



Commonwealth of Kentucky
 FINANCE AND ADMINISTRATION CABINET
 Office of the Controller
 Office of Procurement Services
 Room 096 Capitol Annex
 Frankfort, Kentucky 40601
 (502) 564-4510
 (502) 564-1434 Facsimile

MATTHEW G. BEVIN
 Governor

WILLIAM M. LANDRUM III
 Secretary

Ed Ross
 Controller

JOAN GRAHAM
 Executive Director

WSCA CONTRACT EXTENSION LETTER

Today's Date: January 10, 2017	Agency: All State
Buyer: April Madbak, CPPB (502-564-6524)	MA Number: MA 758 1300000791
Buyer Email: April.Madbak@ky.gov	Contract Number: ADSPO11-00000411-7
	Vendor: Pitney Bowes
Commodity: Mailing Machine Equipment	Contact: Francie.Coffey@pb.com

The above referenced Master Agreement expires January 11, 2017. The Office of Material & Procurement Services requests a 90 (ninety) day extension through April 11, 2017 to stay concurrent with NASPO VP Contract No: ADSPO11-00000411-7. Please indicate your concurrence or refusal and return the form by e-mail to April.Madbak@ky.gov.

Note: Your response is requested ASAP

- Yes, I agree to extend for the above period.
 No, I do not wish to extend. (Please explain why) _____

Authentication of contract extension concurrence and sworn statement regarding campaign finance laws:
 I swear (or affirm), as required by KRS 45A.110 and 45A.115, under penalty of perjury as provided by KRS 523.020, that neither I, individually, nor to the best of my knowledge and belief, the business entity which I represent in matters relating to this contract, has knowingly violated any provisions of the campaign finance laws of the Commonwealth of Kentucky, and that the renewal of this contract to me, individually, or to that business entity, will not violate any campaign finance laws of the Commonwealth.

Vendor Signature- (REQUIRED)

Arthur E. Adams Jr.
 Director, Government Contract Compliance

Vendor Name- Printed/Typed

Return to:
Buyer: April Madbak, CPPB
Phone: 502-564-6524
Email: April.Madbak@ky.gov
Fax: 502-564-1434



Commonwealth of Kentucky

MASTER AGREEMENT

IMPORTANT

Show Doc ID number on all packages, invoices and correspondence.

Doc Description: WSCA - PITNEY BOWES MAILING EQUIPMENT		
Doc ID No: MA 758 1300000791 4	Proc Folder: 2780303	
Procurement Type: Special Authority Goods		
Effective Date: 2013-03-25	Expiration Date: 2016-10-11	Not To Exceed Amount
Administered By: Michael Gustafson		Cited Authority: FAP111-08-00-08
Telephone: 502-564-5945		Issued By: Michael Gustafson

Reason For Modification: MODIFICATION #3 (OCTOBER 1, 2014 - MBG) -

This Modification is to renew the Master Agreement for the Commonwealth for a two (2) year renewal period in accordance with the WSCA Master Agreements Terms and Conditions. This renewal is at the request of the Commonwealth and the Vendor. No changes are made to the discount percentages or to the pricing.

The Vendor Renewal Agreement Form and documentation are on file in the Bid File in the Bid File Room.

V E N D O R	PITNEY BOWES INC. 1 ELMCROFT ROAD STAMFORD CT 06926 US	
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Line	CL Description	Delivery Days	Quantity	Unit Issue	Unit Price	Contract Amt	Total Price
1	WSCA MAILING MACHINE EQUIPMENT - PITNEY BOWES		0.00		0.00000	0.00	0.00

Extended Description

WSCA MAILING MACHINE EQUIPMENT - PITNEY BOWES

Total Order Amount:	0.00
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1300000791	Document Phase Final	Document Description WSCA - PITNEY BOWES MAILING EQ UIPMENT	Page 2 of 2
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See "Attachment A" for Terms and Conditions. The terms and conditions set out in "Attachment A" are incorporated into and are a part of the Contract.

**WESTERN STATES CONTRACTING ALLIANCE (WSCA) and
NATIONAL ASSOCIATION OF STATE PROCUREMENT OFFICIALS (NASPO)
MAIL ROOM EQUIPMENT, SERVICES, AND SUPPORT**

MASTER PRICE AGREEMENT

PITNEY BOWES INC.

