

# BLANKET PURCHASE ORDER

## STATE OF MARYLAND

\*\*\*\*\* STATE OF MARYLAND \*\*\*\*\*

**BPO NO:** 001B9400420

**PRINT DATE:** 05/01/19

**PAGE:** 01

<b>SHIP TO:</b>  AS SPECIFIED ON INDIVIDUAL ORDERS		
<b>VENDOR ID:</b> PITNEY BOWES INC 8245 BOONE BLVD  VIENNA, VA 22182 (804 )496-6912	<b>REFER QUESTIONS TO:</b>  KIMBERLY HACKETT (410 )767-0788 KIMBERLY.HACKETT@MARYLAND.GOV	
<b>ITB:</b>	<b>EXPR DATE:</b> 05/14/20 <b>POST DATE:</b> 04/19/19	<b>DISCOUNT TERMS:</b> . NET 30 DAY <b>CONTRACT AMOUNT:</b> .00

### TERMS:

ARTICLES HEREIN ARE EXEMPT FROM MARYLAND SALES AND USE TAXES BY EXEMPTION CERTIFICATE NUMBER 3000256-3 AND FROM FEDERAL EXCISE TAXES BY EXEMPTION NUMBER 52-73-0358K. IT IS THE VENDOR'S RESPONSIBILITY TO ADVISE COMMON CARRIERS THAT AGENCIES OF THE STATE OF MARYLAND ARE EXEMPT FROM TRANSPORTATION TAX.

\*\*\*\*\*  
INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT (ICPA)  
TO SUPPLY  
MAILROOM EQUIPMENT, SUPPLIES, AND MAINTENANCE  
BASED ON THE NASPO VALUEPOINT CONTRACT ADSP016-169897  
\*\*\*\*\*

CONTRACT TERM: DATE OF AWARD THROUGH MAY 14, 2020

THIS CONTRACT IS BASED ON AN INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT(IPCA), THE RENEWAL OPTION(S) WILL BE BASED ON THE TERMS OF THE MASTER AGREEMENT AND THE PERFORMANCE OF THE VENDOR AND USAGE OF THE CONTRACT.

THIS IS AN INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT IN ACCORDANCE WITH NASPO VALUEPOINT CONTRACT NUMBER ADSP016-169897. BASED ON THIS CONTRACT, THE VENDOR WILL SUPPLY MAILROOM EQUIPMENT, SUPPLIES AND MAINTENANCE FOR THE STATE OF MARYLAND AND ITS USING AGENCIES.

### RENEWAL:

RENEWAL OPTIONS WILL BE BASED UPON THE MASTER CONTRACT TERMS AND CONDITIONS, MARKET RESEARCH THAT WILL BE CONDUCTED AT THE TIME OF RENEWAL, AND THE DISCRETION OF NASPO.

UPON MUTUAL WRITTEN AGREEMENT, THIS CONTRACT MAY BE RENEWED FOR ANY COMBINATION OF FULL OR PARTIAL YEAR RENEWALS UP TO THIRTY-SIX (36)

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## STATE OF MARYLAND

\*\*\*\*\* STATE OF MARYLAND \*\*\*\*\*

**BPO NO:** 001B9400420

**PRINT DATE:** 05/01/19

**PAGE:** 02

**TERMS (cont'd):**

MONTHS.

VENDOR NAME: PITNEY BOWES, INC.

VENDOR CONTACT: RUSSELL RODD

TELEPHONE: 860-680-3586

FAX: 203-922-4550

VENDOR EMAIL ADDRESS: RUSSELL.RODD@PB.COM

FOR SIGNATURES:

VENDOR CONTACT: ART ADAMS

TELEPHONE: 203-351-7866

FAX: 203-460-3827

VENDOR EMAIL ADDRESS: ART.ADAMS@PB.COM

MARYLAND LAW PREVAILS:

THE PROVISIONS OF THIS CONTRACT SHALL BE GOVERNED BY THE LAWS OF MARYLAND.

SOFTWARE SUBSCRIPTION TERMS AND SOFTWARE LICENSE TERMS AND CONDITIONS SHALL BE MUTUALLY AGREED UPON, IN WRITING, BY THE PURCHASING ENTITY'S AUTHORIZED INDIVIDUAL AND PITNEY BOWES INC.

ALL PURCHASING ENTITIES REQUIRING THE USE OF A POSTAGE METER WILL COMPLY WITH ALL UNITED STATES POSTAL SERVICE REGULATIONS AND METER TERMS AND CONDITIONS.

ANY ORDER PLACED BY A PARTICIPATING ENTITY FOR A PRODUCT AND/OR SERVICE AVAILABLE UNDER THE 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.

ALL ORDERS ARE TO BE MADE OUT TO AND PROCESSED BY PITNEY BOWES AND SHOULD CONTAIN THE FOLLOWING:

- (1) MANDATORY LANGUAGE: PURCHASE ORDER IS SUBJECT TO NASPO VALUEPOINT MASTER AGREEMENT NUMBER ADSP016-169897,
- (2) YOUR NAME, ADDRESS, CONTACT, PHONE NUMBER, AND SIGNATURE.

ALL PURCHASE ORDERS ISSUED BY PURCHASING ENTITIES WITHIN THE JURISDICTION OF THIS PARTICIPATING ADDENDUM SHALL INCLUDE THE PARTICIPATING STATE/ENTITY'S CONTRACT NUMBER: 001B8400294 AND

\*\*\* CONTINUED, NEXT PAGE \*\*\*

# BLANKET PURCHASE ORDER

## STATE OF MARYLAND

\*\*\*\*\* STATE OF MARYLAND \*\*\*\*\*

BPO NO: 001B9400420

PRINT DATE: 05/01/19

PAGE: 03

### TERMS (cont'd):

THE LEAD STATE PRICE AGREEMENT NUMBER: ADSP016-169897.

#### ELECTRONIC TRANSACTION FEE:

A. CONTRACTOR SHALL PAY AN ELECTRONIC TRANSACTION FEE TO THE STATE IN THE AMOUNT OF ONE PERCENT (1%) OF THE TOTAL CONTRACT SALES. THE ELECTRONIC TRANSACTION FEE IS CALCULATED BASED ON ALL SALES TRANSACTED UNDER THE CONTRACT, MINUS ANY RETURNS OR CREDITS. THE ELECTRONIC TRANSACTION FEE SHALL NOT BE CHARGED DIRECTLY TO THE CUSTOMER, E.G., AS A SEPARATE LINE ITEM, FEE OR SURCHARGE, BUT SHALL BE INCLUDED IN THE CONTRACT'S UNIT PRICES.

#### B.

THE ELECTRONIC TRANSACTION FEE SHALL BE SUBMITTED TO THE DEPARTMENT OF GENERAL SERVICES, FISCAL SERVICES DIVISION, 301 W. PRESTON STREET, ROOM 1309, BALTIMORE, MD, 21201, WITHIN THIRTY (30) CALENDAR DAYS FOLLOWING THE END OF EACH CALENDAR MONTH ALONG WITH A MONTHLY USAGE REPORT DOCUMENTING ALL CONTRACT SALES. AN EXCEL VERSION OF THE MONTHLY USAGE REPORT SHALL BE EMAILED TO THE PROCUREMENT OFFICER, KIM HACKETT AT KIMBERLY.HACKETT@MARYLAND.GOV AND TO EBONY SALAKO AT AWAWU.SALAKO@MARYLAND.GOV.

