly or indirectly, to any destination that is prohibited by the United States Government or to a foreign national that is prohibited by the United States Government. Without limiting the foregoing, Licensee and Pitney Bowes shall comply with all applicable laws and regulations relating to the Pitney Bowes Software and its use.

- 9.15 Use of Information. Pitney Bowes and its affiliates may collect and use information Licensee provides or Pitney Bowes obtains or which is derived from Licensee's use of the Pitney Bowes Software (including, without limitation, shipping information) or Software Maintenance and other services for the Pitney Bowes Software; provided that such information shall be used for Pitney Bowes's internal purposes related to macro-level systems analysis and research, customer segmentation and/or the manner or method in which Pitney Bowes conducts business with its customers and shall not contain any personal identifiable information.
- 9.16 Captions and Headings. All captions, headings and titles contained in this Agreement are for convenience and reference purposes only and shall not be deemed a part of this Agreement.
- 9.17 Relationship of the Parties. Nothing contained in this Agreement shall be construed to constitute either party as a partner, joint venturer, co-owner, employee or agent of the other party, and neither party shall hold itself out as such.
- 9.18 Taxes. Contractor shall not bill for any taxes unless accompanied by proof that the governmental unit or qualified-not-for-profit agency is subject to the tax. The governmental unit or qualified not-for-profit agency shall provide state tax exemption certificate and federal tax exemption information, if the governmental unit or qualified not-for-profit agency is subject to tax, Licensee shall pay, and indemnify Pitney Bowes for, all charges and taxes which are based on, measured by, imposed on, resultant from or levied upon this Agreement, the sale, purchase, personal property ownership, leasing, value, possession, or use of the Pitney Bowes Software, including, without limitation, sales, excise, use or property taxes, but excluding taxes on or measured by Pitney Bowes's net income, Such charges and taxes shall be collected from Licensee and remitted by Pitney Bowes to the appropriate tax authorities to the extent that Pitney Bowes is required by law to do so.

10 ENTIRE AGREEMENT

This Agreement, the Participating Addendum, the Sales/Lease Agreement, any related SOW, and any other agreement between Pitney Bowes and Licensee expressly referred to herein contain the entire agreement of the parties with respect to the subject matter hereof and shall supersede any and all prior agreements, understandings, promises, representations or warranties made by one party to the other, whether oral or in writing, concerning the subject matter contained herein or the terms or conditions applicable hereto.

ConnectRight Mailer End User License Agreement (EULA)

IMPORTANT: DO NOT OPEN THIS PACKAGE OR INSTALL OR USE THIS PRODUCT UNTIL YOU HAVE READ AND AGREED TO THIS LICENSE AGREEMENT. This is an agreement between you ("Licensee") and Pitney Bowes Inc. ("PBI" or "Licensor"). By breaking the seal and opening this package or by clicking next to "I ACCEPT THE TERMS IN THE LICENSE AGREEMENT" in an installation process, you are agreeing to the terms of this Software and Data End User License Agreement and the applicable Order (collectively, the "Agreement"). IF YOU ARE NOT WILLING TO BE BOUND BY THE AGREEMENT, do not open the package or, if you are viewing this message at installation, click next to "I DO NOT ACCEPT THE TERMS IN THE LICENSE AGREEMENT" and terminate the installation process. You may receive a full refund for this product by returning the media and accompanying materials within thirty (30) days of receipt to PBI or its authorized reseller, however, you may not return any data product or any other software product if used in a production or development environment. If you and PBI signed a separate license agreement for these products, the terms of the signed agreement, to the extent they are additional or inconsistent, supersede the terms of this Agreement.

1. Definitions. As used in this Agreement, the following terms have the meanings set forth below:

"Affiliate" means an entity that controls, is controlled by or is under common control with a party;

"Computer" means the stand alone personal computer on which the Software is authorized to be installed and used;

"Documentation" means the current technical and user documentation for the Software; "Licensee Data" means the data provided by Licensee for processing by the Software. "Order" means the Sales Agreement or Lease Agreement between PBI and Licensee pursuant to which a Licensee licenses the Software and obtains related services; "Software" means the ConnectRight Mailer software and related processing service; and "Warranty Period" means the ninety (90) day period following initial delivery of the Software.

2. Grant of License.

- a) Licensor hereby grants to Licensee a non-exclusive, non-transferable license to use the Software on the number of Computers set out in an Order solely for use at the location set forth in the Order for Licensee's internal business purposes only, which may include using the Software to perform services for Licensee's own customers or Affiliates, so long as Licensee does not permit any of Licensee's customers or Affiliates to directly access the Software. The grant of rights to the Software is not a sale of the Software. Licensor and its third-party providers reserve all rights not expressly granted by this Agreement.
- b) Licensee may make a single copy of the Software and Documentation solely for back up or disaster recovery purposes for each Computer for which a license was purchased. Licensee must reproduce all copyright, trademark, trade secret and other proprietary notices in such copies. The back up or disaster recovery copies can only be used to perform disaster recovery testing or if the Computer becomes inoperative and may not be used concurrently with the production copies of the Software.

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- c) USPS Data. The Software contains data licensed from the United States Postal Service ("USPS"). In addition to the terms of this Agreement and the Order, license terms applicable to use of the USPS Data can be found at http://www.pb.com/license-terms-of-use/usps-terms.shtml and are hereby incorporated into this Agreement by reference.
- d) Licensee License. Licensee hereby grants to PBI a non-exclusive, royalty-free right and license to use the Licensee Data to provide data processing services through the Software.
- 3. General Use Restrictions. Licensee will not: (i) make derivative works of the Software: (ii) reverse engineer, decompile or disassemble the Software or any portion thereof; (iii) make copies of the Software or Documentation except as otherwise authorized in Section 2(b); (iv) disclose the Software, Documentation or any other Licensor information marked confidential or proprietary to any third party, unless such is not subject to an exemption pursuant to the Illinois Freedom of Information Act, 5 ILCS 140 (FOIA) and is thus required to be disclosed pursuant to a FOIA request; (v) sublicense. rent, lease, lend, or host the Software to or for other parties; (vi) attempt to unlock or bypass any initialization system, encryption methods or copy protection devices in the Software; (vii) modify, alter or change the Software, except as may be approved in writing by Licensor; (viii) alter, remove or obscure any patent, trademark or copyright notice in the Software or Documentation; or (ix) use components of the Software independent of the Software they comprise.
- 4. Fees; Payment Terms.
- a) Licensee will pay to Licensor, or Licensor's authorized designee or agent, the license, training and any other fees set out in an Order. All fees identified in an Order or this

- Agreement are due and payable in accordance with the Illinois Prompt Payment Act. Licensee will pay any interest charges in accordance with the Illinois Prompt Payment Act, on any fees not paid by the due date. Unless otherwise identified in an Order, all fees are stated in and will be paid in United States currency.
- 5. Technical Support. Licensee is eligible to receive reasonable amounts of telephone technical support to assist Licensee with use of the Software. In addition, Licensor will provide updates, enhancements and bug fixes to the Software for Licensee's use as they are made commercially available. These technical support services are included in the license fees paid by Licensee for the Software.
- Warranties; Disclaimers.
- a) Licensor Warranties.