ADSPO11-00000411-7

(hereinafter "Contractor")

And

COMMONWEALTH OF KENTUCKY

(hereinafter "Participating State")

Master Agreement (MA) 758 1300000791

Primary Contacts: The primary contact individuals for the WSCA Participating Addendum / Contract are as follows (or their named successors):

Lead State: (Updated information with Modification #3)

Name	Delia Walters
Address	Arizona DOA-SPO, 100 N. 15 th Ave, Suite 201, Phoenix, AZ 85007
Telephone	(602) 542-9125
Fax	(602) 542-5508
E-mail	Delia.walters@azdoa.gov

Contractor - Contract Terms and Conditions:

Name	Arthur E. Adams, Jr., Director State and Local Contracts
Address	1 Elmcroft Rd, Stamford, CT 06926
Telephone	203-351-7866
Fax	203-460-3827
E-mail	art.adams@pb.com

COMMONWEALTH CONTACT INFORMATION:

MIKE GUSTAFSON, CPPO, CPPB

Strategic Procurement Specialist II

Office of Procurement Services (OPS)

Finance and Administration Cabinet

Room 096 New Capitol Annex

702 Capital Avenue

Frankfort, KY 40601-3448

Phone #: (502) 564-5945

Main Office Phone #: (502) 564-4510
Office Fax #: (502) 564-1434
E-mail: mike.gustafson@ky.gov

MODIFICATION #3 (OCTOBER 1, 2014 - MBG) -

This Modification is to renew the Master Agreement for the Commonwealth for a two (2) year renewal period in accordance with the WSCA Master Agreement's Terms and Conditions. This renewal is at the request of the Commonwealth and the Vendor. No changes are made to the discount percentages or to the pricing.

The Vendor Renewal Agreement Form and documentation are on file in the Bid File in the Bid File Room.

MODIFICATION #2 (MARCH 25, 2014 - MBG) -

This Modification is to add two (2) new Catalog Line Items to the Master Agreement. The new Line Items are to allow the Agency (CHFS) to make monthly payments rather than annual payments (from existing Line Items) on the lease equipment. This is at the request of CHFS. No other changes are made with this Modification.

The Agency documentation is on file in the Bid File in the Bid File Room.

MODIFICATION #1 (OCTOBER 8, 2013 - MBG) -

This Modification is to renew the Master Agreement for the Commonwealth for another year in accordance with the WSCA Master Agreement's Terms and Conditions. This renewal is at the request of the Commonwealth and the Vendor. No changes are made to the discount percentages or to the pricing.

The Vendor Renewal Agreement Form and documentation are on file in the Bid File in the Bid File Room.



Commonwealth of Kentucky

MASTER AGREEMENT

IMPORTANT
Show Doc ID number on all packages, invoices and correspondence.

Doc Description: WSCA - PITNEY BOWES MAILING EQUIPMENT		
Doc ID No: MA 758 1300000791 2	Proc Folder: 2780303	
Procurement Type: Special Authority Goods		
Effective Date: 2013-03-25	Expiration Date: 2014-10-12	Not To Exceed Amount
Administered By: Michael Gustafson		Cited Authority: FAP111-08-00-08
Telephone: 502-564-5945	Issued By: Michael Gustafson	

Reason For Modification: MODIFICATION #1 (OCTOBER 8, 2013 - MBG) -

This Modification is to renew the Master Agreement for the Commonwealth for another year in accordance with the WSCA Master Agreements Terms and Conditions. This renewal is at the request of the Commonwealth and the Vendor. No changes are made to the discount percentages or to the pricing.

The Vendor Renewal Agreement Form and documentation are on file in the Bid File in the Bid File Room.

V E N D O R	PITNEY BOWES INC. 1 ELMCROFT ROAD STAMFORD CT 06926 US
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1300000791	Document Phase Final	Document Description WSCA - PITNEY BOWES MAILING EQ UIPMENT	Page 2 of 2
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See "Attachment A" for Terms and Conditions. The terms and conditions set out in "Attachment A" are incorporated into and are a part of the Contract.

**WESTERN STATES CONTRACTING ALLIANCE (WSCA) and
NATIONAL ASSOCIATION OF STATE PROCUREMENT OFFICIALS (NASPO)
MAIL ROOM EQUIPMENT, SERVICES, AND SUPPORT**

MASTER PRICE AGREEMENT

PITNEY BOWES INC.