#### C.

FAILURE TO REMIT TRANSACTION FEES IN A TIMELY MANNER OR REMITTANCE OF FEES INCONSISTENT WITH THE CONTRACT'S REQUIREMENTS MAY RESULT IN THE STATE EXERCISING ALL RECOURSE AVAILABLE UNDER THE CONTRACT INCLUDING, BUT NOT LIMITED TO, A THIRD PARTY AUDIT OF ALL CONTRACT ACTIVITY. SHOULD AN AUDIT BE REQUIRED BY THE STATE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR ALL COSTS ASSOCIATED WITH THE AUDIT UP TO \$10,000.00 OR ONE (1%) PERCENT OF THE CONTRACT'S ESTIMATED ANNUAL VALUE, WHICHEVER IS HIGHER.

PURSUANT TO ARTICLE 41, SECTION 18-201 OF THE ANNOTATED CODE OF MARYLAND, EXCEPT AS PROVIDED IN (B) THE FOLLOWING ENTITIES MAY PURCHASE MATERIALS, SUPPLIES, AND EQUIPMENT UNDER THIS CONTRACT:

- (1) A COUNTY OR BALTIMORE CITY;
- (2) A MUNICIPAL CORPORATION;
- (3) A GOVERNMENTAL AGENCY IN THE STATE;
- (4) A PUBLIC OR QUASI-PUBLIC AGENCY THAT:
  - (I) RECEIVES STATE MONEY; AND
  - (II) IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE;
- (5) A PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT:

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# BLANKET PURCHASE ORDER

## STATE OF MARYLAND

\*\*\*\*\* STATE OF MARYLAND \*\*\*\*\*

BPO NO: 001B9400420

PRINT DATE: 05/01/19

PAGE: 04

### TERMS (cont'd):

- (I) EITHER HAS BEEN ISSUED A CERTIFICATE OR APPROVAL FROM THE STATE BOARD OF EDUCATION OR IS ACCREDITED BY THE ASSOCIATION OF INDEPENDENT SCHOOLS; AND
- (II) IS EXEMPT FROM TAXATION UNDER SECTION 501 (C)(3) OF THE INTERNAL REVENUE CODE:

OR

- (6) A NONPUBLIC INSTITUTION OF HIGHER EDUCATION UNDER SECTION 17-106 OF THE EDUCATION AFTICLE.

A PRIVATE ELEMENTARY OR SECONDARY SCHOOL OR A NONPUBLIC INSTITUTION OF HIGHER EDUCATION MAY NOT PURCHASE RELIGIOUS MATERIALS UNDER THIS CONTRACT

THE RIGHT TO PURCHASE UNDER THIS SECTION SHALL BE IN ADDITION TO, BUT NOT IN SUBSSITUTION FOR, THE APPLICABLE PURCHASING POWER GRANTED TO ANY OF THE LISTED ENTITIES PURSUANT TO ANY STATUTORY OR CHARTER PROVISION.

ALL PURCHASES UNDER THIS CONTRACT BY ANY SUCH ENTITY WHICH IS NOT A UNIT OR AGENCY OF THE STATE OF MARYLAND FOR WHICH THE STATE OF MARYLAND MAY BE HELD LIABLE IN CONTRACT (1) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT BETWEEN THE CONTRACTOR AND THAT ENTITY ONLY, (2) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT OF THE STATE OF MD, (3) SHALL NOT BE BINDING OR ENFORCEABLE AGAINST THE STATE OF MARYLAND OR ANY OF ITS UNITS OR AGENCIES, AND (4) MAY BE SUBJECT TO OTHER TERMS AND CONDITIONS AGREED TO BY THE CONTRACTOR, AND THE PURCHASER.

CONTRACTOR BEARS THE RISK OF DETERMINING WHETHER OR NOT AN ENTITY, FROM WHICH THE CONTRACTOR RECEIVES AN ORDER, UNDER THE CONTRACT, IS A UNIT OR AGENCY OF THE STATE OF MARYLAND, SUCH THAT THE CONTRACT MAY BE ENFORCED AGAINST THE STATE OF MARYLAND.

CONTRACT RESTRICTIONS: VENDOR MAY NOT PROVIDE ANY PRODUCTS THAT ARE ALREADY BEING SUPPLIED UNDER A CURRENT BLANKET CONTRACT WITH THE DEPARTMENT OF GENERAL SERVICES.

THE STATE AND PITNEY BOWES, INC., HAVE AGREED TO INCORPORATE THE ATTACHED MARYLAND TERMS AND CONDITIONS FOR COMMODITY CONTRACTS OVER \$25,000. IN THE EVENT OF A CONFLICT BETWEEN THE ATTACHED MARYLAND TERMS AND CONDITIONS AND THE TERMS AND CONDITIONS OF THE NASPO VALUEPOINT MASTER AGREEMENT NUMBER ADSP016-169897, WITH THE STATE OF ARIZONA, THE TERMS OF THE MARYLAND TERMS AND CONDITIONS WILL TAKE PRECEDENCE.

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<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>
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0001	60071-000099	EA	
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MAIL ROOM EQUIPMENT, (LEASED), MAILING MACHINES, SCALES, FOLDING/INSERTING EQUIPMENT, SYSTEMS ETC.

BASE UNIT

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0002	60071-000099	EA	
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MAIL ROOM EQUIPMENT, (LEASED), MAILING MACHINES, SCALES, FOLDING/INSERTING EQUIPMENT, SYSTEMS ETC.

OPTIONAL ACCESSORIES

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0003	60071-000099	EA	
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MAILROOM EQUIPMENT OPERATING SUPPLIES

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MAIL ROOM EQUIPMENT, (LEASED), MAILING MACHINES, SCALES, FOLDING/INSERTING EQUIPMENT, SYSTEMS ETC.

MAILROOM EQUIPMENT MAINTENANCE CONTRACTS

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END OF ITEM LIST

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**AUTHORIZED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

BUYER AUTHORIZED DESIGNEE

# BLANKET PURCHASE ORDER

## STATE OF MARYLAND

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**BPO NO:** 001B8400294

**PRINT DATE:** 02/27/18

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<b>SHIP TO:</b>			
AS SPECIFIED ON INDIVIDUAL ORDERS			
<b>VENDOR ID:</b>	<b>REFER QUESTIONS TO:</b>		
PITNEY BOWES INC 8245 BOONE BLVD  VIENNA, VA 22182 (804 ) 496-6912	KIMBERLY HACKETT (410 ) 767-0788 KIMBERLY.HACKETT@MARYLAND.GOV		
<b>ITB:</b>	<b>EXPR DATE:</b> 05/14/19 <b>POST DATE:</b> 02/27/18	<b>DISCOUNT TERMS:</b> .	NET 30 DAY
		<b>CONTRACT AMOUNT:</b>	.00

**TERMS:**

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 TO SUPPLY  
 MAILROOM EQUIPMENT, SUPPLIES, AND MAINTENANCE  
 BASED ON THE NASPO VALUEPOINT CONTRACT ADSP016-169897  
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VENDOR CONTACT: RUSSELL RODD

TELEPHONE: 860-680-3586

FAX: 203-922-4550

VENDOR EMAIL ADDRESS: RUSSELL.RODD@PB.COM

FOR SIGNATURES:

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B. THE ELECTRONIC TRANSACTION FEE SHALL BE SUBMITTED TO THE DEPARTMENT OF GENERAL SERVICES, FISCAL SERVICES DIVISION, 301 W. PRESTON STREET, ROOM 1309, BALTIMORE, MD, 21201, WITHIN THIRTY (30) CALENDAR DAYS FOLLOWING THE END OF EACH CALENDAR MONTH ALONG WITH A MONTHLY USAGE REPORT DOCUMENTING ALL CONTRACT SALES. AN EXCEL VERSION OF THE MONTHLY USAGE REPORT SHALL BE EMAILED TO THE PROCUREMENT OFFICER, KIM HACKETT AT KIMBERLY.HACKETT@MARYLAND.GOV AND TO EBONY SALAKO AT AWAWU.SALAKO@MARYLAND.GOV.