(ii)

(i) Licensor represents and warrants that it has the right to grant to Licensee the rights granted hereunder.

during the Warranty Period the Software will

Licensor represents and warrants that

perform all material functions set out in the Documentation for such Software and otherwise operate in substantial accordance with such Documentation. If, during the Warranty Period the Software fails to comply with this warranty, Licensee must notify Licensor in writing of any alleged errors or non-conformities with the Software. Licensor will have thirty (30) days from receipt of such notice or an additional period of time as reasonably agreed to by the parties to correct such errors or non-conformities in accordance with the Documentation. If Licensor is unable to timely correct such errors or non-conformities, Licensee may elect to terminate the license to such Software. If Licensee terminates the license to such Software during the Warranty Period in accordance with this Section, Licensee will

receive a refund of all fees previously paid for such Software.

- (iii) LICENSOR DOES NOT WARRANT THAT THE SOFTWARE WILL OPERATE ERROR-FREE OR THAT LICENSOR WILL CORRECT ALL PRODUCT ERRORS, EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, THE SOFTWARE IS PROVIDED "AS IS" AND LICENSOR AND ITS THIRD PARTY SUPPLIERS DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE SOFTWARE AND SERVICES FURNISHED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, RELIABILITY, COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE IN TRADE.
- (iv) LICENSOR WILL NOT BE LIABLE FOR ANY CLAIMS OR DAMAGES CAUSED BY THE UNAUTHORIZED USE OF THE SOFTWARE OR ACTS OF ABUSE OR MISUSE BY LICENSEE. IN ADDITION, LICENSOR WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE IN CONNECTION WITH OR ARISING OUT OF THE INTERRUPTION OR LOSS OF USE OF THE SOFTWARE OR THE LOSS OR CORRUPTION OF LICENSEE'S DATA OR FILES PROCESSED OR STORED BY THE SOFTWARE.
- (v) Licensor shall not be liable for any claims, causes of action, suits, proceedings, losses, damages, demands, fees, expenses, fines, penalties and costs (including reasonable attorneys' fees and expenses) arising directly or indirectly out of PBI or its third party licensor's processing of Licensee Data as provided by and authorized by Licensee in accordance with the terms hereof.
- b) Licensee Warranty.
- (i) Licensee represents and warrants that Licensee has all legal rights necessary to provide the Licensee Data to PBI for processing and that the Licensee Data does not infringe, misappropriate, or violate any intellectual

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property or other right of any third party.

- (ii) Licensee represents and warrants that Licensee's purposes for using and processing Licensee Data is permitted under all applicable state and federal law, rule or regulation, and that Licensee's use of Licensee Data (including processing Licensee Data by the Software) complies with all applicable law.
- 7. Limitation of Liability.
- A) DISCLAIMER. NEITHER PBI NOR PBI'S THIRD PARTY SUPPLIERS WILL BE LIABLE FOR ANY PUNITIVE, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, BUSINESS INTERRUPTION, OR LOST DATA, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.
- B) MAXIMUM LIABLITY. EXCLUSIVE OF ANY INDEMNIFICATION OBLIGATIONS SET FORTH HEREIN OR THE PARTICIPATING ADDENDUM, IN ANY EVENT, LICENSOR AND ITS THIRD PARTY SUPPLIER'S MAXIMUM LIABILITY FOR ANY CLAIM ARISING IN CONNECTION WITH THIS AGREEMENT (IN TORT, CONTRACT OR OTHERWISE) WILL NOT EXCEED THE AMOUNT OF FEES PAID OR PAYABLE THROUGH THE DATE OF THE EVENT WHICH GAVE RISE TO THE CLAIM BY LICENSEE TO LICENSOR UNDER THE APPLICABLE ORDER.
 - 8. Term; Termination.
 - a) This Agreement will commence as of the date set forth in the Order and will continue in effect until the Order is terminated or otherwise as set forth in

this Agreement.

- b) Either party may terminate this Agreement by written notice if the other party commits a material breach of this Agreement or the applicable Order and fails to cure such breach within thirty (30) days after receipt of such notice, or an additional period of time as agreed to by the parties. Late payment shall not be considered a material breach hereunder.
- Upon: (i) expiration of a term c) license to any of the Software, unless such term license is renewed; (ii) termination of the license to any of the Software for any reason; or (iii) termination of an Order, Licensee will promptly cease use of the Software and delete and/or remove all copies of the Software from its servers, terminals and other computer systems and promptly return or destroy all copies of the Software, Documentation and any other Licensor confidential and proprietary information in Licensee's possession. If requested, Licensee will certify compliance with the foregoing in writing.
- d) Sections 4 (Fees, Payment Terms), 6 (Warranties, Disclaimers), 7 (Limitation of Liability), 8 (Term, Termination), 12(e) (General), 13 (Applicable Law), 14 (Verification) and other sections that by their nature are intended to survive will survive termination of this Agreement or an Order indefinitely or to the extent set out therein.
- 9. Force Majeure. Neither party is responsible from any delay or failure to perform resulting from causes beyond its reasonable control.

- 10. Assignment. Licensee is not permitted to transfer or assign any of its rights or obligations under an Order or this Agreement without the prior written consent of Licensor, which consent will not be unreasonably withheld, delayed or denied. Except for a transfer by Licensee to another internal State of Illinois' agency or entity, any such transfer or assignment without Licensor's written consent will be void and of no force and effect.
- 11. Publicity. Subject to Licensee's prior written consent, which will not be unreasonably withheld, delayed or denied, Licensor may prepare a press release, case study or other collateral regarding Licensee's use of the Software. Except as provided herein, neither party will use the name of the other party in publicity releases or similar activity without the consent of the other party, provided, however, Licensor may include Licensee's name in any client list.

General.

- a) No waiver of any breach of any provision of this Agreement or an Order by either party or the failure of either party to insist on the exact performance of any provision of this Agreement or an Order will constitute a waiver of any prior, concurrent or subsequent breach of performance of the same or any other provisions hereof, and no waiver will be effective unless made in writing.
- b) Any notice alleging a breach of this Agreement must be in writing and be sent by overnight courier or delivered in person to the party's address set forth in this Agreement or

the Participating Addendum. Any other notice required to be provided by Licensor under this Agreement may be sent by United States mail or e-mail to the individual designated by Licensee. Any notice delivered to Licensor hereunder must be sent to the attention of "Contract Administration."