ADSPO11-00000411-7

(hereinafter "Contractor")

And

COMMONWEALTH OF KENTUCKY

(hereinafter "Participating State")

Master Agreement (MA) 758 1300000791

Primary Contacts: The primary contact individuals for the WSCA Participating Addendum / Contract are as follows (or their named successors):

Lead State:

Name	Terri Johnson
Address	Arizona DOA-SPO, 100 N. 15 th Ave, Suite 201, Phoenix, AZ 85007
Telephone	602-542-9125
Fax	602-542-5508
E-mail	Terri.Johnson@azdoa.gov

Contractor - Contract Terms and Conditions:

Name	Arthur E. Adams, Jr., Director State and Local Contracts
Address	1 Elmcroft Rd, Stamford, CT 06926
Telephone	203-351-7866
Fax	203-460-3827
E-mail	art.adams@pb.com

COMMONWEALTH CONTACT INFORMATION:

MIKE GUSTAFSON, CPPO, CPPB

Strategic Procurement Specialist II

Office of Procurement Services (OPS)

Finance and Administration Cabinet

Room 096 New Capitol Annex

702 Capital Avenue

Frankfort, KY 40601-3448

Phone #: (502) 564-5945

Main Office Phone #: (502) 564-4510
Office Fax #: (502) 564-1434
E-mail: mike.gustafson@ky.gov

MODIFICATION #1 (OCTOBER 8, 2013 - MBG) -

This Modification is to renew the Master Agreement for the Commonwealth for another year in accordance with the WSCA Master Agreement's Terms and Conditions. This renewal is at the request of the Commonwealth and the Vendor. No changes are made to the discount percentages or to the pricing.

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Commonwealth of Kentucky

MASTER AGREEMENT

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Telephone: 502-564-5945		Issued By: Michael Gustafson
V E N D O R	PITNEY BOWES INC. 1 ELMCROFT ROAD STAMFORD CT 06926 US	

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1300000791	Document Phase Final	Document Description WSCA - PITNEY BOWES MAILING EQ UIPMENT	Page 2 of 2
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See "Attachment A" for Terms and Conditions. The terms and conditions set out in "Attachment A" are incorporated into and are a part of the Contract.

**PARTICIPATING ADDENDUM
WESTERN STATES CONTRACTING ALLIANCE and
NATIONAL ASSOCIATION OF STATE PROCUREMENT OFFICIALS
MAIL ROOM EQUIPMENT, SERVICES AND SUPPORT
Administered by the State of Arizona (hereinafter "Lead State")**

MASTER PRICE AGREEMENT

Pitney Bowes Inc.
ADSP011-00000411-7
(hereinafter "Contractor")

And

COMMONWEALTH OF KENTUCKY
(hereinafter "Participating State")

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1. Scope: This addendum covers the WSCA/NAPSO Mail Room Equipment, Services and Support contract lead by the State of Arizona for use by state agencies and other entities located in the Commonwealth of Kentucky authorized by that state's statutes to utilize Commonwealth of Kentucky contracts.

2. Participation: Use of specific WSCA/NASPO cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use Commonwealth of Kentucky contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. Commonwealth of Kentucky Modifications or Additions to Master Price Agreement: (These modifications or additions apply only to actions and relationships within the Commonwealth of Kentucky.)

Modifications / Additions by Pitney Bowes Inc.:

- 3.1 Software license terms and conditions shall be mutually agreed upon in writing by the purchasing entity's authorized individual and Pitney Bowes Inc.
- 3.2 All purchasing entities requiring the use of a Postage Meter will comply with all United States Postal Service regulations and meter terms and conditions applicable to the rental and use of postage meters supplied under this participating addendum as provided by the Contractor.

Modifications / Additions by the Commonwealth of Kentucky:

CAUSES AND TERMINATION:

The Commonwealth pursuant to the provisions of 200 KAR 5:312 may terminate this Master Agreement after thirty (30) days written notice. The Contractor may terminate this Master Agreement without cause after thirty (30) days written notice or for cause at any time. In the event this Master Agreement is terminated any

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Pitney Bowes Inc.
ADSP011-00000411-7
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**COMMONWEALTH OF KENTUCKY
(hereinafter "Participating State")**

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underlying leases to this agreement will remain in full force in effect throughout the stated lease term of such lease agreement, subject to termination provisions stipulated with such lease.

CONFLICT OF INTEREST:

The parties certify by the signatures of duly authorized representatives hereinafter affixed, that they are legally entitled to enter into this agreement and that they shall not be violating, either directly or indirectly, any conflict of interest statute of the Commonwealth of Kentucky, by the performance of this agreement.

LIABILITY:

Any and all claims against the Commonwealth of Kentucky resulting from negligence on its part or that of its employees / agents shall be brought in accordance with KRS § 44.070 *et. seq* or KRS § 45A.240 *et. Seq*.