C. FAILURE TO REMIT TRANSACTION FEES IN A TIMELY MANNER OR REMITTANCE OF FEES INCONSISTENT WITH THE CONTRACT'S REQUIREMENTS MAY RESULT IN THE STATE EXERCISING ALL RECOURSE AVAILABLE UNDER THE CONTRACT INCLUDING, BUT NOT LIMITED TO, A THIRD PARTY AUDIT OF ALL CONTRACT ACTIVITY. SHOULD AN AUDIT BE REQUIRED BY THE STATE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR ALL COSTS ASSOCIATED WITH THE AUDIT UP TO \$10,000.00 OR ONE (1%) PERCENT OF THE CONTRACT'S ESTIMATED ANNUAL VALUE, WHICHEVER IS HIGHER.

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  - (I) RECEIVES STATE MONEY; AND
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OR

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ALL PURCHASES UNDER THIS CONTRACT BY ANY SUCH ENTITY WHICH IS NOT A UNIT OR AGENCY OF THE STATE OF MARYLAND FOR WHICH THE STATE OF MARYLAND MAY BE HELD LIABLE IN CONTRACT (1) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT BETWEEN THE CONTRACTOR AND THAT ENTITY ONLY, (2) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT OF THE STATE OF MD, (3) SHALL NOT BE BINDING OR ENFORCEABLE AGAINST THE STATE OF MARYLAND OR ANY OF ITS UNITS OR AGENCIES, AND (4) MAY BE SUBJECT TO OTHER TERMS AND CONDITIONS AGREED TO BY THE CONTRACTOR, AND THE PURCHASER.

CONTRACTOR BEARS THE RISK OF DETERMINING WHETHER OR NOT AN ENTITY, FROM WHICH THE CONTRACTOR RECEIVES AN ORDER, UNDER THE CONTRACT, IS A UNIT OR AGENCY OF THE STATE OF MARYLAND, SUCH THAT THE CONTRACT MAY BE ENFORCED AGAINST THE STATE OF MARYLAND.

CONTRACT RESTRICTIONS: VENDOR MAY NOT PROVIDE ANY PRODUCTS THAT ARE ALREADY BEING SUPPLIED UNDER A CURRENT BLANKET CONTRACT WITH THE DEPARTMENT OF GENERAL SERVICES.

THE STATE AND PITNEY BOWES, INC., HAVE AGREED TO INCORPORATE THE ATTACHED MARYLAND TERMS AND CONDITIONS FOR COMMODITY CONTRACTS OVER \$25,000. IN THE EVENT OF A CONFLICT BETWEEN THE ATTACHED MARYLAND TERMS AND CONDITIONS AND THE TERMS AND CONDITIONS OF THE NASPO VALUEPOINT MASTER AGREEMENT NUMBER ADSP016-169897, WITH THE STATE OF ARIZONA, THE TERMS OF THE MARYLAND TERMS AND CONDITIONS WILL TAKE PRECEDENCE.

**BLANKET PURCHASE ORDER**  
**STATE OF MARYLAND**

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**LINE #**      **STATE ITEM ID**                      **U/M**                      **UNIT COST**                      \_\_\_\_\_

0001            60071-000099                      EA

MAIL ROOM EQUIPMENT, (LEASED), MAILING MACHINES, SCALES, FOLDING/INSERTING EQUIPMENT, SYSTEMS ETC.

BASE UNIT

0002            60071-000099                      EA

MAIL ROOM EQUIPMENT, (LEASED), MAILING MACHINES, SCALES, FOLDING/INSERTING EQUIPMENT, SYSTEMS ETC.

OPTIONAL ACCESSORIES

0003            60071-000099                      EA

MAIL ROOM EQUIPMENT, (LEASED), MAILING MACHINES, SCALES, FOLDING/INSERTING EQUIPMENT, SYSTEMS ETC.

MAILROOM EQUIPMENT OPERATING SUPPLIES

0004            60071-000099                      EA

MAIL ROOM EQUIPMENT, (LEASED), MAILING MACHINES, SCALES, FOLDING/INSERTING EQUIPMENT, SYSTEMS ETC.

MAILROOM EQUIPMENT MAINTENANCE CONTRACTS

END OF ITEM LIST

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**AUTHORIZED BY:**



BUYER AUTHORIZED DESIGNEE

**DATE:**

2/27/2018

## ATTACHMENT A

### STATE OF MARYLAND TERMS AND CONDITIONS

**BPO 001B8400294**

**1. INCORPORATION BY REFERENCE:**

All terms and conditions of the solicitation and amendments thereto are made a part of this Contract.

**2. TAX EXEMPTION:**

The State is generally exempt from federal excise taxes, Maryland sales and use taxes, District of Columbia sales taxes and transportation taxes. Exemption certificates shall be completed upon request. Where a Contractor is required to furnish and install material in the construction or improvement of real property in performance of a contract, the Contractor shall pay the Maryland Sales Tax and the exemption does not apply.

**3. SPECIFICATIONS:**

All materials, equipment, supplies or services shall conform to federal and State laws and regulations and to the specifications contained in the solicitation.

**4. DELIVERY AND ACCEPTANCE:**

Delivery shall be made in accordance with the solicitation specifications and the Master Agreement, as amended. The State, in its sole discretion, may extend the time of performance for excusable delays due to unforeseeable causes beyond the Contractor's control. The State unilaterally may order in writing the suspension, delay or interruption of performance hereunder. The State reserves the right to test any materials, equipment, supplies, or services delivered to determine if the specifications have been met. The materials listed in the bid or proposal shall be delivered FOB the point or points specified prior to or on the date specified in the bid or proposal. Any material that is defective or fails to meet the terms of the solicitation specifications shall be rejected. Rejected materials shall be promptly replaced. The State reserves the right to purchase replacement materials in the open market. Contractors failing to promptly replace materials lawfully rejected shall be liable for any excess price paid for the replacement, plus applicable expenses, if any.

**5. NON-HIRING OF EMPLOYEES:**

No official or employee of the State, as defined under State Government Article, §15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this contract shall, during the pendency or term of this contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

**6. NON-DISCRIMINATION IN EMPLOYMENT:**

The Contractor agrees not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or physical or mental handicap unrelated in nature and extent so as reasonably to preclude

the performance of such employment and to post and to cause subcontractors to post conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

**7. FINANCIAL DISCLOSURE:**

The Contractor shall comply with State Finance and Procurement Article §13-221, Annotated Code of Maryland, which requires that every business that enters into contracts, leases or other agreements with the State and receives in the aggregate \$100,000 or more, during a calendar year shall, within 30 days of the time when the \$100,000 reached, file with the Secretary of State certain specified information to include disclosure of beneficial ownership of the business.