- c) If any provision of this
 Agreement or Order, or portion thereof,
 is held to be invalid, illegal or
 unenforceable by a court of competent
 jurisdiction, such provision will be
 severed and the remaining provisions of
 the Agreement or Order will remain in
 full force and effect.
- d) If physical delivery of the Software is required, delivery of the Software will be FOB point of origin (within the United States) and for deliveries outside of the United States or from any country outside of the United States, delivery will be Carriage Paid To (CPT). Licensor may, to the extent available, deliver the Software or access key codes electronically via the Internet or permit Licensee to download the Software or access key codes from Licensor's website.
- e) Licensee agrees not to export, re-export, or provide the Software to: (i) any country to which the United States has embargoed goods; (ii) any person on the U.S. Treasury Department's list of Specially Designated Nationals; (iii) any person or entity on the U.S. Commerce Department's Denied Persons List; or (iv) any person or entity where such export, re-export or provision violates any U.S. Export control or regulation.
- f) Each party will act as an independent contractor and employees

- of each party will not be considered to be employees of the other party. No agency, partnership, joint venture or other joint relationship is created by this Agreement. Neither party may make any commitments binding on the other, nor may either party make any representation that they are acting for, or on behalf of, the other.
- 13. Applicable Law. This Agreement will be governed by, and construed in accordance with, the laws of the State Illinois without regard to its principals of conflict of laws. In the event of any dispute arising out of or relating to this Agreement, a suit will be brought in a court of competent jurisdiction in Illinois.
- 14. Verification. Upon ten (10) days written notice, Licensor or its designated third party may verify Licensee's compliance with the terms of the Agreement and applicable Order at all locations and for all environments in which Licensee uses the Software. Such verification will take place no more than one (1) time per twelve (12) month period during normal business hours in a manner which minimizes disruption to Licensee's work environment. Licensor may use an independent third party under obligations of confidentiality to provide assistance. Licensor will notify Licensee in writing if any such verification indicates that Licensee has used the Software in excess of the use authorized by the Agreement or Order. Licensee agrees to promptly enter into an Order and pay all associated fees directly to Licensor for the charges for (i) any excess use; and (ii) associated and utilized maintenance and/or subscription fees for the excess use for the duration of such excess or (2) two

years, whichever is less.

- 15. U.S. Government Restricted Rights. If Licensee is an agency of the United States Government, the Software will be deemed "commercial computer software" or "commercial computer software documentation" and the Governments rights with respect to such Software and Documentation are limited by the terms of this Agreement, pursuant to FAR § 12.212(a) and/or DFARS § 227.7202-1(a), as applicable.
- 16. Entire Agreement. This
 Agreement together with the
 Participating Addendum (including each
 Order) and all appendices, exhibits,
 schedules and attachments thereto
 constitutes the sole and complete
 agreement between the parties with
 regard to its subject matter, may not be

modified or amended except by a writing signed by both parties hereto except as otherwise indicated herein, and supersedes all proposals, understandings, representations, prior agreements or communications relating to the Software and the subject matter of this Agreement. In the event of a conflict the terms of the Participating Addendum shall control. This Agreement also supersedes any preprinted terms contained on any purchase order or similar document issued by Licensee and any such terms will have no force or effect. Neither this Agreement nor any Order will be construed against the party that has prepared such Agreement or Order, but instead will be construed as if both parties prepared the Agreement or Order.

SendPro Terms of Use - Subscription

Thanks for using our SendPro™ application, an online service that simplifies mailing and shipping (the "Service"). Please read these Terms of Use and our existing <u>Privacy Statement</u> (collectively, these "Terms") carefully. By using the Service or signing up for an account, you're agreeing to these Terms as set forth as of the date of execution.

We'll start with the basics, including a few definitions that should help you understand this agreement. The Service is a service offered by Pitney Bowes Inc. and its affiliates ("we", "us" and "our") that allows you to manage addresses, print labels and track shipments so that you can send letters, packages and parcels through the United States Postal Service (the "USPS"), FedEx ("FedEx") and United Parcel Service ("UPS"). This web site (the "Site") is owned and operated by us.

These Terms define the terms and conditions under which you're allowed to use the Service and how we'll treat your account while you're utilizing the Service. If you have any questions about our terms, feel free to contact us.

ACCOUNT – USE OF SERVICE - CHANGES

1. Eligibility

In order to use the Service, you must: (a) complete the registration process; (b) agree to these Terms by clicking "I Accept"; and (c) provide true, complete and up to date contact information for so long as you access the Service. You agree that you won't use the Service in a way that violates any laws or regulations, including any relating to data protection and privacy. We may refuse service or close your account if you fail to comply with these Terms.

2. Use of the Service

For the period specified in the Purchase Order, we grant you a non-exclusive, non-transferable license to access and use the Service for up to the number of users purchased by you for the Term (which is defined in Section 3 below). You may upgrade your plan for additional fees. We reserve all rights to the Service not expressly granted to you in these Terms. Your access to and use of the Site may be interrupted from time to time for various reasons, including malfunction of equipment, periodic updating, maintenance or repair of the Site, or other actions that we may elect to take. If such interruption is caused solely by Us and persists for over 24 consecutive business hours in any monthly billing cycle and render the Services unavailable for over 24 consecutive business hours in a monthly billing cycle, a credit for the downtime prorated over the monthly applicable billing period shall be applied to Your next invoice. Any such credit shall be mutually agreed upon between Licensor and Licensee. You must notify us in writing if there is a service interruption that persists for over 24 consecutive business hours. You agree that you will use the Service only for business or commercial purposes and not for personal, family or household purposes. You further agree not to use the Service to send infringing, obscene, threatening or unlawful or tortious material or disrupt other users of the Service. Disruptions include denial of service attempts, propagation of computer worms and viruses, or use of the Service to make unauthorized entry to any other device accessible via the Service. In addition, you will not reverse engineer, decompile or disassemble the Service. The occurrence of any of the foregoing will be deemed a material breach and we may immediately suspend your use of the Service. However, You will be provided written notice should We consider any materials sent to be

"infringing, obscene, threatening or unlawful or tortious" or that purport to cause disruption, and provide You with ten (10) days to cease any such alleged activity. If such alleged conduct is remedied, the Agreement shall not be suspended.

3. Term and Termination

The Term begins when you sign up for the Service and continues until your account is closed. You may terminate your account at any time in the event we breach our obligations hereunder and do not cure such breach within ten (10) days by giving notice to the us and we may terminate your account at any time as a result of a breach of your obligations hereunder and you do not cure such breach within ten (10) days by giving notice to you and we may suspend the Service to you at any time, with or without cause upon ten (10) days' prior written notice. Once terminated, we may permanently delete your account and all the data associated with it. You will be credited for any time the Service is suspended for over 24 hours in any given billing cycle. For each 24-hour period or more of suspension, a credit will be applied prorated for the value of services during that monthly cycle.

4. Changes

We may make nonmaterial changes to the Service and any features of the Service from time to time. You may terminate the Services, but not the underlying lease, without penalty in the event the changes to the Service or its features materially impair your use of such. In addition, we may change any of these Terms by written agreement of the parties.