CHOICE OF LAW AND FORUM:

All questions as to the execution, validity, interpretation, construction and performance of this agreement shall be governed by the laws of the Commonwealth of Kentucky. Furthermore, the parties hereto agree that any legal action which is brought on the basis of this agreement shall be filed in the Franklin County Circuit Court of the Commonwealth of Kentucky.

MISCELLANEOUS:

1. The Commonwealth, including but not limited to, the Finance and Administration Cabinet may, pursuant to the provisions of KRS 45A.150, audit or review only the documentation and records reasonably connected with cost or pricing data submitted under KRS 45A.120, and such documentation and records shall be maintained by the Contractor for the period of three (3) years from the date of final payment under the agreement;

**PARTICIPATING ADDENDUM
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MASTER PRICE AGREEMENT

Pitney Bowes Inc.
ADSP011-00000411-7
(hereinafter "Contractor")

And

**COMMONWEALTH OF KENTUCKY
(hereinafter "Participating State")**

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2. No modification or change of any provision of this Agreement shall be made, or construed to be made, unless such modification is mutually agreed in writing;
3. All notices or communications whatsoever, shall be in writing and sent by First Class Mail to the parties as identified below.

FUNDING OUT PROVISION:

The state agency may terminate this Master Agreement if funds are not appropriated to the contracting agency or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the Master Agreement. The state agency shall provide the Contractor thirty (30) calendar days written notice of termination of the Master Agreement.

ACCESS TO RECORDS:

The Contractor, as defined in KRS 45A.030 (9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The Contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. In the event of a dispute between the Contractor and the contracting agency, Attorney General, or the Auditor of Public Accounts over documents that are eligible for production and review, the Finance and Administration Cabinet shall review the dispute and issue a determination, in accordance with Secretary's Order 11-004.

4. Lease Agreements: Equipment Lease and Rental Agreements are authorized in

**PARTICIPATING ADDENDUM
 WESTERN STATES CONTRACTING ALLIANCE and
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**MASTER PRICE AGREEMENT
 Pitney Bowes Inc.
 ADSPO11-00000411-7
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And

**COMMONWEALTH OF KENTUCKY
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accordance with the terms of WSCA/NASPO Master Price Agreement number: ADSPO11-00000411-7. Attachment B reflects the lease and /or rental options the Commonwealth of Kentucky has agreed to use.

5. Primary Contacts: The primary contact individual for this participating addendum are as follows (or their named successors):

Lead State:

Name	Terri Johnson
Address	Arizona DOA-SPO, 100 N. 15 th Ave, Suite 201, Phoenix, AZ 85007
Telephone	602-542-9125
Fax	602-542-5508
E-mail	Terri.Johnson@azdoa.gov

Contractor - Contract Terms and Conditions:

Name	Arthur E. Adams, Jr., Director State and Local Contracts
Address	1 Elmcroft Rd, Stamford, CT 06926
Telephone	203-351-7866
Fax	203-460-3827
E-mail	art.adams@pb.com

Contractor - Local Strategic State Account Manager:

Name	Ernest A. Russell
Address	4517 N Rockwood Dr., Peoria IL 61615
Telephone	309-265-8306
Fax	203-460-9193
E-mail	Ernie.russell@pb.com

**PARTICIPATING ADDENDUM
WESTERN STATES CONTRACTING ALLIANCE and
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MASTER PRICE AGREEMENT

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ADSP011-00000411-7
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And

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Participating Entity:

Name	Michael B. Gustafson, CPPO, CPPB
Address	Room 095 New Capitol Annex, 702 Capitol Avenue, Frankfort, KY 40601
Telephone	(502) 564-4510 or 5945 (direct #)
Fax	(502) 564-1434
E-mail	mike.gustafson@ky.gov

6. Subcontractors:

All Pitney Bowes dealers and resellers authorized in the Commonwealth of Kentucky, as shown on the dedicated Pitney Bowes website, are approved to provide sales and service support to participants in the WSCA/NASPO Master Price Agreement. The Pitney Bowes dealer's participation will be in accordance with the terms and conditions set forth in the aforementioned Master Price Agreement.

7. Purchase Order Instructions:

All orders should contain the following (1) Mandatory Language "PO is subject to WSCA/NASPO Contract # ADSP011-00000411-7" (2) Your Name, Address, Contact, & Phone-Number.

Orders can be made out to either (a) Pitney Bowes, or (b) to an AUTHORIZED reseller depending upon the preference of the Commonwealth of Kentucky or other participating legal entity.