**8. POLITICAL CONTRIBUTION DISCLOSURE:**

The Contractor shall comply with Sections 14-101 through 14-108 of the Election Law Article of the Annotated Code of Maryland, which requires that every person that enters into, during any 12 month period, one or more contracts, or other agreements with the State, a county, or an incorporated municipality, or their agencies, involving a cumulative consideration of at least \$100,000 or more, shall file with the State Administrative Board of Election Laws a statement disclosing contributions to a candidate, or a series of such contributions, in a cumulative amount in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Administrative Board of Election Laws: (1) before a sale, purchase or execution of a contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding 24 months; and (2) if the contribution is made after sale, purchase or the execution of a contract, then twice a year, throughout the contract term:

(a) within 5 days after the end of the 6-month period ending January 31; and (b) within 5 days after the end of the 6-month period ending July 31.

**9. ANTIBRIBERY:**

The Contractor warrants, to the best of its knowledge, that neither it nor any of its officers, directors, or partners nor any of its employees who are directly involved in obtaining or performing contracts with any public body has been convicted of bribery, attempted bribery, or conspiracy to bribe, under the laws of any state or of the federal government or has engaged in conduct since July 1, 1977, which would constitute bribery, attempted bribery, or conspiracy to bribe under the laws of any state or the federal government.

**10. REGISTRATION:**

Pursuant to §7-201 et seq. of the Corporations and Associations Article of the Annotated Code of Maryland, corporations not incorporated in the State shall be registered with the State Department of Assessments and Taxation, 301 West Preston St., Baltimore, Maryland 21201, before doing any interstate or foreign business in this State. Before doing any intrastate business in this State, a foreign corporation shall qualify with the Department of Assessments and Taxation. The website for the State Department of Assessments and Taxation is <http://www.dat.state.md.us>, e-mail address is [charterhelp@dat.state.md.us](mailto:charterhelp@dat.state.md.us), and phone numbers for the State Department of Assessments and Taxation are: (410) 767-1340 or (888) 246-5941.

**11. CONTINGENT FEES:**

The Contractor warrants that it has not employed or retained any person, partnership, or other entity, other than a bona fide employee or agent working for the Contractor, to solicit or secure this agreement, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any fee or any other consideration contingent on

the making of this agreement.

**12. EPA COMPLIANCE:**

Materials, supplies, equipment, or other services shall comply in all respects with the Federal Noise Control Act of 1972, where applicable.

**13. OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA):**

All materials, supplies, equipment or services supplied as a result of this contract shall comply with the applicable U.S. and Maryland Occupational Safety and Health Act Standards.

**14. TERMINATION FOR CONVENIENCE:**

Upon written notice to the Contractor, the State may terminate this Contract, in whole or in part whenever the State shall determine that such termination is in the best interest of the State. The State shall pay all reasonable costs incurred up to the date of termination and all reasonable costs associated with termination of the contract. However, the Contractor may not be reimbursed for anticipatory profits. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12A(2). 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.

Option B may be terminated for convenience with the payment of a termination charge. Option C may be terminated for convenience with the payment of a termination charge.

**15. TERMINATION FOR DEFAULT:**

When the Contractor has not performed or has unsatisfactorily performed the contract, payment shall be withheld at the discretion of the State. Failure on the part of a Contractor to fulfill contractual obligations shall be considered just cause for termination of the contract and the Contractor is not entitled to recover any costs incurred by the Contractor up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

**16. DISPUTES; NO ELECTRONIC PROTESTS, NOTICES OF CLAIM, OR CLAIMS:**

This Contract shall be subject to the provisions of Title 15, Subtitle 2 of the State Finance and Procurement Article of the Annotated Code of Maryland and COMAR.21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the contract in accordance with the procurement officer's decision.

In accordance with COMAR 21.10.02.02 the Department will **not** accept protests, notices of claim, or claims by any electronic means (including by facsimile or email).

**17. MULTI-YEAR CONTRACTS:**

If funds are not appropriated or otherwise made available to support continuation in any fiscal year succeeding the first fiscal year, this contract shall terminate automatically as of the beginning or the fiscal year for which funds are not available. The Contractor may not recover anticipatory profits or costs incurred after termination.

**18. INTELLECTUAL PROPERTY:**

Contractor agrees to indemnify and save harmless the State, its officers, agents and employees with respect to any claim, action, cost or judgment for patent infringement, or trademark or copyright violation arising out of purchase or permitted use of materials, supplies, equipment or services covered by this Contract.

**19. MARYLAND LAW PREVAILS:**

The provisions of this contract shall be governed by the laws of Maryland.

**20. CONTRACTOR'S INVOICES:**

Contractor agrees to include on the face of all invoices billed to the State, its Taxpayer Identification Number, which is the Social Security Number for individuals and sole proprietors and Federal Employer Identification Number for all other types of organizations.

**21. PAYMENT OF STATE OBLIGATIONS:**

Payments to the Contractor pursuant to this Contract shall be made no later than 30 days after the State's receipt of a proper invoice from the Contractor. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, or by the Public Service Commission of Maryland with respect to regulated public utilities, as applicable, are prohibited.

Electronic Funds Transfer: This provision on Electronic Funds Transfer applies to contracts of over \$200,000 for which payments are made through the State Comptroller. Electronic funds transfer will be used by the State to pay Contractor for this Contract and any other State payments due Contractor unless the State Comptroller's Office grants Contractor an exemption. By submitting a response to this solicitation, the Bidder or Offeror agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. After award of a contract, the selected Bidder or offeror shall register with the Comptroller of Maryland using the forms required by the Comptroller. For further information go to:

**<http://compnet.comp.state.md.us/gad/vendorinfo/eft/default.asp>**

Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption.

**22. PRE-EXISTING REGULATIONS:**

The regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR Title 21) in effect on the date of execution of this Contract are applicable to this Contract.

**23. INDEMNIFICATION:**

The State shall not assume any obligation to indemnify, hold harmless, or pay attorneys' fees that may arise from or in any way be associated with the performance or operations of this agreement.

**24. CONFLICTING TERMS:**

Any proposal for terms in addition to or different from those set forth in this purchase order

or any attempt by the Contractor to vary any of the terms of this offer by Contractor's acceptance shall not operate as a rejection of this offer, unless such variance is in the terms of the description, quantity, price or delivery schedule, but shall be deemed a material alteration thereof, and this offer shall be deemed acceptable by the Contractor without the additional or different terms. If this purchase order is an acceptance of a prior offer by the Contractor, the acceptance is expressly conditioned upon Contractor's assent to any additional terms contained herein. The Contractor understands and agrees that the terms and conditions of this purchase order may not be waived.

**25. DRUG AND ALCOHOL FREE WORKPLACE:**

The Contractor warrants that the Contractor shall comply with COMAR 21.11.08 Drug and Alcohol Free Workplace, and that the Contractor shall remain in compliance throughout the term of this purchase order.

**26. CHANGES: WORK ORDERS:**

**Changes:** The Procurement Officer unilaterally may, at any time, without notice to the sureties, if any, by written order designated or indicated to be an order, make any change in the work within the general scope of the contract, including but not limited to changes:

In the specifications (including drawings and designs);

In the method or manner of performance of the work;

In the State-furnished facilities, equipment, materials, services, or site; or

Directing acceleration in performance or delivery.