5. Account and Password

By registering for the Service, you will be prompted to establish certain passwords and/or provide other access information to enable you to use the Service. The account name, password and/or access information is confidential information and should be used solely by you to access your account and use the Service. You're responsible for keeping your account name, password and access information confidential. You'll take all reasonable steps to prevent unauthorized access to your account and you'll notify us of any unauthorized use of your accounts as soon as practicable. We aren't responsible for any losses due to stolen or hacked passwords unless such is caused by us or our agents.

6. Account Disputes

We don't arbitrate disputes over who owns an account. You won't request access to or information about an account that's not yours. We decide who owns an account based on the information that has been provided to us with respect to the account, and if multiple people or entities are identified, then we will rely on the contact information listed for that account or the governmental unit's director or chief executive.

PAYMENTS

7. Fees; Payment Terms

The fees for the use of the Service do not include: (i) any applicable sales, use or other taxes, which shall not be invoiced separately by us unless accompanied by proof that You, as a governmental unit, are subject to the tax; and (ii) the postage, shipping or other charges imposed by the carrier for printing labels and sending parcels through the USPS or another carrier. Your subscription for the use of the

Service will be billed monthly in advance. If you terminate under Section 3 above, your access to the Service will continue through the period for which you have paid in advance. If we terminate your account for cause, then we will continue to provide the Service to you through the period for which you have paid in advance. Unless we terminate the Services without cause, You won't be entitled to a refund from us under any circumstances.

8. Credit Cards - Accounts with The Pitney Bowes Bank, Inc.

Unless (i) you have established and maintain a or a Reserve Account with The Pitney Bowes Bank, Inc. (the "Bank") and (ii) you have available funds in a Reserve Account, then as long as you're utilizing the Service or have an outstanding balance with us, you'll provide us with valid credit card information. You'll replace the information for any credit card that expires with information for a different valid credit card. All charges by the USPS for the sending of parcels through the Service (such charges are called "Shipping Charges") and all fees for the use of the Service will be charged to your Reserve Account, if any. In the event that (i) you do not maintain a Reserve Account or (ii) you do not have available funds in a Reserve Account, all such fees and charges will be charged to your credit card together with a convenience fee of 3 ½% of the amount of all Shipping Charges and you authorize us to do so. All charges by any other carrier other than the USPS for the sending of parcels through the Service will be billed directly by the carrier.

USPS/CARRIER REQUIREMENTS AND TERMS

9. USPS Regulations

If you use the Service to send parcels with the USPS, you must comply with all USPS regulations applicable to the use of the Service. If you: (a) use your account in a fraudulent or unlawful manner, (b) fail to exercise sufficient control over your account to prevent fraudulent or unlawful use, (c) cause or allow the account to be utilized outside the United States without the prior written authorization of the Manager of Retail Systems and Equipment, U.S. Postal Service, Washington DC 20260, or (d) otherwise fail to abide by the provisions of postal regulations and these Terms regarding care and use of your account, then your account may be cancelled. You acknowledge and agree that your account shall be closed and your ability to use the Service terminated by us for any of the reasons described above or upon demand by the USPS. You agree that any use of the Service to fraudulently deprive the USPS of revenue can cause you to be subject to civil and criminal penalties applicable to fraud and/or false claims against the United States. The submission of a false, fictitious, or fraudulent statement can result in imprisonment for up to five (5) years and a fine of up to \$10,000 (18 U.S.C. 1001). In addition, a civil penalty of up to \$5,000 and an additional assessment of twice the amount falsely claimed may be imposed (31 U.S.C. 3802).

The USPS has granted us the license as a PC postage vendor to create a shared postage evidencing system that users will use to dispense postage. As a user of the Service, you must understand and acknowledge that authorization to use the Service is granted by the USPS. You accept responsibility for control and use of the Service and agree to abide by all rules and regulations governing its use. The USPS may deny use of or revoke authorization to use a postage evidencing system in the event of (i) failure to comply with rules and regulations (ii) submission of false or fictitious information, (iii) entering of a series of unpaid or short-paid mail pieces and/or packages in the mail stream, (iv) use of the system for any illegal scheme or enterprise,(v) use of the system outside the customs territory of the United States,

and (vi) possession of a decertified system. You must make the postage evidencing system and transaction records available and surrender the system to us, the USPS, or its agent when notified to do so.

10. Carrier Requirements

If you use the Service to send parcels with a carrier other than the USPS, you must comply with the requirements of that carrier. The terms governing the use of FedEx to send parcels are located at https://www.fedex.com/ and the terms governing the use of UPS are located at https://www.ups.com/.

11. Trademarks

Pitney Bowes, the Pitney Bowes logo, and associated brand names and domain names are our trademarks in the United States and/or other countries. All marks not owned by us are the property of their respective owners. You may not use, and nothing contained on the Site or in these Terms grants any right to use, any trademark displayed on the Site without our written permission or the respective owner of such trademark.

12. Use of the Site

You agree that content on the Site is protected by copyrights, trademarks and other intellectual and proprietary rights; and these Terms and applicable copyright, trademark and other laws govern your use of content on the Site.

13. LIMITATION OF LIABILITY

TO THE MAXIMUM EXTENT PERMITTED BY LAW, YOU ASSUME FULL RESPONSIBILITY FOR ANY LOSS THAT RESULTS FROM YOUR USE OF OR INABILITY TO USE THE SERVICE AND WE WILL NOT BE LIABLE FOR ANY SUCH LOSS. IF THE WAIVER OF LIABILITY IN THE PREVIOUS SENTENCE IS NOT PERMITTED BY LAW, OUR TOTAL LIABILITY FOR ALL CLAIMS MADE RELATING TO YOUR USE OF OR INABILITY TO USE THE SERVICE IN ANY MONTH WILL BE NO MORE THAN WHAT YOU PAID US FOR THE SERVICE.

NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFIT OR REVENUE, LOST BUSINESS OPPORTUNITIES, BUSINESS INTERRUPTION OR LOST DATA SUFFERED UNDER ANY CIRCUMSTANCES, EVEN IF ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.

14. INDEMNITY

IN ACCORDANCE WITH ARVICLE VII, SECTION 1(A),(B) OF THE CONSTITUTION OF THE STATE OF ILLINOIS AND 1973 ILLINOIS ATTORNEY GENERAL OPINION 78, THE STATE MAY NOT INDEMNIFY YOU ABSENT EXPRESS STATUTORY AUTHORITY PERMITTING THE INDEMNIFICATION. You agree that Pitney Bowes shall not be responsible for, and shall not indemnify, defend or hold You harmless from any claims or suits (including reasonable attorneys' fees) against you by a third party based on the breach by you of any of your obligations under this Agreement.

15. DISCLAIMER

THE SERVICE AND THE CONTENT ON THE SITE ARE PROVIDED BY US "AS IS" WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND

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FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, RELIABILITY, AND YOU WAIVE ALL WARRANTIES FROM US TO THE MAXIMUM EXTENT PROVIDED BY LAW.

16. Attorneys' Fees

If we file an action against you claiming you breached these Terms and we prevail, we will be entitled to recover reasonable attorneys' fees only if and to the extent expressly permitted under Illinois law.