8. Price Agreement Number:

All purchase orders issued by purchasing entities within the jurisdiction of this participating addendum shall include the Commonwealth of Kentucky Participating State contract number: Master Agreement (MA) 758 1300000791 and the Lead State price agreement number: ADSP011-00000411-7.

9. Compliance with reporting requirements of the "American Recovery and Reinvestment Act of 2009" ("ARRA"): If or when Contractor is notified by ordering entity that a specific purchase or purchases are being made with ARRA funds, Contractor agrees to comply with

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the data element and reporting requirements as currently defined in Federal Register Vol 74 #61, Pages 14824-14829 (or subsequent changes or modifications to these requirements as published by the Federal OMB). Ordering entity is responsible for informing Contractor as soon as the ordering entity is aware that ARRA funds are being used for a purchase or purchases. Contractor will provide the required report to the ordering entity with the invoice presented to the ordering entity for payment. The Contractor, as it relates to purchases under this contract, is not a subcontractor or subgrantee, but simply a provider of goods and related services.

10. Individual Customer:

Each State agency and political subdivision, as a Participating Entity, that purchases products / services will be treated as if they were Individual Customers. Except to the extent modified by a Participating Addendum, each agency and political subdivision will be responsible to follow the terms and conditions of the Master Agreement; and they will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement. Each agency and political subdivision will be responsible for their own charges, fees, and liabilities. Each agency and political subdivision will have the same rights to any indemnity or to recover any costs allowed in the contract for their purchases. The Contractor will apply the charges to each Participating Entity individually.

This Participating Addendum and the Master Price Agreement number ADSP011-00000411-7 (administered by the State of Arizona) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Price Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms within the Participating State.

PARTICIPATING ADDENDUM
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MASTER PRICE AGREEMENT

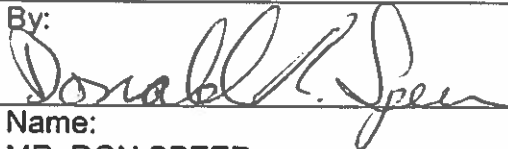
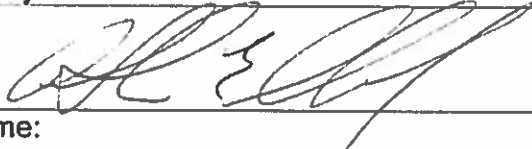
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IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating State: COMMONWEALTH OF KENTUCKY	Contractor: Pitney Bowes Inc.
By: 	By: 
Name: MR. DON SPEER	Name: Arthur E. Adams Jr.
Title: EXECUTIVE DIRECTOR	Title: Director, State and Local Contracts
Date: 5/30/13	Date: 5/28/2013

OPTION B -- WSCA/NASPO FMV RENTAL TERMS AND CONDITIONS: COMMONWEALTH OF KENTUCKY

Pitney Bowes Global Financial Services LLC (“PBGFS”) will serve as a sub-contractor under ADSP011-00000411 and will be the Lessor under this Fair Market Value Rental Terms and Condition Agreement. 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 ADSP011-00000411-7 to Pitney Bowes Inc. 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 an Intellilink Control Center or Meter.

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

Monthly Billing:

<u>Term:</u>	<u>Rental Rate:</u>
36	.0377
48	.0309
60	.0270

Total Value of the Order multiplied by the applicable Monthly Rate Factor = Monthly Equipment Rental 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.

For further clarification a 36 month rental based on a \$10,000 equipment order would equal a \$377.00 monthly equipment rental payment, plus applicable service maintenance for years 2 thru end of initial term, monthly meter rental and value based services fees would be added to the payment.

L1. DEFINITIONS

L1.1 The following terms mean:

“Agreement” - the Order, your State's Participating Addendum, the WSCA/NASPO Master Agreement ADSP011-00000411-7, 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 IntelliLink® Control Center or Meter, or any standalone software.

“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 IntelliLink Control Center or Meter, and any standalone software.

“Initial Term” - the lease period listed on the Order

“Install Date” - the date the Equipment or other item is installed at your location.

“IntelliLink Control Center” or “Meter” - any postage meter supplied by PBI under the Order, including (i) in the case of a Connect™ 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.

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

“Master Agreement” - WSCA/NASPO Master Agreement ADSP011-00000411-7 Mail Room Equipment, Services and Support contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.

“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 an IntelliLink Control Center or Meter you enter into with us.