Any other written order or an oral order, including a direction, instruction, interpretation, or determination from the Procurement Officer that causes or constitutes any such change shall be treated as a change order under this clause provided that the Contractor gives the Procurement Officer written notice stating the date, circumstances, and source of the order and that the Contractor regards the order as a change order.

Except as herein provided, no order, statement, or conduct of the Procurement Officer shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment hereunder.

Subject to paragraph (6) of this subsection 26, if any change under this clause causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work under the contract, whether or not changed by an order, an equitable adjustment shall be made and the contract modified in writing accordingly; provided, however, that except for claims based on defective specifications, no claim for any order under (2) above shall be allowed for any costs incurred more than twenty (20) days before the Contractor gives written notice as therein required; and provided further, that in the case of defective specifications for which the State is responsible, the equitable adjustment shall include any increased cost reasonably incurred by the Contractor in attempting to comply with such defective specifications.

If the Contractor intends to assert a claim for an equitable adjustment under this section, he shall do so in accordance with and subject to the disputes procedures of the contract.

Each contract modification or change order that affects contract price shall be subject to the prior written approval of the Procurement Officer and other appropriate authorities and to prior certification of the appropriate fiscal authority of fund availability and the effect of the

modification or change order on the contract budget or total cost. If, according to the certification of the fiscal authority, the contract modification or change order will cause an increase in cost that will exceed budgeted and available funds, the modification or change order may not be made unless sufficient additional funds are made available or the scope of the contract is adjusted to permit its completion within the project budget.

No claim by the Contractor for an equitable adjustment hereunder shall be allowed if asserted after final payment is made under this contract.

As used in this section, "work" means any and all commodities, goods, materials, labor, services, manner or time of delivery or performance, or other elements of performance required to be furnished or supplied by the Contractor under this contract.

**Miscellaneous:** In the event of a dispute between the Department and the Contractor as to whether any work is included in the scope of the contract such that the Contractor would be obligated to provide that work at no additional cost to the State, the Procurement Officer may order the Contractor under this section to perform the work (a "Work Order"). If the Contractor considers such an order to be a change in the scope of the contract entitling the Contractor to additional compensation, a time extension, or other relief, the Contractor must provide the notice required by this section and initiate a claim therefore in accordance with contract requirements. An order of the Procurement Officer, by virtue of being called or referred to as a "change order," does not necessarily constitute a change in the scope of the contract or in the work required under the contract. The Contractor shall not be entitled to additional compensation, a time extension, or other relief for complying with an order of the Procurement Officer if the contract otherwise requires the Contractor to perform as stated in the order.

Upon receipt of a signed written order of the Procurement Officer under this section, the Contractor shall comply with the order promptly, within the requirements of the required completion or delivery time, whether or not the Contractor signs or accepts the change order. Failure to comply with the order in a timely manner shall constitute a breach of the contract and grounds for termination for default or any other remedy available to the State.

The State may issue a unilateral order on the State's terms (including a promise to pay the Contractor a "not to exceed" ("NTE") amount) which the Contractor may then dispute in accordance with the disputes procedures of the contract. Pending resolution of such a dispute, Contractor must proceed diligently with performance of the contract as ordered by the Procurement Officer.

The terms "not to exceed" and "NTE" when used in a change order mean that the amount of the change order (whether an increase or a decrease in the contract amount) will be a reasonable amount not to exceed the amount stated.

**27. RETENTION OF RECORDS:**

The Contractor shall retain and maintain all records and documents relating to this contract for three years after final payment by the State hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the procurement officer or designee, at all reasonable times.

**28. COMPLIANCE WITH LAWS:**

The Contractor hereby represents and warrants that:

- A. It is qualified to do business in the State of Maryland and that it will take such action as, from

time to time hereafter, may be necessary to remain so qualified;

- B. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
- C. It shall comply with all federal, State, and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and
- D. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

**29. COST AND PRICE CERTIFICATION:**

The Contractor by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as of a mutually determined specified date prior to the conclusion of any price discussions or negotiations for:

- A. A negotiated contract, if the total contract price is expected to exceed \$100,000, or smaller amount set by the procurement officer; or
- B. A change order or contract modification, expected to exceed \$100,000, or smaller amount set by the procurement officer.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon between the parties, was inaccurate, incomplete, or not current.

**30. BID / PROPOSAL AFFIDAVIT:**

Each Bidder or offeror shall execute and attach to the bid or proposal the affidavit included with this solicitation.

**31. CONTRACT AFFIDAVIT:**

The successful Bidder or offeror shall execute and deliver to the Procurement Officer prior to the award of the contract the Contract Affidavit included with this solicitation. (The Affidavit also can be found at COMAR 21.07.01.25).

**32. PUBLIC INFORMATION ACT NOTICE:**

Offerors should give specific attention to the identification of those portions of their proposals that they deem to be confidential, proprietary information or trade secrets and provide any justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, State Government Article, Title 10, Subtitle 6, Annotated Code of Maryland.

**33. MINORITY BUSINESS ENTERPRISE NOTICE:**

Minority Business Enterprises are encouraged to respond to this solicitation.

**34. ARREARAGES:**

By submitting a response to this solicitation, a vendor shall be deemed to represent that it is not in

arrears in the payment of any obligation due and owing the State of Maryland, including the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of the contract if selected for contract award.

**35. MULTIPLE OR ALTERNATE BIDS:**

Unless multiple or alternate bids are requested in the solicitation, multiple or alternate bids may not be accepted. If the solicitation does not request multiple or alternate bids, if received they will be treated in accordance with COMAR 21.05.02.21.

**36. BPO AS CONTRACT:**

This provision applies to all procurement contracts procured by the Department of General Services except contracts for the procurement of architectural and engineering services for a price of greater than \$200,000.

As used in this provision, a bid refers to a bid submitted under competitive sealed bidding and to an offer submitted under competitive sealed proposals.

As used in this provision, a Bidder refers to a Bidder under competitive sealed bidding and to an offeror under competitive sealed proposals.

As used in this provision, a solicitation means an invitation to bid, a request for proposals, or any other document requesting bids or proposals for procurement by the Department.

The Bidder's execution and submission of a responsive bid constitutes a promise by the Bidder to perform the contract solicited by the Department in accordance with the terms and conditions stated in the solicitation. The bid shall be irrevocable for the period stated in the solicitation or for such longer period as the Bidder and the Department may agree.

Upon acceptance of a bid, the Procurement Officer may issue a Blanket Purchase Order (BPO), in a form to be determined by the Department, to the Bidder accepting the bid and binding the Bidder to a contract. The execution and issuance of a BPO by the Procurement Officer, subject to all necessary approvals, shall constitute acceptance of the bid and final award of the contract. The contract of the parties will be embodied in the contract documents, which shall consist of the executed BPO of the Procurement Officer, including all documents, terms, and conditions incorporated into those documents by the terms of the solicitation, the BPO, the bid, or by operation of law, and the executed bid of the Bidder. If the Procurement Officer issues a BPO, at the option of the Procurement Officer it will not be necessary for the Bidder to execute the BPO or any other form of contract or agreement. The Procurement Officer may require that the parties both execute a single document as the embodiment of the contract between the parties.

In the event of a conflict between provisions of the contract documents, the controlling provisions shall be, in the following order, those of:

The BPO; then The solicitation; and then

The bid.