LINKS TO THIRD PARTY SITES

17. Third Party Sites

The Site and these Terms may contain links to third party websites, including links to the websites of carriers ("Linked Sites"). The Linked Sites are not under our control and we are not responsible for the contents of any Linked Site, including any link contained in a Linked Site, or any changes or updates to a Linked Site. You should contact the site administrator or webmaster for those Linked Sites if you have any concerns regarding such links or the content located there.

MISCELLANEOUS

18. Assignments

Neither party may assign any rights under these Terms to anyone else without the prior written consent of the other. However, in the event You assign Your rights and obligations hereunder to an internal State of Illinois' agency or entity, prior written approval shall not be required; however, You shall provide Us with prompt written notice of the assignment.

19. Choice of Law

These Terms will be governed by the laws of the State of Illinois. Any dispute between us will be resolved by a court of competent jurisdiction in Illinois.

20. Force Majeure

We won't be liable for any delays or failure in performance of any part of the Service from any cause beyond our control. This includes acts of God, changes to law or regulations, embargoes, war, terrorist acts, riots, strikes, power blackouts, and acts of hackers or third-party internet service providers.

21. Amendments and Waiver

If either party does not immediately take action on a violation of these Terms, it is not giving up any rights under these Terms, and may still take action at a later point.

22. Notices

Except as provided in the next sentence: (i) any notice to you will be effective when we send it to the last email or physical address you gave us herein and in the Participating Addendum; and (ii) any notice to us will be effective when delivered to us at Pitney Bowes Inc. – SendPro Team, 3001 Summer Street, Stamford, CT 06926. Any notice alleging a breach of these Terms will be in writing and will be sent by overnight courier or delivered in person to: (i) in the case of a notice to you, the physical address you gave us and the address provided in the Participating Addendum; and (ii) in the case of a notice to us,

Pitney Bowes Inc., 3001 Summer Street, Stamford, CT 06926 along with a copy to our legal counsel: Attn. Chief Legal Officer and Corporate Secretary, Pitney Bowes Inc., 3001 Summer Street, Stamford, CT 06926, or any addresses we may later post on the Site.

23. Entire Agreement

Supplementing the Participating Addendum, these Terms make up the entire agreement with respect to the product offered under this license. Exclusive of the Participating Addendum, the Terms in this agreement supersede all prior agreements, representations, and understandings with respect to the subject matter contained herein.

SendPro Terms of Use - Subscription With Equipment Lease

Thanks for using our SendPro™ service, an online service that simplifies mailing and shipping (the "Service"). Please read these Terms of Use and our existing <u>Privacy Statement</u> (collectively, these "Terms") carefully. By using the Service or signing up for an account, you're agreeing to these Terms as set forth as of the date of execution.

We'll start with the basics, including a few definitions that should help you understand this agreement. The Service is a service offered by Pitney Bowes Inc. and its affiliates ("we", "us" and "our") that allows you to manage addresses, print labels and track shipments so that you can send letters, packages and parcels through the United States Postal Service (the "USPS"), FedEx ("FedEx") and United Parcel Service ("UPS"). This web site (the "Site") is owned and operated by us.

These Terms define the terms and conditions under which you're allowed to use the Service and how we'll treat your account while you're utilizing the Service. If you have any questions about our terms, feel free to <u>contact us</u>.

ACCOUNT - USE OF SERVICE - CHANGES

1. Eligibility

In order to use the Service, you must: (a) complete the registration process; (b) agree to these Terms by clicking "I Accept"; and (c) provide true, complete and up to date contact information for so long as you access the Service. You agree that you won't use the Service in a way that violates any laws or regulations, including any relating to data protection and privacy. We may refuse service or close your account if you fail to comply with these Terms.

2. Use of the Service

For the period specified in the Participating Addendum, we grant you a non-exclusive, non-transferable license to access and use the Service for up to the number of users purchased by you for the Term (which is defined in Section 3 below). You may upgrade your plan for additional fees. We reserve all rights to the Service not expressly granted to you in these Terms. Your access to and use of the Site may be interrupted from time to time for various reasons, including malfunction of equipment, periodic updating, maintenance or repair of the Site, or other actions that we may elect to take. You must notify us in writing if there is a service interruption that persists for over 24 consecutive business hours. If such interruption is caused solely by us and persists for over 24 consecutive business hours in any monthly billing cycle and render the Services unavailable for over 24 consecutive business hours in a monthly billing cycle, a credit for the downtime prorated over the monthly applicable billing period shall be applied to Your next invoice. Any such credit shall be mutually agreed upon between Licensor and Licensee. You must notify us in writing if there is a service interruption that persists for over 24 consecutive business hours. You agree that you will use the Service only for business or commercial purposes and not for personal, family or household purposes. You further agree not to use the Service to send infringing, obscene, threatening or unlawful or tortious material or disrupt other users of the Service. Disruptions include denial of service attempts, propagation of computer worms and viruses, or use of the Service to make unauthorized entry to any other device accessible via the Service. In addition, you will not reverse engineer, decompile or disassemble the Service. The occurrence of any of the foregoing will be deemed a material breach and we may immediately terminate your use of the

Service. However, You will be provided written notice should We consider any materials sent to be "infringing, obscene, threatening or unlawful or tortious" or that purport to cause disruption, and provide You with ten (10) days to cease any such alleged activity. If such alleged conduct is remedied, the Agreement shall not be suspended.

3. Term and Termination

The Term begins when you sign up for the Service and continues for the Lease Term (which is defined in Section 8 below). At the end of the Term, we may permanently delete your account and all the data associated with it.

4. Changes

We may make nonmaterial changes to the Service and any features of the Service from time to time. You may terminate the Services, but not the underlying lease, without penalty, in the event the changes to the Service or its features materially impair your use of such. In addition, we may change any of these Terms by written agreement of the parties.

5. Account and Password

By registering for the Service, you will be prompted to establish certain passwords and/or provide other access information to enable you to use the Service. The account name, password and/or access information is confidential information and should be used solely by you to access your account and use the Service. You're responsible for keeping your account name, password and access information confidential. You'll take all reasonable steps to prevent unauthorized access to your account and you'll notify us of any unauthorized use of your accounts as soon as practicable. We aren't responsible for any losses due to stolen or hacked passwords unless such is caused by our agents.

6. Account Disputes

We don't arbitrate disputes over who owns an account. You won't request access to or information about an account that's not yours. We decide who owns an account based on the information that has been provided to us with respect to the account, and if multiple people or entities are identified, then we will rely on the contact information listed for that account or the governmental unit's or qualified not-for-profit agency's director or chief executive

LEASE OF HARDWARE

7. Hardware

As part of your subscription, we will lease to you equipment consisting of a scale and a label printer (the "Equipment"). THE EQUIPMENT IS PROVIDED "AS IS" WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT. YOU BEAR THE ENTIRE RISK OF LOSS TO THE EQUIPMENT FROM THE DATE OF SHIPMENT BY US TO YOU. WE ARE NOT LIABLE FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES) OR EXPENSE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT. ALL WARRANTIES, IF ANY, WITH RESPECT TO THE EQUIPMENT ARE MADE BY THE MANUFACTURER OF THE EQUIPMENT.