“Rental” - the Order and this WSCA/NASPO FMV Rental Terms and Conditions.

“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.

“WSCA/NASPO” - Western States Contracting Alliance and the National Association of State Procurement Officials

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

L2. AGREEMENT

L2.1 You are leasing the Equipment listed on the Order. You will make each Monthly Payment by the due date shown on our invoice.

L2.2 You may not cancel this Rental for any reason except as expressly set forth in Sections L10 and L11 below.

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 IntelliLink® Control Center, 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 and attorneys' fees.

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 month for all payments on the Order (each, a “Monthly Payment”), except as provided in any SOW attached to this Agreement.

L3.2 Your Monthly Payment may include a one-time origination fee, amounts carried over from a previous unexpired Rental, and other costs.

L3.3 If you request, your IntelliLink® Control Center/Meter Rental fees, Service Level Agreement fees, and Soft-Guard® payments (“PBI Payments”) will be included with your Monthly Payment and begin with the start of the Rental Term. Your Monthly Payment will increase if your PBI Payments increase.

L4. EQUIPMENT OWNERSHIP

L4.1 We own the Equipment. PBI owns any IntelliLink® Control Center or Meter. Except as stated in Section L6.1, you will not have the right to become the owner at the end of this Agreement.

L5. RENTAL TERM

L5.1 The Rental term is the number of months stated on the Order ("Rental Term").

L6. END OF RENTAL OPTIONS

L6.1 During the 90 days prior to the end of your Rental, you may, if not in default, select one of the following options:

- (a) enter into a new Rental with us;
- (b) purchase the Equipment "as is, where is" for fair market value; or
- (c) return the Equipment, IntelliLink Control Center and/or Meter in its original condition, reasonable wear and tear excepted. If you return the Equipment, IntelliLink Control Center and/or Meter, at our option you will either (i) properly pack them and insure them for their full replacement value (unless you are enrolled in the ValueMAX® program) and deliver them aboard a common carrier, freight prepaid, to a destination within the United States that we specify, or (ii) properly pack and return them in the return box and with the shipping label provided by us and, in either case, pay us our then applicable processing fee.

L6.2 If you do not select one of the options in Section L6.1, you shall be deemed to have agreed to enter into month to month extensions of the term of this Agreement. You may opt to cease the automatic extensions by providing us with written notice within 60 days (but no less than 30 days or such shorter period as may be contemplated by law) prior to the expiration of the then-current term of this Agreement. 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, AND PBI WILL HAVE ONLY SUCH LIABILITY AS SET FORTH IN THE MASTER AGREEMENT.

L8. EQUIPMENT OBLIGATIONS

L8.1 Condition and Repairs. You will keep the Equipment free from liens and encumbrances and in good repair, condition, and working order.

L8.2 Inspection. We may inspect the Equipment and any 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 end of the Rental Term (including any extensions), regardless of cause, ordinary wear and tear excepted ("Loss").

(b) No Loss will relieve you of any of your obligations under this Rental. You must immediately notify us in writing of the occurrence of any Loss.

(c) Unless you are a state agency or department you will 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").

L9.2 ValueMAX Program applicable to all eligible non-state entities.

(a) If you do not provide evidence of insurance and have not enrolled in our own 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.

(b) We will provide written notification reminding you of your insurance obligations described above in Section L9.1(c).

(c) 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.

(d) 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.

(e) If we are required to repair or replace the Equipment under the ValueMAX program and we fail to do so within 20 days of receiving your written notice of loss or damage, you may terminate this Rental.

(f) 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 Rental, this program or its associated fees, nor are they overseeing our financial condition.

L10. NON-APPROPRIATION

L10.1 See Master Agreement – Non Appropriations clauses, Uniform Terms and Conditions, Sections 4.4 and 4.5.

L11. EARLY TERMINATION

L11.1 You further warrant that you intend to enter into this Rental for the entire Stated Term and you acknowledge that we have relied upon such represented intention when determining the applicable pricing plan.
Cancelable Rentals – Cancelable pursuant to the provisions of Section 3 of 200 KAR 5:312 after 30 days written notice.

L12. MISCELLANEOUS

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

L12.2 YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT OR THIS RENTAL WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH CONSENT WILL NOT BE UNREASONABLY WITHHELD.

L12.3 We may sell, assign, or transfer all or any part of this Rental 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 ADSPO11-00000411-7, this Agreement shall prevail.

L12.6 Any IntelliLink Control Center or 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+ Series Equipment 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+ Series Equipment 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.