**37. RETURNED GOODS:**

Contractor(s) shall be entitled to recover reasonable compensation for any and all goods shipped in accordance with authorized agency orders, meeting all contract requirements, and returned by the agency for reasons other than the Contractor's failure to meet contract requirements. Compensation shall be limited to actual unreimbursed costs incurred by the Contractor including, but not limited to, restocking charges, shipping charges, plus reasonable profit. Contractor must provide written proof of claimed compensation. A return of goods covered by this section shall be

deemed a partial termination for convenience as to the returned goods, and other contract provisions and principles applicable to a partial termination for convenience shall apply.

**38. PURCHASES BY OTHER ENTITIES – INDEFINITE QUANTITY CONTRACTS:**

- A. This provision applies to indefinite quantity contracts.
- B. (1) Pursuant to Article 41, Section 18-201 of the Annotated Code of Maryland, except as provided in (2) the following entities may purchase materials, supplies, and equipment under this Contract:
  - (1) A county or Baltimore City;
  - (2) A municipal corporation;
  - (3) A governmental agency in the State;
  - (4) A public or quasi-public agency that:
    - (I) Receives State money; and
    - (II) Is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code;
  - (5) A private elementary or secondary school that:
    - (I) Either has been issued a certificate of approval from the State Board of Education or is accredited by the Association of Independent Schools; and
    - (II) Is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code; or
  - (6) A non-public institution of higher education under Section 17-106 of the Education Article.
- (B) A private elementary or secondary school or a nonpublic institution of higher education may not purchase religious materials under this contract.
- (C) The right to purchase under this section shall be in addition to, but not in substitution for, the applicable purchasing power granted to any of the listed entities pursuant to any statutory or charter provision.
- (D) All purchases under this contract by any such entity which is not a unit or agency of the State of Maryland for which the State of Maryland may be held liable in contract (1) shall constitute a purchase or contract between the Contractor and that entity only; (2) shall not constitute a purchase or contract of the State of Maryland; (3) shall not be binding or enforceable against the State of Maryland or any of its units or agencies; and may be subject to other terms and conditions agreed to by the Contractor and the purchaser.
- C. Contractor bears the risk of determining whether or not any entity from which the Contractor receives an order under the contract is a unit or agency of the State of Maryland such that the contract may be enforced against the State of Maryland.

**39. CONTRACT ADMINISTRATION FEE:**

- A. Contractor shall pay a contract administration fee to the State in the amount of one percent (1%) of the total contract sales. The contract administration fee is calculated based on all sales transacted under the contract, minus any returns, adjustments, or credits. The contract administration fee shall not be charged directly to the customer, e.g., as a separate line item, fee or surcharge, but shall be included in the contract's unit prices.
- B. The contract administration fee shall be submitted to the Department of General Services, Fiscal Services Division, 301 W. Preston Street, Room 1309, Baltimore, MD, 21201, within thirty (30)

calendar days following the end of each calendar month along with a **Monthly Usage Report** documenting all contract sales. An excel version of the **Monthly Usage Report** shall be emailed to **AWAWU SALAKO** at [awawu.salako@maryland.gov](mailto:awawu.salako@maryland.gov).

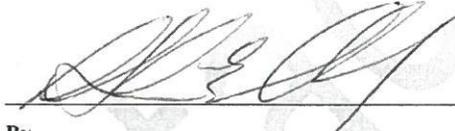
- C. Failure to remit transaction fees in a timely manner or remittance of fees inconsistent with the contract's requirements may result in the State exercising all recourse available under the contract including, but not limited to, a third party audit of all contract activity. Should an audit be required by the State, the contractor shall reimburse the State for all costs associated with the audit up to \$10,000.00 or one (1%) percent of the contract's estimated annual value, whichever is higher.
- D. Prior to Award, Contractors will be asked to confirm in writing that their unit prices include the one percent (1%) contract administration fee.

**40. eMM CATALOG:**

The contract awardee is required to register as a vendor in the eMaryland Marketplace eCatalog directory (online shopping environment). It offers a virtual shop front for your goods and services to be purchased with ease across the State through the system. Please contact Cathy Marzola at (410) 767-1492 or [cathy.marzola@maryland.gov](mailto:cathy.marzola@maryland.gov) regarding information and instructions on joining the eMM eCatalog. You must coordinate the upload of your product catalog to ensure maximum use of your products and services per contract terms.

**IN WITNESS THEREOF**, the parties agree to the Terms and Conditions incorporated as a part of this Contract as of the date hereinabove set forth.

**CONTRACTOR**

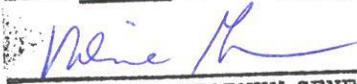
  
\_\_\_\_\_  
(Seal)  
By  
Arthur E. Adams, Jr.  
Director, Government Contract Compliance  
(Printed Name and Title)

2/15/2018  
\_\_\_\_\_  
Date

**STATE OF MARYLAND  
DEPARTMENT OF GENERAL SERVICES**

  
\_\_\_\_\_  
By  
Lisa F McDonald  
(Printed Name and Title)

2/22/18  
\_\_\_\_\_  
Date

APPROVED AS TO FORM AND LEGAL SUFFICIENCY  
THIS 21<sup>st</sup> DAY OF February, 2018  
  
\_\_\_\_\_  
ASSISTANT ATTORNEY GENERAL

## **ATTACHMENT B**

### **LEASING/RENTAL PROGRAMS SUMMARY AND USE – STATE OF MARYLAND**

Options B and C are offered for lease or rental transactions for the SMB Product line only, and do not cover the DMT Product line. The DMT Product line may be leased through three third party lending companies. The preferred lending company is PNC Equipment Finance. The two alternative lending companies are IBM Credit LLC and Municipal Asset Management, Inc. Separate lease terms apply which are available at the link below:

<https://procure.az.gov/bso/external/purchaseorder/poSummary.sdo?docId=ADSP016-169897&releaseNbr=0&parentUrl=contract>

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-Production, Pre-sorting Equipment Production and Software License and Subscriptions applicable to DMT Production Mail Equipment) awarded under ADSP016-00006328, as amended, to Pitney Bowes Inc.

#### **With respect to the SMB Product line only:**

State of Maryland "State", all government agencies within the State, including all state agencies and local public bodies, cities, counties and public schools and institutions of higher education thereof ("Buyer") eligible to acquire Pitney Bowes Mailing Equipment under the State's Participating Addendum to the NASPO Contract ADSP016-169897 (as amended from time to time) will have the option to acquire such Equipment through the State and Local Rental Agreement defined as "Option B", subject to the applicable terms and conditions set forth herein.

In accordance with the Participating Addendum, the State & Local Fair Market Value Lease agreement herein defined as Option C, has not been approved for use by agencies, facilities and departments of the State. However, the State and Local Fair Market Value Lease agreement "Option C" excluding the terms and conditions of Attachment A, Section 14 may be offered to political subdivisions of the State where their regulations permit.

#### **STATE & LOCAL Rental - 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 Fair Market Rental 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 ADSP016-169897 to Pitney Bowes Inc. Sales Tax will be charged, if required under Your State Statute.

#### **STATE & LOCAL FAIR MARKET VALUE LEASE - Option C**

##### **State agencies, facilities and departments cannot utilize this program.**

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 Tax will be charged, if required under Your State Statute.