8. Term of Lease

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You are leasing the Equipment for two years (the "Lease Term"). Except for any termination by you under Section 4 above or as provided in the Participating Addendum: (i) you may not cancel the lease for any reason; and (ii) all payment obligations under these Terms are unconditional.

9. Servicing of Hardware

If the Equipment ceases to function properly during the Term of the Lease, we will replace the Equipment by promptly shipping to you, at no additional cost, new, reconditioned or remanufactured equipment of the same or a functionally equivalent model; however, we will not replace the Equipment if we determine that the failure of the Equipment resulted from your negligence or misuse of the Equipment or from an accident.

PAYMENTS

10. Fees; Payment Terms

The fees for the use of the Service will be as agreed to at the time you register for the Service and will remain in effect during the Term. These fees do not include: (i) any applicable sales, use or other taxes, which shall not be invoiced separately by us unless accompanied by proof that You, as a governmental unit, are subject to the tax; and (ii) the postage, shipping or other charges imposed by the carrier for printing labels and sending parcels through the USPS or another carrier. Your subscription for the use of the Service together with the payments for the lease of the Equipment will be billed quarterly in advance and with each subsequent payment due on the due date specified in the invoice for the payment.

11. Default and Remedies

Exclusive of payment obligations, in the event you fail to comply with these Terms and such failure continues for 30 days after we give you notice of such failure, we may: (i) terminate these Terms, the lease of the Equipment and your account; (ii) require immediate payment of all amounts payable under these Terms during the Term for which the Equipment has been leased and utilized by you, including the fees provided for in Section 10 above and (iii) exercise any rights and pursue any remedies provided by law, including those provided by the Illinois Prompt Payment Act.

12. Credit Cards – Accounts with The Pitney Bowes Bank, Inc.

Unless (i) you have established and maintain a Reserve Account with The Pitney Bowes Bank, Inc. (the "Bank") and (ii) you have available funds in a Reserve, then as long as you're utilizing the Service or have an outstanding balance with us, you'll provide us with valid credit card information. You'll replace the information for any credit card that expires with information for a different valid credit card. All charges by the USPS for the sending of parcels through the Service (such charges are called "Shipping Charges") and all fees for the use of the Service will be charged to your Reserve Account, if any. In the event that (i) you do not maintain a Reserve Account or (ii) you do not have available funds in a Reserve Account, all such fees and charges will be charged to your credit card together with a convenience fee of 3 ½% of the amount of all Shipping Charges and you authorize us to do so. All charges by any other carrier other than the USPS for the sending of parcels through the Service will be billed directly by the carrier.

USPS/CARRIER REQUIREMENTS AND TERMS

13. USPS Regulations

If you use the Service to send parcels with the USPS, you must comply with all USPS regulations applicable to the use of the Service. If you: (a) use your account in a fraudulent or unlawful manner, (b) fail to exercise sufficient control over your account to prevent fraudulent or unlawful use, (c) cause or allow the account to be utilized outside the United States without the prior written authorization of the Manager of Retail Systems and Equipment, U.S. Postal Service, Washington DC 20260, or (d) otherwise fail to abide by the provisions of postal regulations and these Terms regarding care and use of your account, then your account may be cancelled. You acknowledge and agree that your account shall be closed and your ability to use the Service terminated by us for any of the reasons described above or upon demand by the USPS. You agree that any use of the Service to fraudulently deprive the USPS of revenue can cause you to be subject to civil and criminal penalties applicable to fraud and/or false claims against the United States. The submission of a false, fictitious, or fraudulent statement can result in imprisonment for up to five (5) years and a fine of up to \$10,000 (18 U.S.C. 1001). In addition, a civil penalty of up to \$5,000 and an additional assessment of twice the amount falsely claimed may be imposed (31 U.S.C. 3802).

The USPS has granted us the license as a PC postage vendor to create a shared postage evidencing system that users will use to dispense postage. As a user of the Service, you must understand and acknowledge that authorization to use the Service is granted by the USPS. You accept responsibility for control and use of the Service and agree to abide by all rules and regulations governing its use. The USPS may deny use of or revoke authorization to use a postage evidencing system in the event of (i) failure to comply with rules and regulations (ii) submission of false or fictitious information, (iii) entering of a series of unpaid or short-paid mail pieces and/or packages in the mail stream, (iv) use of the system for any illegal scheme or enterprise,(v) use of the system outside the customs territory of the United States, and (vi) possession of a decertified system. You must make the postage evidencing system and transaction records available and surrender the system to us, the USPS, or its agent when notified to do so.

14. Carrier Requirements

If you use the Service to send parcels with a carrier other than the USPS, you must comply with the requirements of that carrier. The terms governing the use of FedEx to send parcels are located at https://www.fedex.com/ and the terms governing the use of UPS are located at https://www.ups.com/.

RIGHTS

15. Trademarks

Pitney Bowes, the Pitney Bowes logo, and associated brand names and domain names are our trademarks in the United States and/or other countries. All marks not owned by us are the property of their respective owners. You may not use, and nothing contained on the Site or in these Terms grants any right to use, any trademark displayed on the Site without our written permission or the respective owner of such trademark.

16. Use of the Site

You agree that content on the Site is protected by copyrights, trademarks and other intellectual and proprietary rights; and these Terms and applicable copyright, trademark and other laws govern your use of content on the Site.

17. LIMITATION OF LIABILITY

TO THE MAXIMUM EXTENT PERMITTED BY LAW, YOU ASSUME FULL RESPONSIBILITY FOR ANY LOSS THAT RESULTS FROM YOUR USE OF OR INABILITY TO USE THE SERVICE AND WE WILL NOT BE LIABLE FOR ANY SUCH LOSS. IF THE WAIVER OF LIABILITY IN THE PREVIOUS SENTENCE IS NOT PERMITTED BY LAW, OUR TOTAL LIABILITY FOR ALL CLAIMS MADE RELATING TO YOUR USE OF OR INABILITY TO USE THE SERVICE IN ANY QUARTER WILL BE NO MORE THAN WHAT YOU PAID US (OR WHAT IS OWED TO US) FOR THE SERVICE, UNDER THIS AGREEMENT FOR THE PERIOD ENDING ON THE DATE OF THE OCCURANCE OF THE EVENT WHICH GAVE RISE TO THE CLAIM. NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFIT OR REVENUE, LOST BUSINESS OPPORTUNITIES, BUSINESS INTERRUPTION OR LOST DATA SUFFERED UNDER ANY CIRCUMSTANCES, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.

18. INDEMNITY

IN ACCORDANCE WITH ARVICLE VII, SECTION 1(A), (B) OF THE CONSTITUTION OF THE STATE OF ILLINOIS AND 1973 ILLINOIS ATTORNEY GENERAL OPINION 78, THE STATE MAY NOT INDEMNIFY YOU ABSENT EXPRESS STATUTORY AUTHORITY PERMITTING THE INDEMNIFICATION.