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

MONTHLY LEASE PAYMENT BASED ON \$10,000 TRANSACTION*		
TERM	OPTION B FMV Operating Lease*	OPTION C FMV Lease*
36	\$377.00	\$342.00
48	\$309.00	\$277.00
60	\$270.00	\$237.00

\*Monthly payment excludes any State or Purchase Tax. Sales and/or Purchase Tax will be charged if required under your State Statute.

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

Pitney Bowes Global Financial Services LLC will serve as a sub-contractor under ADSP016-169897, as amended, and will be the Lessor 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 Tabbers, Inserter Production, Production Folder-Inserter, Pre-Sorting Equipment) awarded under ADSP016-00006328- to Pitney Bowes Inc.

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

**Monthly Rate Factors:**

<u>Term:</u>	<u>Rate:</u>
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 I 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:

"Agreement" - the Order, your State's Participating Addendum, the NASPO ValuePoint Master Agreement ADSP016-169897, as amended, these terms and conditions, and any attached exhibits.

"Bank" - The Pitney Bowes Bank, Inc.

"Consumable Supplies" - 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.

"Equipment" - 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+™ 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.

"Lease" - the Order and this NASPO ValuePoint Fair Market Value Rental 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 ADSP016-169897 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).

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

"PBGFS" - Pitney Bowes Global Financial Services LLC.

"PBI" - 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.

"SLMA" - 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.

"We," "Our," or "Us" – 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.**
- L2.3 If you do not pay the fees when due or you do not comply with the Agreement and fail to cure the same within thirty (30) days of receipt of written notice thereof, we may disable the Meter, terminate the Agreement, retake the Equipment and Meter, and collect from you all fees due for the remainder of the Initial Term, or if after the Initial Term, all fees then due, plus interest at the lesser of 18% per year or the maximum allowed by law.
- 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). 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;
  - (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, you will be deemed to have agreed to enter into month to month extensions of the term of this Agreement. You may choose to cancel the automatic extensions by giving us 120 days prior written notice before the Lease expires (unless the law requires the notice period to be shorter). 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 Condition and Repairs. You will keep the Equipment free from liens and in good repair, condition, and working order.
- L8.2 Inspection. We may inspect the Equipment and related maintenance records.
- L8.3 Location. 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 will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.
- (c) To protect the equipment from loss, you will either (i) keep the Equipment insured against Loss for its full replacement value under a comprehensive policy of insurance or other arrangement with an insurer of your choice, provided that it is reasonably satisfactory to us ("Insurance") or (ii) be enrolled in PBGFS' ValueMAX program described in Section 9.1(d).
- (d) YOU MUST CALL US AT 1-800-732-7222 AND PROVIDE US WITH EVIDENCE OF INSURANCE. If you do not provide evidence of Insurance and have not previously enrolled in our equipment replacement program (ValueMAX), we may include the Equipment in the ValueMAX program and charge you a fee, which we will include as an additional charge on your invoice.
- (e) We will provide written notice reminding you of your Insurance obligations described above in Section L9.1(c).
- (f) If you do not respond with evidence of insurance within the time frame specified in the notification we may immediately include the Equipment in the ValueMAX program.
- (g) If the Equipment is included in the ValueMAX program and any damage or destruction to the Equipment occurs (other than from your gross negligence or willful misconduct, which is not covered by ValueMAX), we will (unless you are in default) repair or replace the Equipment.
- (h) We are not liable to you if we terminate the ValueMAX program. By providing the ValueMAX program we are not offering or selling you insurance; accordingly, regulatory agencies have not reviewed this Lease, this program or its associated fees, nor are they overseeing our financial condition.

**L10. NON-APPROPRIATION**

- L10.1 See Master Agreement -- Section 7.2 State of Arizona Uniform Terms and Conditions, Par 4.4. Availability of Funds for the Next State fiscal year and Par 4.5. Availability of Funds for the current State fiscal year.

**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.

Cancelable Lease -- Cancel with three month penalty on rental payment per the Master Agreement.

**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 All applicable taxes required to be collected by us will be shown on the invoice.

- 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, this Agreement 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, de-compile, 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™ Por 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 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.

- 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. State of Maryland agencies, facilities and departments cannot utilize this financing option. Political subdivisions of the State may utilize this financing option, excluding the terms and conditions of Section 14 "Termination for Convenience" within the State Participating Addendum Attachment A.

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

**Monthly Rate Factors:**

<u>Term:</u>	<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 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 lease based on a \$10,000 equipment order would equal a \$342.00 monthly equipment lease payment multiplied by 3 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:

"Agreement" - 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.

"Consumable Supplies" - 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.

"Equipment" - 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+™ 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.

"Lease" - 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 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).

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

"PBGFS" - Pitney Bowes Global Financial Services LLC.

"PBI" - 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.

"SLMA" - 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.

"We," "Our," or "Us" - 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.**
- L2.3 If you do not pay the fees when due or you do not comply with the Agreement and fail to cure the same within thirty (30) days of receipt of written notice thereof, we may disable the Meter, terminate the Agreement, retake the Equipment and Meter, and collect from you all fees due for the remainder of the Initial Term, or if after the Initial Term, all fees then due, plus interest at the lesser of 18% per year or the maximum allowed by law.
- 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:
- enter into a new lease with us;
  - purchase the Equipment "as is, where is" for fair market value; or
  - 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, you will be deemed to have agreed to enter into month to month extensions of the term of this Agreement. You may choose to cancel the

automatic extensions by giving us 120 days prior written notice before the Lease expires (unless the law requires the notice period to be shorter). 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:
- 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").
  - PBI warrants that the Maintenance Service provided will be performed in a professional and workmanlike manner.
  - Your remedy in the event of any warranty claim is as provided within the Master Agreement.
  - A "defect" does not include the failure of rates within a rate update to conform to published rates.
  - 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.
  - 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.
  - 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 Condition and Repairs. You will keep the Equipment free from liens and in good repair, condition, and working order.
- L8.2 Inspection. We may inspect the Equipment and related maintenance records.
- L8.3 Location. 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.
- 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").
  - No Loss will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.
  - To protect the equipment from loss, you will either (i) keep the Equipment insured against Loss for its full replacement

value under a comprehensive policy of insurance or other arrangement with an insurer of your choice, provided that it is reasonably satisfactory to us ("Insurance") or (ii) be enrolled in PBGFS' ValueMAX program described in Section 9.1(d).

- (d) YOU MUST CALL US AT 1-800-732-7222 AND PROVIDE US WITH EVIDENCE OF INSURANCE. If you do not provide evidence of Insurance and have not previously enrolled in our equipment replacement program (ValueMAX), we may include the Equipment in the ValueMAX program and charge you a fee, which we will include as an additional charge on your invoice.
- (e) We will provide written notice reminding you of your Insurance obligations described above in Section L9.1(c).
- (f) If you do not respond with evidence of insurance within the time frame specified in the notification we may immediately include the Equipment in the ValueMAX program.
- (g) If the Equipment is included in the ValueMAX program and any damage or destruction to the Equipment occurs (other than from your gross negligence or willful misconduct, which is not covered by ValueMAX), we will (unless you are in default) repair or replace the Equipment.
- (h) We are not liable to you if we terminate the ValueMAX program. By providing the ValueMAX program we are not offering or selling you insurance; accordingly, regulatory agencies have not reviewed this Lease, this program or its associated fees, nor are they overseeing our financial condition.

**L10. NON-APPROPRIATION**

- L10.1 See Master Agreement – Section 7.2 State of Arizona Uniform Terms and Conditions, Par 4.4. Availability of Funds for the Next State fiscal year and Par 4.5. Availability of Funds for the current State fiscal year.