You agree that Pitney Bowes shall not be responsible for, and shall not indemnify, defend or hold You harmless from any claims or suits (including reasonable attorneys' fees) against you by a third party based on the breach by you of any of your obligations under this Agreement.

19. DISCLAIMER

THE SERVICE AND THE CONTENT ON THE SITE ARE PROVIDED BY US "AS IS" WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, RELIABILITY, AND YOU WAIVE ALL WARRANTIES FROM US TO THE MAXIMUM EXTENT PROVIDED BY LAW.

20.

If we file an action against you claiming you breached these Terms and we prevail, we will be entitled to recover reasonable attorneys' fees only if and to the extent expressly permitted under Illinois law.

LINKS TO THIRD PARTY SITES

21. Third Party Sites

The Site and these Terms may contain links to third party websites, including links to the websites of carriers ("Linked Sites"). The Linked Sites are not under our control and we are not responsible for the contents of any Linked Site, including any link contained in a Linked Site, or any changes or updates to a

Linked Site. You should contact the site administrator or webmaster for those Linked Sites if you have any concerns regarding such links or the content located there.

MISCELLANEOUS

22. Assignments

Neither party may assign any rights under these Terms to anyone else without the prior written consent of the other. However, in the event You assign Your rights and obligations hereunder to an internal State of Illinois' agency or entity, prior written approval shall not be required; however, You shall provide Us with prompt written notice of the assignment.

23. Choice of Law; Arbitration; WAIVER OF JURY TRIAL

These Terms will be governed by the laws of the State of Illinois. Any dispute between us will be resolved in a court of competent jurisdiction in Illinois.

24. Force Majeure

We won't be liable for any delays or failure in performance of any part of the Service, from any cause beyond our control. This includes acts of God, changes to law or regulations, embargoes, war, terrorist acts, riots, strikes, power blackouts, and acts of hackers or third-party internet service providers.

25. Amendments and Waiver

If either party does not immediately take action on a violation of these Terms, it is not giving up any rights under these Terms, and may still take action at a later point.

26. Notices

Except as provided in the next sentence: (i) any notice to you will be effective when we send it to the last email or physical address you gave us herein and in the Participating Addendum; and (ii) any notice to us will be effective when delivered to us at Pitney Bowes Inc. – SendPro Team, 3001 Summer Street, Stamford, CT 06926. Any notice alleging a breach of these Terms will be in writing and will be sent by overnight courier or delivered in person to: (i) in the case of a notice to you, the physical address you gave us herein and in the Participating Addendum; and (ii) in the case of a notice to us, Pitney Bowes Inc., 3001 Summer Street, Stamford, CT 06926 along with a copy to our legal counsel: Attn. Chief Legal Officer and Corporate Secretary, Pitney Bowes Inc., 3001 Summer Street, Stamford, CT 06926, or any addresses we may later post on the Site.

27. Entire Agreement

Supplementing the Participating Addendum, these Terms make up the entire agreement with respect to the product offered under this license. Exclusive of the Participating Addendum, the Terms of this agreement supersede all prior agreements, representations, and understandings.

Addendum to Software License and Maintenance Agreement for Hosting by Pitney Bowes of Pitney Bowes Software

This Addendum is between Pitney Bowes Inc., a Delaware corporation, with offices at 3001 Summer Street, Stamford, CT 06926 ("Pitney Bowes") and the customer ("Licensee") named in a Sales/Lease Agreement with Pitney Bowes or one of its affiliates pursuant to which Licensee has agreed to pay a hosting fee for Pitney Bowes to host certain Pitney Bowes Software licensed by Pitney Bowes to Licensee under a Software License and Maintenance Agreement (the "License Agreement"). This Addendum sets forth the terms pursuant to which Pitney Bowes will host for Licensee such Pitney Bowes Software. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the License Agreement. LICENSEE'S SIGNATURE BELOW, OR USE OF THE PITNEY BOWES SOFTWARE, CONSTITUTES LICENSEE'S AGREEMENT TO THIS ADDENDUM.

1. Definitions

- (a) "Host Environment" means all software, middleware and hardware necessary to host the Pitney Bowes Software, including, without limitation, host servers; server, telecommunications and security software; database software; operating systems; client access hardware; back-up systems; network routing; system monitoring; and Internet access.
- (b) "Pitney Bowes Hosting Period" means the period during which Pitney Bowes has agreed to host the Pitney Bowes Software and Licensee has paid for such hosting.
- (c) "Licensee Hosting Period" means all times other than the Pitney Bowes Hosting Period.

2. Pitney Bowes Hosting Period

The following terms apply during the Pitney Bowes Hosting Period:

- (a) Pitney Bowes shall: (i) host the Pitney Bowes Software for Licensee on server(s) at a Pitney Bowes or third-party facility ("Host Servers"); and (b) provide all appropriate and necessary application support, Software Maintenance, network security within the host firewall and load balancing for the Pitney Bowes Software for Licensee's use. As part of the foregoing, database transactions will be captured on a continuous basis, replicated to a backup system during Hosting Measurement Hours (as defined in Section 3 of this Addendum) and copied daily to a tape that is sent to a secure off-site storage facility.
- (b) The Pitney Bowes Hosting Period for Pitney Bowes Software that is financed under a Lease Agreement shall be the term of the Lease Agreement. The Pitney Bowes Hosting Period for Pitney Bowes Software subject to a Sales Agreement shall be for the term indicated in the Sales Agreement.
- (c) Pitney Bowes shall use commercially reasonable efforts to minimize downtime of the Host Servers for maintenance, updates and revisions to the Pitney Bowes Software and other software, hardware and equipment associated therewith. Except as expressly set forth in this Addendum, Pitney Bowes makes no representation, warranty, guaranty or other assurances regarding up-time of the Host Servers or the availability or accessibility of the Pitney Bowes Software.
- (d) Licensee shall provide Pitney Bowes, in writing, with the name, email address and telephone number of a Licensee representative whom Pitney Bowes may contact in the event of any Downtime (as defined in Section 3 of this Addendum). Pitney Bowes shall notify such representative by email when Downtime has exceeded fifteen (15) minutes. If an acknowledgement or notification of receipt of such notice is not received within thirty (30) minutes, up to two (2) attempts will be made by Pitney Bowes to reach such representative by telephone, leaving a message if possible. The same procedure will be followed when the Downtime has ended.
- (e) Licensee shall be solely responsible for: (i) its access to the Pitney Bowes Software through a Licensee WAN and to the Internet; (ii) providing, operating and maintaining all software (other than the Pitney Bowes Software to the extent Pitney Bowes is responsible therefor under this Addendum) and hardware in its locations or which may otherwise be required in connection with the Pitney Bowes Software and the use thereof; and (iii) without limiting the foregoing, configuration of the Pitney Bowes Software for each location, including, without limitation, user ID's, security levels and carrier accounts. Any changes by Licensee to the operating environment of its computer systems which require a revision of the Pitney Bowes Software or additional work by Pitney Bowes are subject to Pitney Bowes's prior written consent and an additional charge by Pitney Bowes.