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**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. If you cancel or terminate this Lease prior to expiration of the Stated Term (other than for non-appropriations), you shall pay a termination charge equal to the net present value of the monthly payments remaining through the completion of the term, discounted to present value at a rate of 6% per year.

**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 All applicable taxes required to be collected by us will be shown on the invoice.
- 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 ADSP016-169897, as amended, this Agreement 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, de-compile, 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**

**NASPO VALUEPOINT ADSP016-169897**

**POSTATE METER RENTAL TERMS AND CONDITIONS**

**1. DEFINITIONS**

As used in this Agreement, the following terms mean:

"Agreement" – the Order, your State’s Participating Addendum, the NASPO ValuePoint Master Agreement ADSP016-169897, as amended, these terms and conditions, and any attached exhibits.

"Bank" - The Pitney Bowes Bank, Inc.

"Initial 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 ADSP016-169897 Mail Room Equipment, Services 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).

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

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

"PBI," "We," "Our," or "Us" - Pitney Bowes Inc.

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

"State Participating Addendum" – 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 Fees**

- (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.
- (d) When you receive 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 through the termination date of the Agreement.
- (f) You are responsible for paying any taxes on the Meter and services, including sales and use tax, unless a valid tax exemption certification acceptable to the applicable taxing authority is provided.

**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.
- (g) 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.
- (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**

- (a) 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 LIMITATION OF LIABILITY**

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.
- (c) We may elect to share aggregate 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 Fees**

- (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 Ending the Value Based Services. We have the right to terminate the Value Based Services if the USPS discontinues offering the service or you 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.

**4. EMBEDDED SOFTWARE AND SUBSCRIPTION SERVICES**

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.

4.2 Subscription Services. We may offer certain on-demand 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, non-transferable 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. INTERNET ACCESS POINT**

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 Initial Term and to any subsequent extensions of the Initial Term.
- 6.2 After the Initial Term, you or we may cancel this Agreement, in whole or in part, upon 30 days prior written notice.

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.

#### 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.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.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.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.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.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.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.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.

#### The Pitney Bowes Bank, Inc.

#### PURCHASE POWER TERMS AND CONDITIONS

The following provisions apply to the optional Purchase Power Program (the "Program"). Additionally, you will receive from us a set of more specific provisions within thirty (30) days of the date of this Agreement.

P1.1 General. (a) In order to participate in the Program, you must provide the information described in Section P1.8. (b) The Purchase Power credit line is a product of the Bank and is not available to individuals for personal, family, or household purposes.

P1.2 Account Charges. (a) Your Purchase Power account (the "Account") will be charged for the amount of postage, products, and services requested and the related fees, if applicable. (b) Unless prohibited by law, you agree to pay the fees and charges of which the Bank has given you notice, including those relating to: (i) transaction fees, if applicable; (ii) if transaction fees are inapplicable, overage fees; (iii) your failure to pay in a timely manner; (iv) your exceeding your credit line; and (v) fees attributable to the return of any checks.

P1.3 Billing, Payments, and Collection. (a) You will receive a billing statement for each billing cycle in which you have activity on the Account. The Bank may deliver any statement electronically to the email address that is then on file for you. (b) Payments are due by the due date shown on your billing statement. (c) You may pay the entire balance due or a portion of the balance, provided that you pay at least the minimum payment shown on the statement. In the event of a partial payment, you will be responsible for the unpaid balance.

P1.4 Deferred Payment Terms. (a) By using the Program, you agree that whenever there is an unpaid balance outstanding on the Account which is not paid in full by the due date shown on your billing statement, the Bank will charge you, and you will pay, interest on the unpaid balance of the Account from time to time, for each day from the date the transaction is posted to the Account until the date the unpaid balance is paid in full, at a variable rate equal to the Annual Percentage Rate applicable to the Account from time to time. (b) (i) The Annual Percentage Rate applicable to the Account will be: the greater of (a) 22% and (b) the sum of the highest "Prime Rate" published in the "Money Rates" section of *The Wall Street Journal* on the last business day of the month and the margin set forth below (the sum of the margin and the Prime Rate is herein called the "Floating Rate"). (ii) The Annual Percentage Rate will be adjusted on a monthly basis based on any fluctuation in the Floating Rate, if applicable. (iii) Any change in the Annual Percentage Rate based on the calculation described in this section will become effective on the first day of your next billing cycle. (iv) The margin which will be added to the Prime Rate to determine the Floating Rate will be 14.75% (using the Prime Rate in effect as of March 31, 2013, the daily periodic rate would be .049315% and the corresponding annual percentage rate would be 18.00%). (v) The Account balance that is subject to a finance charge each day will include (a) outstanding balances, minus any payments and credits received by the Bank on the Account that day, and (b) unpaid interest, fees, and other charges on the Account. (vi) The Bank will charge a minimum finance charge of \$1.00 in any billing cycle if the finance charge as calculated above is less than \$1.00. (vii) Each payment that you make will be applied to reduce the outstanding balance of the Account and replenish your available credit line. (viii) The Bank may refuse to extend further credit if the amount of a requested charge plus your existing balance exceeds your credit limit.

P1.5 Account Cancellation and Suspension. (a) The Bank may at any time close or suspend the Account, and may refuse to allow further charges to the Account. (b) Cancellation or suspension will not affect your obligation to pay any amounts you owe.

P1.6 Amendments; Electronic Delivery; Termination. (a) The Bank can amend any of the provisions and terms related to the Program at any time by written notice to you (including by electronic notice via the email address that is then on file for you). You are consenting to electronic delivery of any amendments to the Program terms. (b) Each time you use the Program, you are signifying your acceptance of the terms then in effect. (c) An amendment becomes effective on the date stated in the notice and will apply to any outstanding balance on the Account. (d) The Bank may terminate the Program at any time and will notify you in the event of any termination. (e) Any outstanding obligation will survive termination of the Program.

P1.7 Governing Law. The Program and any advances are governed by and construed in accordance with the laws of the State of Utah and applicable federal law.

P1.8 USA PATRIOT Act. (a) Federal law requires financial institutions to obtain, verify and record information that identifies each person who opens an account. (b) The Bank asks that you provide identifying information, including your address and taxpayer identification number. (c) The Bank may also ask for additional identifying information, where appropriate, including asking that your representative who is opening the Account provide his/her name, address, date of birth, driver's license and/or other documents and information that will allow the Bank to identify him/her.

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ATTACHMENT D

SOFTWARE LICENSE AGREEMENTS

**SMB Terms**

Business Manager Software License Agreement OCT 2016  
Distribution Solutions SLMA Nov 2015-Pathfinder-v092215  
EULA ConnectRight Mailer  
PlanetPress- End User License Agreement-click wrap  
Planet Press Service Link  
SendPro U.S. Terms of Use Subscription MAY 2016  
SendPro U.S. Terms of Use with Equipment Lease MAY 2016  
pbSmartPostage-terms  
Hosting Addendum for Distribution Solution Products May 2015

**PB Software Inc. Terms**

Master License Agreement 02-2015 NASPO

**PB DMT Terms**

Direct Connect Software License EXHIBIT NASPO 2016  
Sorter (Imbedded) Software License Maintenance Agrmnt and DPV-LACS - NASPO 2016  
DMT DirectView License Agreement July 2016 NASPO