- (f) Licensee shall provide Pitney Bowes with such cooperation as Pitney Bowes shall reasonably request with respect to Pitney Bowes's obligations under this Addendum, including, without limitation, by providing access through Licensee's firewall to the Pitney Bowes hosted network.
- (g) Pitney Bowes may provide links to external sites that cause Licensee to leave the site at which the Pitney Bowes Software is available. Any such link is provided for the use and convenience of Licensee. The appearance of a link does not constitute an endorsement, recommendation or certification by Pitney Bowes of the external link; and should not be construed as a suggestion that the external link has any relationship with Pitney Bowes except as expressly provided in the Pitney Bowes Software or the User Manual.
- (h) Pitney Bowes automatically collects and/or tracks: (i) the home server domain names, e-mail addresses, type of client computer, and type of web browser of users to the web site at which the Pitney Bowes Software is available, (ii) the e-mail addresses of users that communicate with Pitney Bowes; (iii) other information knowingly provided by the user; and (iv) aggregate or specific information on what pages users access. Pitney Bowes may use a technology called "cookies". These cookies may be used to obtain data such as the user's name, user-name and pages viewed.
- (i) The volume of transactions is expected to be reasonably evenly distributed throughout the year. Licensee acknowledges that peaks of volume may adversely affect hosting performance and that Pitney Bowes reserves the right to modify the hosting fee as a result of repeated peaks.

3. Downtime during Pitney Bowes Hosting Period

- (a) For purposes of this Addendum, the following terms have the meaning set forth next to them:
 - (i) "Hosting Measurement Hours" means, during the Pitney Bowes Hosting Period, 6 a.m. to 9 p.m., Central Time, Monday through Friday, excluding national holidays.
 - (ii) "Measurement Period" means, during the Pitney Bowes Hosting Period: (A) the first full twelvementh calendar period beginning after the later of: (1) the date on which Licensee has paid all amounts due to Pitney Bowes under the Sales Agreement or payments have begun under the Lease Agreement; or (2) Licensee's acceptance of the Pitney Bowes Software on a Delivery and Acceptance Form or other form provided by Pitney Bowes; (B) each successive full twelve-month calendar period thereafter during the Pitney Bowes Hosting Period; and (C) the final period at the end of the Pitney Bowes Hosting Period following the periods referred to in (A) or (B), provided that such final period shall be at least three (3) full calendar months.
 - "Downtime" means the time during Hosting Measurement Hours when the shipping functionality of the Pitney Bowes Software is not available for use by Licensee as a result of unscheduled downtime of the Pitney Bowes Software caused by: (A) Pitney Bowes personnel; or (B) Pitney Bowes equipment and related software that are within Pitney Bowes's firewall and are used for operation of the Pitney Bowes Software.
 - "Downtime" does not include, without limitation, downtime or unavailability of the Pitney Bowes Software: (1) caused by Licensee personnel, representatives or agents or by Licensee or third-party equipment or software; (2) caused by usage of the Pitney Bowes Software in excess of the expected or permitted usage, with such usage spread reasonably evenly throughout the Measurement Period; (3) related to content or applications associated with the Pitney Bowes Software but not within Pitney Bowes's commercially reasonable control; (4) related to Internet or telecommunication performance; (5) resulting from unscheduled maintenance to resolve or avoid a problem where such resolution requires less than fifteen (15) minutes; (6) caused by matters within the scope of Section 8 (Force Majeure) of the License Agreement; or (7) outside of Hosting Measurement Hours. In addition, "Downtime" does not include downtime or unavailability of the reporting or administrative functions of the Pitney Bowes Software.
 - (iv) "Allowable Downtime" means one percent (1%) of the Hosting Measurement Hours in a particular Measurement Period.
 - (v) "Unit of Downtime" means six (6) hours of Downtime.

- (b) Licensee shall give Pitney Bowes's technical support staff prompt notice of Downtime. Notice shall be given by telephone (with a voicemail message left if a technical support staff member is not contacted in person) and by email to an address provided by Pitney Bowes for such purpose.
- (c) For each Unit of Downtime in excess of Allowable Downtime during a Measurement Period, Pitney Bowes will provide Licensee with a credit in an amount equal to one-tenth of one percent (0.1%) of the hosting fee paid by Licensee with respect to such Measurement Period; provided, however, that in no event shall the aggregate credit with respect to any Measurement Period exceed the hosting fee paid by Licensee with respect to such Measurement Period. Agreed-upon credits may be applied toward future amounts due to Pitney Bowes for hosting or Software Maintenance. If no such amounts are expected to be due, upon Licensee's request, Pitney Bowes shall pay Licensee an amount equal to such credits.
- (d) Each party shall supply the other with the basis of its calculation of Downtime and shall, in good faith, consider the other's information and try to mutually agree on actual Downtime, if any, for purposes of this Addendum.
- (e) Payment of the amount set forth in Section 3 of this Addendum is Licensee's sole right and remedy with respect to Downtime or performance of the Pitney Bowes Software or Pitney Bowes's hosting of the Pitney Bowes Software during the Pitney Bowes Hosting Period.
- 4. Licensee Hosting Period. At all times other than during the Pitney Bowes Hosting Period: (a) Licensee shall be solely responsible for: (i) hosting the Pitney Bowes Software for its use; and (ii) acquiring, installing, operating and maintaining the Host Environment; and (b) Pitney Bowes has no responsibility or liability for, and makes no representation or warranty, with respect to, the Host Environment; any recommendations made with respect to the Host Environment; or any websites accessed through the Pitney Bowes Software.
- 5. Licensee Hosting Period and Pitney Bowes Hosting Period. During both the Licensee Hosting Period and the Pitney Bowes Hosting Period, Licensee: (a) is solely responsible for its use of any websites accessed through the Pitney Bowes Software, whether such access is provided for Pitney Bowes Software functionality, as a matter of convenience or otherwise; and (b) uses such websites entirely at its own risk.
- 6. Termination. This Addendum shall terminate upon termination of the License Agreement.
- 7. Entire Agreement. This Addendum, together with the License Agreement and the other agreements referred to therein, contains the entire understanding of the parties with respect to the matters herein and therein. The License Agreement and this Addendum together constitute the "Agreement" as such term is used in the License Agreement. To the extent that any terms and conditions of the License Agreement conflict with the provisions of this Addendum, the provisions of this Addendum shall govern. Except as specifically provided herein, all terms and conditions of the License Agreement shall remain in full force and effect.

LICENSEE HAS READ THIS ADDENDUM AND UNDERSTANDS AND AGREES TO ABIDE BY ITS TERMS.

LICENSEE	PITNEY BOWES INC.
Ву:	Ву:
Title:	Title:
Date:	Date: