



**MAILROOM EQUIPMENT, SUPPLIES &
MAINTENANCE**
Led by the State of Arizona

**State of Oregon Participating Addendum to
Master Agreement #: ADSP016-169897, as amended**

Contractor: **PITNEY BOWES INC. (“CONTRACTOR” OR
“PITNEY BOWES”)**

Participating Entity **STATE OF OREGON *by and through its*
DEPARTMENT OF ADMINISTRATIVE SERVICES,
PROCUREMENT SERVICES (“Participating
Entity”)**

This State of Oregon Participating Addendum (“**Participating Addendum**”) establishes a price agreement between Contractor and Participating Entity pursuant to ORS 279B.140, including the provisions of that certain Master Agreement # ADSP016-,169897, as amended (including all attachments), executed between the Contractor and the State of Arizona, effective May 15, 2017, as amended (“**Master Agreement**”) and as further defined below in Section 1 of Exhibit 1 to the Participating Addendum, the terms and conditions of which are incorporated herein by reference (the Master Agreement together with this Participating Addendum are, collectively, the “**Oregon Agreement**”).

The term of this Participating Addendum is co-terminus with the NASPO ValuePoint Master Agreement #ADSP016-169897, as amended.

Notwithstanding the foregoing, any future amendments to Master Agreement agreed upon between the State of Arizona and Contractor shall not automatically become a part of this Participating Addendum, instead, Participating Entity shall have an opportunity to review any and all such amendments and if acceptable to Participating Entity then Contractor and Participating Entity will negotiate a substantially similar amendment to this Participating Addendum. All capitalized terms in this Participating Addendum shall have the meaning set forth in the Master Agreement (including all attachments) unless otherwise defined in this Participating Addendum.

The Goods and Services offered under the Master Agreement that may be procured under this Participating Addendum are described in Section 4 of this Participating Addendum. This Participating Addendum contains the additional terms and conditions specifically applicable to individual Contracts between Contractor and Purchasing Entities. In the event of a conflict between the terms and conditions of this Participating Addendum and the Master Agreement, the conflict will be resolved as set forth in Section 6 below of this Participating Addendum.:

Participating Addendum Terms and Conditions:

1. Participation:

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This Participating Addendum may be used by all agencies, boards, and commissions of the State of Oregon, as defined in Section 1 of the Oregon Terms (collectively, "**State Agencies**" and individually, a "**State Agency**"), and State of Oregon institutions of higher education, political subdivisions, and other entities authorized to use statewide contracts in the State of Oregon including without limitation, members of the Oregon Cooperative Procurement Program ("**ORCPP**"). Issues of interpretation and eligibility for participation as a Purchasing Entity are solely within the authority of the Participating Entity's Chief Procurement Official. Those authorized to use this Participating Addendum and enter into Contracts with Contractor are each a "**Purchasing Entity.**" If ORCPP Member is a non-governmental entity and/or private schools and institutions they are eligible to use pricing under this Participating Addendum with the Vendor's commercial lease agreement.

2. Scope:

This Participating Addendum covers the Master Agreement # ADSP016-169897 for Mailroom Equipment, Supplies, and Services, as amended (also described in this Participating Addendum as "**Goods and Services**") led by the State of **Arizona** for use by Purchasing Entities as authorized by the Participating State's statutes to utilize State contracts with the prior approval of the Participating State's Chief Procurement Official.

Pursuant to this Participating Addendum, Contractor shall provide to a Purchasing Entity, as requested by Purchasing Entities from time to time, the Pitney Bowes Goods and Services specifically identified in Section 4 of this Participating Addendum.

All such Pitney Bowes Mailroom Equipment, Supplies, and Services offered must meet, as applicable, the approval of the USPS®.

2.1 No Exclusivity. This Participating Addendum is not exclusive. There may be one or more contractor(s) who may provide similar goods and services to Purchasing Entities. In the event the Participating Entity has made an award to one or more of the holders of a master agreement, Purchasing Entities shall select a contractor in accordance with the selection process set forth in the buyer's guide provided to Purchasing Entities by the Contract Administrator.

3. Products and Services Categories by Geographic Area:

Pursuant to this Participating Addendum, Contractor elects to provide the Pitney Bowes Mailroom Equipment, Supplies, and Services to the entire State of Oregon geographical area. By entering into this Participating Addendum the Participating Entity does not guarantee any usage or spend by any State of Oregon agency or ORCPP member.

4. Goods and Services

Pursuant to ORS 282.080 and ORS 283.140, for State Agencies all Mailroom Equipment, Supplies, and Services are subject to approval by the State Printer.

Contractor shall provide the Pitney Bowes Equipment, Supplies, and Services as follows:



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- The Goods and Services and the applicable fees and pricing (as offered through Pitney Bowes's established equipment catalogue and price list) that are permitted to be purchased, rented, leased, or otherwise procured under this Participating Addendum are attached to this Participating Addendum as Exhibits 4 and 5 respectively. All Goods and Services offered by Pitney Bowes must meet the USPS® standards and specifications if applicable.
- To meet the mailing needs of the customer per the extent of its award, the applicable product range will include mailroom-related software license and subscriptions for ORCPP Members Only, ultra-low volume equipment and all other mail room equipment (including mailing production environment equipment and accessories for ORCPP Members Only).

In the event Contractor leases any Goods listed in Exhibit 4, State Agencies are prohibited from entering into any Capital Lease under this Participating Addendum. Any Contract entered into by Contractor and a state agency for a Capital Lease shall be void and the State shall have no liability for any such Capital Lease. Nothing in this Participating Addendum, however, prevents ORCPP Members from entering into a Capital Lease for any of the Goods listed in Exhibit 4.

To the extent offered by Contractor, all Purchasing Entities may enter into an Operating Lease for any of the Goods listed in Exhibit 4.

In the event Contractor licenses any Software or Software Services in Exhibit 4, Contractor shall not license or otherwise transfer any such Software or Software Services that may be listed in Exhibit 4 to any State Agency under this Participating Addendum unless such State Agency provides Contractor with written approval from the Contract Administrator (identified in Section 6 below of this Participating Addendum) or, if applicable, the State Publisher for such Software or Software Services. Nothing in this Participating Addendum, however prevents ORCPP Members from licensing or otherwise procuring the Software or Software Services offered by Contractor as may be listed in Exhibit 4. The Purchasing Entity shall sign the applicable software license and/or subscription agreement.

Contractor shall also include information on all environmental features of each item, including but not limited to: energy efficiency modes and their operation, double sided copying operations and double sided default programming, the extent to which any supplies and other packaging may qualify for recycling, re-manufacturing, and will provide the environmental and economic benefits of these features. (See attached Product Category List in Exhibit 4)

The categories and any limitations of Goods and Services available under this Participating Addendum are as follows:

- 4.1 Printers** – The only printers allowed for purchase through this Oregon Agreement are special printers the sole use for which is tied to mailroom equipment. If a regular printer (e.g. an HP Printer) is able to be utilized in the same fashion, and function as the printer available from the Contractor, then the printer from the Contractor is not allowed. Allowable

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printers may be purchased with a mailroom equipment system or as a product replacement from a purchase from this or a previous Master Agreement.

4.2 Computers - The only computers allowed for purchase through this Oregon Agreement are those computers dedicated to mailroom equipment and operations.

4.3 Furniture - Furniture is being awarded within each category as well as being classified as an independent category. The furniture that is applicable to the independent furniture category is furniture that is specific to mailrooms but not specific to the mail equipment category e.g. Case work or mobile mail cart etc. The furniture section within each category is relevant to furniture that would be considered agreeable with the mailroom equipment with which they are compatible.

4.4 Accessories – All accessories, including tablets and scanners, shall be relevant to the functioning of a mailroom. If there is any concern over a specific item being included in this category, said items will be submitted to the Contract Administrator for a decision. The Contract Administrator's decision is the final determination as to whether an item is included in the Scope of any Master Agreement. (Other existing agreements may apply).

4.5 Trade In/Buy Back - Contractor shall provide a Trade in /Buy Back program to help ensure Participating Entity has the best options to meet their needs. This program is required; however, it is at the sole option of the Purchasing Entity to utilize this program. Details of Contractor's Trade In/Buy Back program will be provided upon request by the Purchasing Entity.

4.6 Maintenance Services. Maintenance services for the equipment purchased, rented, leased, or otherwise procured from Contractor under this Participating Addendum.

5. Leases. Equipment Lease and Rental Agreements are authorized in accordance with the terms of NASPO ValuePoint Master Price Agreement number ADSP016-169897 as amended. Exhibit No. 6 includes the lease and/or rental options Participating State/Entity has agreed to use. Any underlying leases to this Participating Addendum will remain in full force and effect throughout the stated lease term of such lease agreement, subject to termination provisions stipulated with such lease.

(a) Pitney Bowes Global Financial Services LLC "GFS" Term Rental (Installment Purchase) – Option A, State & Local Rental – Option B, and State & Local Fair Market Value Lease – Option C pursuant to Sections 3.15 and 3.16, respectively and its terms and conditions are offered for lease transaction for the SMB Product line specifically listed on attachments C, C1 and C-2.

(b) For the Pitney Bowes DMT product line and related services (as described in tabs on the Price Attachments C and C-1 to the Agreement ("Folders-Inserters Production, Inserters-Production, Pre-sorting Equipment Production and Software License and Subscriptions applicable to DMT Production Mail Equipment")) (the "DMT

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Product Line") leases may be available in an applicable State 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. The terms and conditions of the (i) Municipal Master Lease Purchase Agreement or the Muni Short Form FMV lease [PNC], (ii) a Lease/Purchase Master Agreement for State and Local Government, [IBM] and (iii) a Tax Exempt Lease/Purchase Agreement and a Rental Agreement [MAM] lease (together the "DMT Leases"), as such may be available in this State, and have been included with this Participating Addenda. Pricing by third party leasing companies for DMT Leases to be provided.

(c) The DMT Leases may be offered under the Agreement and this State Participating Addenda and, in such cases, if there is a conflict between a DMT Lease, and the State Participating Addenda, the DMT Leases shall govern. Alternatively, the DMT Leases may be offered as a separate contract outside the Participating Addenda and this Agreement. Further, in the event this State wishes to use its own lender, it will be considered a separate contract outside the Participating Addenda and this Agreement. Note that the DMT Product Line is not offered under the GFS lease program described above in Item 1. Further, the DMT Product Line is not available for an Equipment Rental program, as described in Section 3.16 of the Agreement"

Sales and purchase tax will be charged, if required under Participating Entity's State statutes.

6. Order of Precedence:

In the event of a conflict between the terms and conditions of this Participating Addendum and the Master Agreement, the following order of precedence applies:

- (a) This Participating Addendum, less its exhibits;
- (b) Exhibit No. 1 of the Participating Addendum (State of Oregon Specific Terms and Conditions);
- (c) Exhibit No. 2 of the Participating Addendum (Insurance);
- (d) Exhibit No. 3 of the Participating Addendum (Tax Certification);
- (e) The Master Agreement, as amended, including all attachments;
- (f) Any Shipping Label, Purchase Order, or any other documentation pursuant to which a Purchasing Entity purchases Contractor's Services or Goods;
- (g) Exhibit No. 4 of the Participating Addendum (List of Available Pitney Bowes Product and Service Categories);



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- (h) Exhibit No. 5 of the Participating Addendum (Price List for Available Pitney Bowes Product and Service Categories);
- (i) Exhibit No. 6 of the Participating Addendum (Pitney Bowes Documents);
- (j) Exhibit No. 7 of the Participating Addendum (Volume Sales Report Template).

7. Primary Contacts:

The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

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

Contractor – Government Sales Channel Director – Bill Walter

Name	Bill Walter
Address	Pitney Bowes Inc. 3001 Summer Street, MSC 1C-305 Stamford, CT 06926
Telephone	480-206-2984
Fax	
E-mail	Bill.walter@pb.com

Lead State

Name	Christopher Lacey, MBA
Address	Arizona DOA-SPO, 100 N. 15th Ave, Suite 201, Phoenix, AZ 85007
Telephone	602-542-7165
Fax	602-542-5508
E-mail	Christopher.Lacey@azdoa.gov



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Participating Entity

Name:	Pam Johnson, Contract Administrator
Address:	1225 Ferry St SE, Salem, Oregon 97301
Telephone:	(503) 378-4731
Fax:	(503) 373-1626
Email:	Pam.johnson@oregon.gov

8. Participating State Modifications or Additions to the Master Agreement:

These modifications or additions apply only to actions and relationships within the Participating State.

No changes to the terms and conditions of the Master Agreement are required.

The changes modifying or supplementing the Master Agreement terms and conditions are set forth in Exhibit Nos. 1-7 to this Participating Addendum.

9. Subcontractors

All Pitney Bowes' contractors, subcontractors, Authorized Sales and Services Representatives authorized in the State of Oregon, as shown on the dedicated Pitney Bowes website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The Contractor's dealer participation will be in accordance with the terms and conditions set forth in the Master Agreement.

10. Orders and Contracts

Any order placed by a Purchasing Entity for Goods or Services, or both, pursuant to this Participating Addendum shall be deemed to be a sale under and governed by the terms and conditions of the Oregon Terms (as such term is defined in Section 1 of Exhibit 1 to this Participating Addendum), including, without limitation the Master Agreement.

11. Tax Compliance:

Contractor has complied with the tax laws of this State and the applicable tax laws of any political subdivision of this State. Contractor shall, throughout the duration of this Participating Addendum and any extensions, comply with all tax laws of this State and all applicable tax laws of any political subdivision of this State. For the purposes of this Section, "tax laws" includes: (i) All tax laws of this State, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) Any tax provisions imposed by a political subdivision of this



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State that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of this State that applied to Contractor, or to Goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions

Any violation of this Section 11 constitutes a material breach of this Participating Addendum and any Contract issued under this Participating Addendum. Further, any violation of Contractor's warranty set forth in Exhibit No. 3 also shall constitute a material breach of this Participating Addendum and any Contract issued under this Participating Addendum. Any violation shall entitle DAS PS or Authorized Purchaser to terminate this Participating Addendum or the applicable Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Participating Addendum or the applicable Contract, and to pursue any or all of the remedies available under this Participating Addendum, a Contract, at law, or in equity, including but not limited to:

- Termination of this Addendum or the applicable Contract, in whole or in part;
- Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to Authorized Purchaser's setoff right, without penalty; and
- Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. DAS PS or Authorized Purchaser may recover any and all damages suffered as the result of Contractor's breach of this Addendum or the applicable Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Goods or Services or both.

These remedies are cumulative to the extent the remedies are not inconsistent, and DAS PS or Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

This Addendum will be reported to the Oregon Department of Revenue. The Department of Revenue may take any and all actions permitted by law relative to the collection of taxes due to the State of Oregon or a political subdivision, including (i) garnishing the Contractor's compensation under this Addendum or any Contract or (ii) exercising a right of setoff against Contractor's compensation under this Addendum or any Contract for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the Department of Revenue collects debts.

12. 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 and attached hereto as Attachment C.



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13. Section 7.2 [State of Arizona Uniform Terms and Conditions], subsection 6 [Risk and Liability], subsection 6.1 [Risk of Loss] is hereby amended by adding the following at the end of said subsection 6.1: “provided, however, that the State shall be deemed to have accepted a Product as to which it doesn’t indicate nonconformity within sixty (60) days of the delivery of the product.”

NASPO ValuePoint
STATE OF OREGON
PARTICIPATING ADDENDUM



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

Participating Entity: STATE OF OREGON	Contractor: PITNEY BOWES INC.
Signature: <u><i>[Handwritten Signature]</i></u>	Signature: <u><i>[Handwritten Signature]</i></u>
Name: <u><i>Pamela S. Johnson</i></u>	Name: <u>Arthur E. Adams, Jr.</u>
Title: <u><i>SPA</i></u>	Title: <u>Director Government Contract Compliance</u>
Date: <u><i>2/23/18</i></u>	Date: <u><i>2/23/2018</i></u>

Approved pursuant to ORS 291.047

See Email Dated 2/16/18 *2/23/18*
Karen J. Johnson Date
Senior Assistant Attorney General
Oregon Department of Justice
DOJ Matter No. GF0988-16

For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:	Ted Fosket
Telephone:	(907) 723-3360
Email:	tfosket@naspovaluepoint.org

*Please email fully executed PDF copy of this document to
PA@naspovaluepoint.org
to support documentation of participation and posting in appropriate databases.*

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EXHIBIT NO. 1
State of Oregon Participating Addendum
to
NASPO Master Agreement No. ADSP016-169897, as amended

State of Oregon-Specific Terms and Conditions
(Modifying or Supplementing Master Agreement No. ADSP016-169897)

1. Definitions. The following terms have the meanings set forth below. Capitalized terms not defined in this Exhibit 1, State of Oregon-Specific Terms (these “**Oregon Terms**”), have the meanings ascribed to them in the Master Agreement, as amended and its exhibits.

“**Acceptance**” has the meaning assigned to it in Section 5.1 of these Oregon Terms.

“**Business Day**” means Monday through Friday from 8:00 am – 5:00 pm pacific time, excluding State of Oregon holidays and other business closure days resulting from natural disasters, inclement weather, or other similar events.

“**Calendar Day**” means contiguous days.

“**Capital Lease**” (Option A) has the same meaning assigned to the term “Financing Agreement” under ORS 283.085(3) which is incorporated by reference as though fully set forth in this definition.

“**Contract**” means the agreement that is formed between a Purchasing Entity and Contractor when (a) a Purchasing Entity issues a Purchase Order that incorporates by reference the terms and conditions of the Participating Addendum (including the Pitney Bowes Documents, if applicable) and (b) Contractor accepts such Purchasing Entity’s Purchase Order.

“**Contract Administrator**” means the person who is identified as the Primary Contact for the Participating Entity in Section 7 of the Participating Addendum.

“**Contractor**” means Pitney Bowes Inc.

“**Contractor Records**” means all billing records and all other books, documents, papers, (regardless of whether such records are in hard copy, electronic, or other form) of Contractor which relate to the billing under this Participating Addendum, any and all Contracts entered into between Contractor and Purchasing Entities pursuant to this Participating Addendum, and Contractor’s performance under this Participating Addendum and any and all Contracts.

“DAS PS” means the State of Oregon acting by and through the Department of Administrative Services, Procurement Services and is the State agency with the statutory right, pursuant to ORS 279B.140, to negotiate and administer this Participating Addendum .

“Goods” means supplies, equipment, or materials, and any personal property, including any tangible, intangible and intellectual property and rights and licenses in relation thereto, that a Purchasing Entity is authorized to procure under the Participating Addendum as set forth in Section 4 of the Participating Addendum.

“Services” means the furnishing of labor, time, or effort by Contractor to maintain, overhaul, rehabilitate, or otherwise repair a Good purchased, rented, or leased by a Purchasing Entity from Contractor.

“Operating Lease” (Option B) or (Options C) means an agreement for the lease for property or Goods that does not result in (a) the lessee financing the purchase of such property or Goods, and (b) the transfer of ownership or title in such property or Goods either during, or upon expiration or termination of the lease agreement from the lessor to the lessee.

“Oregon Cooperative Purchasing Program” or **“ORCPP”** means the cooperative purchasing program that recognizes certain agencies and organizations within the State of Oregon as authorized to purchase the Goods and Services available under the Participating Addendum.

“Master Agreement” means the NASPO Master Agreement No.ADSP016-169897 amended between Contractor and the State of Arizona, on behalf of the member states of the National Association of State Procurement Officials, NASPO ValuePoint, and its attachments, and which serves as the underlying agreement and basis for Contractor and Participating Entity to execute the Participating Addendum.

“Participating Addendum” means the agreement between the Participating State and Contractor to which these Oregon Terms are attached as Exhibit No. 1 and includes. the NASPO Master Agreement, as amended and the Participating Addendum together with all applicable Exhibits to both (including, without limitation, these Oregon Terms), Attachments, Schedules, and, as applicable, any amendments made in accordance with Section 31 of these Oregon Terms and which sets forth the terms, conditions, and requirements pursuant to which Purchasing Entities may buy, and Contractor shall provide, the Goods and Services set forth in Exhibit No. 4 to the Participating Addendum.

“Participating Entity” means the State of Oregon acting by and through the DAS PS and in accordance with Section 2 of Section 6 of the NASPO Master Agreement, as amended is properly authorized to enter into the Participating Addendum with Contractor.

“Participating State” means, in accordance with Section 2 of Section 6 of the NASPO Master Agreement, as amended, the State of Oregon having been listed in the Lead State’s Request for Proposal as a state intending to participate in the procurement.

“Purchasing Entity” means an agency of the State of Oregon or any ORCPP member that submits a Purchase Order to Contractor. Without limiting the foregoing, and for purposes of clarification, DAS PS is a Purchasing Entity when it enters into a Contract on behalf of and for the benefit of itself.

“Purchase Order” means any written purchase order, sales order, or other document submitted to Contractor by a Purchasing Entity that incorporates the terms and conditions of the Participating Addendum by reference and specifies the quantity and type of Goods or Services, or both, that Contractor will provide to the Purchasing Entity under the terms of the Participating Addendum.

“RFP” means the NASPO ValuePoint Request for Proposals, Arizona Solicitation Number ADSP016-00006328.

“State” means the State of Oregon.

“State Agency” means the State of Oregon acting by and through its state agencies, boards, and commissions as defined in ORS 174.111. Some State Agencies are members of ORCPP.

“Term” has the same meaning ascribed to it in Section 3 of Section 6 of the NASPO Master Agreement, as amended, the Participating Addendum is co-terminus with the Master Agreement.

2. Offer to Provide; Purchase Orders.

2.1. Offer to Provide. During the Term of the Participating Addendum, Contractor agrees to offer and provide, as requested by a Purchasing Entity from time to time, the Goods and Services identified in Section 4 of the Participating Addendum.

2.2. Purchase Orders. Purchasing Entities may use their own Purchase Order forms for the purchase of Goods and Services. State agencies may also use the general State-approved Purchase Order referencing NASPO Master Agreement Number ADSP016-169897, as amended. To the extent that the terms or conditions, or both of any Purchase Order differ from or conflict with the terms of the Participating Addendum, the difference or conflict will be resolved in accordance with Section 5 of the Participating Addendum. Each Purchase Order from an Authorized Purchaser that is not a State agency must contain, on the front page, the following language:

THIS PURCHASE IS PLACED AGAINST THE NASPO MASTER AGREEMENT NO. ADSP016-169897, AS AMENDED. THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT, AS AMENDED, AND THE ASSOCIATED PARTICIPATING ADDENDUM ENTERED INTO BY THE STATE OF OREGON, CONTRACT NO. 8449 APPLY TO THIS PURCHASE AND SUPERSEDE ALL CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED.

2.3. Effect of Purchase Orders. Upon Contractor’s acceptance of a Purchase Order issued by a Purchasing Entity, a Contract is formed between the parties for the Goods or Services, or both, identified in such Purchase Order. In no event will the State be liable for Purchase Orders, Contracts, or any other type of purchases made by a Purchasing Entity that is not an agency of the State of Oregon. Purchasing Entities that are not agencies of the State of Oregon are responsible for any purchases under Purchase Orders they issue. The State expressly disclaims any liability for purchases made by Purchasing Entities that are not State Agencies or any other third parties.

Each State agency and political subdivision, as a Purchasing Entity, that purchases products/services under this Participating Addendum 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 Participating Addendum and Master Agreement; and they will have the same rights and responsibilities for their purchases as the Participating Entity 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 Purchasing Entity individually.

2.4. Verification of Purchasing Entities. Contractor is responsible for verifying that it provides Goods and Services under the Participating Addendum only to Purchasing Entities. Contractor may verify that a particular entity is an ORCPP member on-line at <http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx> or by using the Oregon Procurement Information Network (ORPIN) at <http://orpin.oregon.gov/open.dll/welcome>.

2.5. State of Oregon Agencies: Funds Available/Appropriations. The payment obligations of an agency of the State of Oregon (“State Agency”) ordering Goods or Services, or both, under this Participating Addendum are conditioned upon the applicable State Agency receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow the applicable State Agency, in the exercise of its reasonable administrative discretion, to meet its payment obligations under any Contract issued under this Participating Addendum. Contractor is not entitled to receive payment under this Participating Addendum or any Contract from any part of Oregon state government other than the State Agency that issued the applicable Purchase Order. Nothing in this Participating Addendum or any Contract entered into by a State Agency is to be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon. Upon issuance of a Purchase Order by a State Agency, such Agency represents that it has sufficient appropriations for the current biennium to make payments for the Goods or Services, or both, purchased under any Contract formed pursuant to this Participating Addendum.

3. Goods and Services: Specifications. Contractor shall deliver all Goods and Services in accordance with the specifications set forth in Exhibit No. 4 attached to the Participating Addendum.

3.1. Standard and Necessary Components. Contractor shall include all components that are standard and necessary for the proper assembly, installation, and operation of the Goods.

3.2. New, Used, and Remanufactured Goods. Unless specified otherwise in a Purchase Order, Contractor shall deliver only those Goods that are new and unused. In the event a Purchasing Entity agrees, in a Purchase Order, to procure used, remanufactured, or refurbished, Goods, Contractor’s offer, warranties, and Services related to such Goods must comply with Section 3.3 of the RFP. The terms of Section 3.3 of the RFP are incorporated by reference as though fully set forth in this Section, and such terms are in addition to any applicable terms set forth in these Oregon Terms.

3.3. Limitation of Lease on Goods: State Agencies Ineligible. IN NO EVENT SHALL ANY STATE AGENCY HAVE THE RIGHT, UNDER THE PARTICIPATING ADDENDUM, TO ENTER INTO A CONTRACT FOR A CAPITAL LEASE. ANY CONTRACT ENTERED INTO BY CONTRACTOR AND A STATE AGENCY FOR A CAPITAL LEASE SHALL BE VOID AND THE STATE SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY SUCH LEASE. Nothing in the Participating Addendum, however, prevents a State Agency from entering into a Contract for an Operating Lease

3.3.1. ORCPP Purchasing Entities (as such term is defined below in Section 23.2 of these Oregon Terms) may, subject to all applicable federal, State, and local laws, enter into a Contract for a Capital Lease or Operating Lease under the Participating Addendum.

3.4. Software: State Agencies to Obtain Prior Written Consent. IN NO EVENT SHALL ANY STATE AGENCY HAVE THE RIGHT, UNDER THE PARTICIPATING ADDENDUM, TO ENTER INTO A CONTRACT FOR ANY SOFTWARE OR SOFTWARE SERVICES WITHOUT THE PRIOR WRITTEN CONSENT OF THE CONTRACT ADMINISTRATOR OR, IF APPLICABLE, THE STATE PRINTER. ANY CONTRACT FOR SOFTWARE THAT IS ENTERED INTO BY CONTRACTOR AND A STATE AGENCY SHALL BE, IF SUCH STATE AGENCY DID NOT FIRST OBTAIN PRIOR WRITTEN CONSENT AS REQUIRED HEREIN, VOID AND THE STATE SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY SUCH CONTRACT.

3.4.1. Nothing in the Participating Addendum precludes ORCPP Purchasing Entities from entering into a Contract for Software or Software Services under the Participating Addendum.

3.5. Non-Conformance. If any Goods or component parts are recalled by a regulatory body or the manufacturer, or discovered by Contractor not to comply with applicable regulatory standards or the Specifications, Contractor shall immediately notify the Purchasing Entity of the recall or non-compliance, and shall provide copies of the recall notice or notice of non-compliance, as applicable, and all other supporting documentation for the recall or non-compliance determination. In such instances the Purchasing Entity may elect to (a) reject the Goods in whole or in part, or (b) revoke its acceptance of Goods in whole or in part. If the Purchasing Entity Rejects or Revokes its acceptance of Goods, Contractor shall remove the particular Goods from the Purchasing Entity's possession at no cost to the Purchasing Entity and shall reimburse the Purchasing Entity for all payments made for those Goods.

4. Delivery of Goods.

4.1. Location. Contractor shall deliver Goods to a Purchasing Entity at the location identified in the applicable Purchase Order.

4.2. Freight Fees. Contractor shall deliver Goods F.O.B., place of destination, freight prepaid.

4.3. Risk of Loss. Contractor shall retain the risk of loss for the Goods until the Purchasing Entity has Accepted the Goods in accordance with Section 5.1 of these Oregon Terms provided, however, that the Purchasing Entity shall be deemed to have accepted the Goods

as to which it doesn't indicate nonconformity within sixty (60) days of the delivery of the product.

4.4. Time for Delivery. Contractor shall deliver all Goods no later than 30 Calendar Days or a mutually agreed upon date from the date the Purchasing Entity issues a Purchase Order, unless such later date is mutually agreed upon in writing between the Contractor and the Purchasing Entity. If the 30th Calendar Day falls on a weekend or other State of Oregon holiday, delivery shall be made the next Business Day. Unless otherwise specified in the applicable Purchase Order, the time of delivery may occur any time between 9am and 5pm pacific time.

5. Acceptance and Rejection of Goods.

5.1. Acceptance. Purchasing Entities shall have 10 Business Days after either (a) the date of delivery, or (b) if required, the date of installation, to conduct an inspection of the Goods. If a Purchasing Entity does not provide written notice of Acceptance or Rejection of the Goods to Contractor within the 10 Business Days after, as applicable, the date of delivery or date of installation, of the Goods, the Purchasing Entity will be deemed to have "Accepted" the Goods.

5.1.1. In the event that a Purchasing Entity is responsible for installing any Goods procured under the Participating Addendum, such Purchasing Entity shall have five Business Days after delivery to install such Goods. Effective as of the sixth Business Day after Delivery of such Goods, the 10 Business Day acceptance period set forth in Section 5.1 shall commence.

5.2. Rejection. If a Purchasing Entity rejects Goods, it shall provide written notice of rejection within 10 Business Days after delivery of such Goods. All notices of rejection shall, at a minimum, itemize the apparent defects and include:

5.2.1. A description of the nonconformance between the Goods delivered and the required Specifications and warranties;

5.2.2. A description of any other nonconformance of the Goods (including, but not limited to, late delivery); and

5.2.3. A statement indicating whether Contractor may cure the nonconformance and if so, the method by which and time period within which Contractor may cure

5.3. Reserved.

5.4. Effect of Rejection of Acceptance. If a Purchasing Entity Rejects Goods due to performance of the Goods, Contractor shall have 30 days to cure any performance issue. If Contractor cannot cure the performance issue within the specified timeframed referenced herein, Contractor shall refund all payments the Purchasing Entity has made to Contractor for those Goods and shall, at no cost to the Purchasing Entity, remove the Goods from the Purchasing Entity's possession within 10 Business Days following the later of (a) the date of the Purchasing Entity's notice of Rejection or notice of Revocation of Acceptance, (b) or the date of Contractor's failure to cure.

6. Performance of Services; Reperformance of Services. Contractor shall be perform maintenance, as requested by a Purchasing Entity, in accordance with Exhibit __ to the Participating Addendum. Without limiting the representations and warranties set forth in Section 12 below of these Oregon Terms, Contractor and Contractor’s technicians and other staff (collectively, “Contractor Personnel”) shall perform all Services, including maintenance Services, with the skill and knowledge possessed by well-informed members of their trade or profession and Contractor and Contractor’s Personnel will apply that skill and knowledge with care and diligence so Contractor and Contractor’s Personnel perform the Services described in this Participating Addendum in accordance with the standards prevalent in Contractor’s profession or trade, or both.

6.1. In the event Contractor or Contractor’s Personnel fail to perform any Services in accordance with the warranty set forth in Sections 6 above, and Section 12, below of these Oregon Terms, Purchasing Entity shall promptly notify Contractor of such failure and Contractor shall reperform the Services without any additional charge to the affected Purchasing Entity.

6.2. In the event the Services require Contractor to provide replacement or substitute Goods or components, any substitutions or replacements thereof shall conform to the specifications, capabilities, characteristics, functions and performance standards of new, unused Goods or components, and all such replacement or substitute Goods or components shall be free from error or defect that materially impairs their use, and shall be free from defects in materials, and workmanship.

7. Invoices and Payment Provisions.

7.1. Invoices. Contractor may invoice Purchasing Entities upon delivery of Goods or Service Acceptance. Invoices must be delivered to the physical address identified in the applicable Purchase Order. All invoices must include all of the following information:

- a. Applicable Purchase Order Number
- b. Description of Goods Delivered
- c. Quantity of Goods ordered
- d. Quantity of Goods delivered
- e. Price per unit
- f. Services Ordered and Delivered
- g. Price/rate charged for Services
- h. Total Price invoiced
- i. Address to which payment must be remitted

7.2. Payment of Invoices. Invoices must be paid, subject to Acceptance made in accordance with Section 5.1 of these Oregon Terms, by Purchasing Entities within 30 days of delivery of the applicable Goods. Any interest for overdue payment is subject to ORS 293.462.

7.2.1. Purchasing Entities shall have the right to pay invoices as follows:

(a) Credit Card:
VISA: X

Master Card: X
Other Credit Cards: (Discover, American Express)

- (b) Direct Deposit (e.g., ACH), Electronic Funds Transfer (EFT) or
- (c) Check

7.3. Availability of Invoices/Statements. Contractor shall provide all Purchasing Entities with online access to each Purchasing Entity's account information through the Pitney Bowes Inc. website, as such website is required to be developed and maintained for Participating Entity in accordance with Section 3.17 of the NASPO Master Agreement, as amended. Such website shall include the following functions and features:

7.3.1. Allow each Purchasing Entity to view, download, and print its individual invoicing and payment history;

7.3.2. Allow each and all Purchasing Entities to:

7.3.2.1. Pay one invoice online in one single transaction using a credit card;

7.3.2.2. Receive, upon payment of one or more invoice: (a) a unique confirmation number upon completion of payment, and (b) email confirmation that payment made has posted;

7.3.2.3. Conduct searches of invoices issued by Contractor including the ability to search by invoice date, due date, purchase order number, ship to location, or transaction type;

7.3.2.4. Review invoice and payment activity, including credits, adjustments, and amounts due and past-due;

7.3.2.5. View, print, and export invoices using a variety of common formats such as xlsx., pdf., or csv.

7.3.2.6. Dispute invoices and upon submission of a dispute have a tracking or confirmation number automatically generated.

8. Contractor to Provide Customer Service. In addition to the developing and maintaining the Pitney Bowes Inc. Website for Participating Entity, Contractor shall provide a dedicated account representative and dedicated customer service team to assist all Purchasing Entities with: (a) use of the Pitney Bowes Inc. website, (b) obtaining information regarding the Goods and Services offered by Contractor, (c) return of non-conforming Goods, (d) assistance with the use and troubleshooting the use of Goods. Such customer service help shall be provided by means of an online and telephone helpdesk.

9. Volume Sales Reports (VSRs) / Vendor Collected Administrative Fee (VCAF)

9.1. Volume Sales Reports (VSRs). Contractor shall submit a Volume Sales Report (VSR) no later than thirty (30) calendar days from the end of each calendar quarter

9.1.1. Content of VSRs. Each and every VSR must include all of the following information:

- (a) Complete and accurate details of all receipts (net sales less returns, adjustments, credits, and refunds) for the reported period;
- (b) The information as identified in the Volume Sales Report Template - Data Requirement, Format and Layout, attached to the Participating Addendum as Exhibit 8 and incorporated by reference in this Section ; and
- (c) Such other information as DAS PS may reasonably request from time to time

9.1.2. Format of VSRs. Contractor shall provide all VSRs in MS Excel (.xls) format.

9.1.3. VSRs Required Regardless of Sales Volume. Contractor shall deliver a VSR to the Participating Entity each quarter, regardless of whether or not there are sales. When no sales have been recorded for the quarter a report must be submitted stating “No Sales for the Quarter.”

9.1.4. Approval and Review of First VSR. The VSR submitted by the Contractor for the first calendar quarter must be submitted to the Participating Entity’s Contract Administrator for review and approval.

9.1.5. Method of Delivery of VSRs. All VSRs must be submitted by e-mail to VCAF.REPORTING@oregon.gov. Delivered print outs of VSRs are not acceptable. Hard copies of VSRs on CDs are only acceptable if the size of the file precludes transmission by email. Approval from the Participating Entity’s Contract Administrator must be obtained for deviations from the requirements set forth in this Section 9.1.

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9.1.6. Right to Review After Receipt or Acceptance. The Participating Entity’s Contract Administrator’s receipt or acceptance of any of the VSRs furnished pursuant to this Participating Addendum shall not preclude the Participating Entity from requesting, in accordance with Section 9.3 of these Oregon Terms, an audit or otherwise requesting documentation to validate the accuracy of a VSR.

9.1.7. Failure to Submit VSRs. The Participating Entity reserves the right to terminate this Participating Addendum if volume sales reports are not submitted in accordance with this Section 9.1

9.2. Vendor Collected Administrative Fee (VCAF).

9.2.1. VCAF Amount. The Vendor Collected Administrative Fee (VCAF), is a charge equal to One Percent (1.0 %) of Contractor’s Gross total sales, less any credits, returns and adjustments, made to Purchasing Entities during the calendar quarter. The

Administrative Fee shall be included as an adjustment to Contractor's Master Agreement pricing

9.2.2. Payment Due Date. During the Term of this Participating Addendum and for the sales during the last calendar quarter of the Term of this Participating Addendum, the Contractor shall remit VCAF payment to the Participating State within forty-five (45) Calendar Days after the end of each calendar quarter.

9.2.3. No Additional Line Item Fees. Contractor may not reflect the VCAF fee as a separate line item charge to Purchasing Entities. Contractor's prices set forth in Exhibit 5 to the Participating Addendum reflects all Contractor's charges to Purchasing Entities. For the purposes of this Participating Addendum, quarters end March 31, June 30, September 30, and December 31. The Participating Entity will invoice the Contractor for the VCAF on a State generated invoice from the information submitted on the VSR. Contractor is responsible for timely reporting and payment, regardless of the entity that actually reports or makes VCAF payment to the Participating Entity.

9.2.4. Remittance and Payment Format The fee shall be in the form of a check remitted to:

State of Oregon
Department of Administrative Services
Attn: Shared Financial Services/PS
155 Cottage Street NE
Salem, Oregon 97301

Any other form of payment must be specifically pre-approved in writing (email shall suffice) by the Contract Administrator.

9.2.5. Interest. Any payments Contractor makes or causes to be made to the Participating Entity after the due date as indicated on the invoice shall accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount has been paid in full. The Participating Entity's right to interest on late payments shall not preclude the Participating Entity from exercising any of its other rights or remedies pursuant to this Participating Addendum or otherwise with regards to Contractor's failure to make timely remittances.

9.3. Audit Rights. The Participating Entity at its own expense (except as provided herein), shall have the right during regular business hours, at Contractor's premises, and upon 10 days advance written notice, by itself or by a person authorized by it, to audit Contractor's Records, as such term is defined in Section 1 above, and other pertinent data, to determine and verify the figures reported in any and all VSRs furnished by Contractor. In the event that any such audit reveals underpayment of any Vendor Collected Administrative Fee, Contractor shall pay the amount of deficiency, together with interest thereon at the rate provided in Section 9.2.5. In the event an audit reveals underpayment of the VCAFs owing, Contractor shall also pay, as set forth in the Participating Entity's written request, the

reasonable cost of any and all audits revealing underpayment. Such examination will not take place more than once in any 12 month period..

10. Confidential Information. Contractor acknowledges that it and its employees, agents, or subcontractors may, in the course of providing and performing the Services under this Participating Addendum, be exposed to or acquire information that is confidential to a Purchasing Entity or a Purchasing Entity's clients. Any and all information of any form obtained by Contractor or its employees, subcontractors, or agents in the performance of this Participating Addendum, including Purchasing Entity Data, is deemed to be confidential information of the Purchasing Entity as are any reports or other documents or items (including data aggregations) that result from the use of Purchasing Entity Data (collectively, "**Confidential Information**").

10.1. Excluded from Confidential Information. Confidential Information does not to include information that (i) is or becomes (other than by disclosure by Contractor) publicly known; (ii) is furnished by the Purchasing Entity to others without restrictions similar to those imposed by this Participating Addendum; (iii) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Participating Addendum; (iv) is obtained from a source other than the Purchasing Entity without the obligation of confidentiality, (v) is disclosed with the prior written consent of the Purchasing Entity, or; (vi) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

10.2. Non-Disclosure. Contractor, its employees, agents, and subcontractors shall hold Confidential Information in confidence, using the highest standard of care applicable, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties (other than its authorized subcontractors), or use Confidential Information for any purposes whatsoever other than the provision of Services to the Purchasing Entity hereunder, and shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Purchasing immediately in the event Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Participating Addendum, and Contractor will at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person. Contractor shall not at any time during or after the term of this Contract, except as directed by Purchasing Entity disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this this Participating Addendum, and that upon termination of this Participating Addendum or at Purchasing Entity's request, Contractor shall deliver to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing and unless otherwise specified in this Participating Addendum , Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of performance of the Services.

10.3. Identity Theft. In the performance of this Contract, Contractor may have possession or access to documents, records or items that contain “Personal Information” as that term is used in ORS 646A.602(11). Personal Information is a type of Confidential Information that is highly sensitive and subject to additional protection. Prior to the receipt of, and during the period in which Contractor has possession of or access to, any Personal Information, Contractor shall have and maintain a formal written information security program that provides safeguards to protect Personal Information from loss, theft, and disclosure to unauthorized persons, as required by the Oregon Consumer Identity Theft Protection Act, ORS 646A.600-646A.628.

10.3.1. In addition to and without limiting the generality of Sections 10 and 10.2 above of these Oregon Terms, Contractor shall not breach or permit breach of the security of any Personal Information that is contained in any document, record, compilation of information or other item to which Contractor receives access, possession, custody or control under this Participating Addendum. Contractor shall not disclose, or otherwise permit access of any nature, to any unauthorized person, of any such Personal Information. Contractor shall not use, distribute or dispose of any Personal Information other than expressly authorized in writing by Purchasing Entity, required by applicable law, or required by an order of a tribunal having competent jurisdiction.

10.3.2. Contractor shall promptly report to Purchasing Entity any breach of security, use, disclosure, theft, loss, or other unauthorized access of any document, record, compilation of information or other item that contains Personal Information to which the Contractor receives access, possession, custody or control in the performance of this Contract.

10.3.3. Contractor shall require the compliance of its employees, agents, and subcontractors with this Section 10.3.

10.4. Prohibition on Data Mining. Contractor shall not capture, maintain, scan, index, share or use Purchasing Entity Data stored or transmitted by the Goods, or otherwise use any data-mining technology, for any non-authorized activity, and shall not permit its agents or subcontractors to do so. For purposes of this requirement, “non-authorized activity” means the data mining or processing of data, stored or transmitted, or both, by the Goods, for unrelated commercial purposes, advertising or advertising-related purposes, or for any other purpose other than security analysis that is not explicitly authorized in this Participating Addendum.

10.5. Security and Hosting Requirements / Non-Disclosure Agreement / Criminal Background Checks. Upon request by any Purchasing Entity, Contractor and its employees, agents, and subcontractors performing services under this Contract shall comply with the security and confidentiality requirements set forth in this Section 10.5 below.

10.5.1. Security Requirements. Contractor shall comply at all times with Payment Card Industry security and other rules regarding the processing of debit and credit cards.

10.5.2. Non-Disclosure Agreement. Contractor shall upon Purchasing Entity's request provide a written non-disclosure agreement and obtain such from Contractor's employees, agents, and subcontractors performing Services under this Participating Addendum.

10.5.3. Criminal Background Check. Contractor's employees, agents and subcontractors that will perform Services under this Contract must submit to a criminal background check. Such background check must occur prior to arrival on the premises of a Purchasing Entity or prior to access of a Purchasing Entity's Confidential Information, whichever occurs first. Background checks will be performed at Contractor expense. Purchasing Entity in its sole discretion has the right to reject any Contractor employee, agent, or subcontractor, or limit any such person's access to the Purchasing Entity's premises based on the results of the background check.

10.6. Injunctive Relief. Contractor acknowledges that breach of this Section 10, including disclosure of any Confidential Information, will cause irreparable injury to the Purchasing entity that is inadequately compensable in damages. Accordingly, a Purchasing entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of the Purchasing Entity and are reasonable in scope and content.

10.7. Publicity. Contractor agrees that it will not disclose the form, content, or existence of this Contract in any advertising, press releases or other materials distributed to prospective customers, or otherwise attempt to obtain publicity from its association with a Purchasing Entity, the Participating Entity, or the State of Oregon, whether or not such disclosure, publicity or association implies an endorsement of Contractor's services by the Purchasing Entity, the Participating Entity, or the State of Oregon, without the prior written consent of the foregoing.

11. Contractor's Proprietary Information; Oregon Public Records Laws. A Purchasing Entity will use reasonable efforts to maintain the confidentiality of any proprietary information received from Contractor and will not use such proprietary information except to fulfill its obligations under this Contract and applicable state and federal law. Contractor acknowledges and agrees any disclosures of its proprietary information that Contractor makes under this Contract that are not otherwise protected by applicable law are subject to the Oregon Public Records Laws, including ORS 192.410-192.505, and the provisions for the custody and maintenance of public records, ORS 192.005 – 192.170.

11.1. Identification of Proprietary Information. Contractor proprietary information is any information marked or designated in writing by Contractor as "confidential" prior to

initial disclosure, or information disclosed orally that is confirmed in writing as “confidential” within 10 (ten) Calendar Days of disclosure.

11.2. Disclosure Under Oregon Public Records Law. A Purchasing Entity may disclose and provide copies of Contractor proprietary information to the extent disclosure is required by the Oregon Public Records Law (ORS 192.410 to 192.505). If a Purchasing Entity receives from a third party any request under the Oregon Public Records Law for the disclosure of Contractor proprietary information, the Purchasing Entity will notify Contractor within a reasonable period of time of the request. Contractor is exclusively responsible for defending Contractor’s position concerning the confidentiality of the requested information. Notwithstanding the foregoing, while the Purchasing Entity is not required to actively assist Contractor in opposing disclosure of proprietary information, the Purchasing Entity will cooperate in good faith to the extent reasonably practicable with Contractor’s efforts to protect its proprietary information.

11.3. Excluded from Proprietary Information. The confidentiality obligations imposed by this Section 11 do not apply to: (i) information that becomes part of the public domain through lawful means and without breach of any confidentiality obligation by the recipient; (ii) information subsequently and rightfully received from third parties who have the necessary rights to transfer the information without any obligation of confidentiality; (iii) information known to the recipient prior to the effective date of this Contract without obligation of confidentiality; (iv) information independently developed by recipient and documented in writing without use of, or reference to, any Contractor proprietary information; or (v) information required to be disclosed by compulsory judicial or administrative process or by law or regulation; provided that if Purchasing Entity is required to disclose Contractor proprietary information under clause (v), Purchasing Entity will first give Contractor notice and provide such information as may reasonably be necessary to enable Contractor to take action to protect its interests.

11.4. Injunctive Relief. Purchasing Entity acknowledges that Purchasing Entity’s use and disclosure of Contractor’s proprietary information not in accordance with this Section 11 will cause irreparable injury to Contractor that is inadequately compensable in damages. Accordingly, Contractor may seek and obtain injunctive relief against the breach or threatened breach of this Section 11. Purchasing Entity acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Contractor and are reasonable in scope and content.

12. Representations and Warranties. Effective upon acceptance of a Purchase Order by Contractor, a Contract is formed between Contractor and the Purchasing Entity that issued the applicable Purchase Order and as a result, such Purchasing Entity is entitled to rely upon all of the representations and warranties, rights, remedies, and benefits under this Participating Addendum. Without limiting the generality of the warranty provisions of the NASPO Master Agreement, as amended, Contractor represents and warrants to each Purchasing Entity upon formation of a Contract and to Authorized Purchaser that:

12.1. Enforceability of Participating Addendum. Contractor has the power and authority to enter into and perform this Participating Addendum and any resulting Contract

between a Purchasing Entity and Contractor and that this Participating Addendum, when executed and delivered, will be a valid and binding obligation of Contractor enforceable in accordance with its terms;

- 12.2. Participating Addendum.** Contractor is not in violation of, charged with nor, to the best of Contractor's knowledge, under any investigation with respect to violation of, any provision of any federal, state or local law, ordinance, regulation, or any other requirement or order of any governmental or regulatory body or court or arbitrator applicable to provision of Services or Goods, and Contractor's provision of the Services or Goods shall not violate any such law, ordinance, regulation, or order;
- 12.3. Necessary Licenses.** Contractor is duly licensed to perform the Services and provide the Goods and shall maintain any applicable licenses throughout the term of the Participating Addendum and if there is no licensing requirement for the provision of the Goods or performance of the Services, is duly qualified and professionally competent to perform the Services and provide the Goods;
- 12.4. New Goods; Specifications.** Goods will be, where applicable, new, unused, current production models. All Goods will be free from defects in materials, design and manufacture for manufacturer's standard warranty period. Where specifications have been made a part of the RFP or otherwise set forth in Exhibit 4 to the Participating Addendum, Contractor further warrants that all Goods conform to such specifications and meet or exceed all quality and safety standards set forth therein;
- 12.5. No Liens.** All Goods are free and clear of any liens or encumbrances, and Contractor has full legal title to such Goods, and no other person has any right, title or interest in the Goods which is superior to or infringe upon the rights granted to a Purchasing Entity hereunder.
- 12.6. Authorized Use.** When used as authorized by this Participating Addendum and in accordance with any applicable software license or subscription agreement, a Purchasing Entity's use of the Goods shall not infringe any copyright, patent, trade secret or other proprietary right of any third party;
- 12.7. Manufacturer Warranties.** Contractor shall transfer to Purchasing Entity all manufacturer warranties covering the Goods at time of delivery at no charge;
- 12.8. Performance.** all Services to be performed under this Addendum will be performed in accordance with the highest applicable professional or industry standards, and that only workmanship of the first quality shall be employed in the performance of this Addendum; and
- 12.9. Taxes.** To the best of Contractor's knowledge, after due inquiry, for a period of no fewer than six (6) calendar years preceding the Effective Date, faithfully has complied with:
- 12.9.1.** All tax laws of the State, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;

12.9.2. Any tax provisions imposed by a political subdivision of the State that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; and

12.9.3. Any tax provisions imposed by a political subdivision of the State that applied or apply to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor.

12.10. Warranties Cumulative. The warranties set forth in this Section 12 are in addition to, and not in lieu of, any other warranties provided in the NASPO Master Agreement, as amended. All warranties provided in this Participating Addendum are cumulative and will be interpreted expansively so as to afford Authorized Purchaser the broadest warranty protection available.

12.11. Purchasing Entity will not knowingly do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the Lease Payments to be or become includable in gross income for federal income taxation purposes under the Internal Revenue Code. Purchasing Entity will, with respect to each Pitney Bowes Document, complete and execute an original Form 8038-G or 8038-GC, as applicable, and timely file such form with the Internal Revenue Service. Pitney Bowes is not appointed as an agent on behalf of Purchasing Entity.

13. Compliance with Applicable Law. Contractor will comply with all federal, state and local laws, rules, regulations, executive orders and ordinances applicable to the Goods provided and Services performed under this Participating Addendum, and a Purchasing Entity's performance under a Purchase Order is conditioned on Contractor's compliance with the provisions of ORS 279B.220, 279B.235, 279B.230, and 279B.270. In addition, Contractor warrants the Goods and Services provided under this Participating Addendum will comply with all federal Occupational Safety and Health Administration (OSHA) requirements and with all Oregon safety and health requirements, including those of the State Workers' Compensation Division. Contractor also agrees to comply with (a) Title VI of the Civil Rights Act of 1964, (b) Section v of the Rehabilitation Act of 1973, (c) the Americans with Disabilities Act of 1990 and ORS 659.425, (d) all regulations and administrative rules established pursuant to the foregoing laws and (e) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

13.1. Compliance with Tax Laws. Without limiting Section 13 above, Contractor shall, throughout the Term of this Oregon Contract, comply with all tax laws of the State of Oregon and all applicable tax laws of any political subdivision of the State of Oregon. Any violation of this Section or of Contractor's warranty in Section 12.9 constitutes a material breach of this Contract. Any violation of this Section or Section 12.9 entitles Purchasing Entity to terminate a Contract made pursuant to any and all Purchase Orders and further entitles the Participating Entity to terminate this Participating Addendum and for each of them to pursue and recover damages that arise from the breach and the termination of this Participating Addendum or, as applicable, a Contract made pursuant to a Purchase Order, and to pursue all other remedies available under this Participating Addendum, at law, or in equity.

13.1.1. Oregon Department of Revenue. This Participating Addendum will be reported to the Oregon Department of Revenue. The Department of Revenue may take any and all actions permitted by law relative to the collection of taxes due to the Participating Entity or a political subdivision, including (i) garnishing the Contractor's compensation under any Contract entered into pursuant to a Purchase Order with a State Agency, or other Purchasing Entity as applicable, or (ii) exercising a right of setoff against Contractor's compensation under any Contract entered into pursuant to a Purchase Order with a State Agency, or other Purchasing Entity as applicable, for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the Department of Revenue collects debts.

14. Indemnities.

14.1. General Indemnity. Contractor will defend, save, hold harmless and indemnify a Purchasing Entity and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, settlements, costs and expenses, including attorneys' fees, of any nature whatsoever resulting from, arising out of or relating to the activities of Contractor or its officers, employees, subcontractors or agents under this Participating Addendum.

14.2. Infringement Indemnity. Contractor will, at Contractor's sole expense, defend, save, hold harmless and indemnify Purchasing Entities and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against any and all costs, damages, settlements, attorneys' fees, and any and all costs incurred in any settlement negotiation or final settlement agreement resulting from, relating to, or arising out of a claim that any aspect of the goods or services furnished under a Purchase Order infringes a patent, utility model, industrial design, copyright, mask work, trademark, trade dress, or any other legally intellectual property right of any third party ("**Intellectual Property Rights**")

14.2.1. If Contractor believes at any time that the Goods or Services infringe a third party's Intellectual Property Rights, Contractor may upon receipt of Purchasing Entity's prior written consent, which Purchasing Entity will not unreasonably withhold, (i) replace an infringing item with a non-infringing item that meets or exceeds the performance and functionality of the replaced item; or (ii) obtain for Purchasing Entity the right to continue to use the infringing item; or (iii) modify the infringing item to be non-infringing, provided that, following any replacement or modification made pursuant to the foregoing, the Goods continue to function in material conformance with the specifications set forth in this Participating Addendum. Contractor's failure or inability to accomplish any of the foregoing will be deemed a material breach of this Participating Addendum, and Purchasing Entity may pursue any rights and remedies available to it under this Participating Addendum, including termination.

14.2.2. Contractor will not be liable under this Section for any claim for infringement based on (a) use of the product or service for a purpose or in a manner for which the product or service was not designed, (b) Purchasing Entity's modification of the Goods,

or (c) Use of the Goods not authorized by Contractor or otherwise permitted under the license.

14.3. Control of Defense and Settlement. Contractor's obligation to indemnify Purchasing Entity as set forth in Sections 14.1 and 14.2 above of these Oregon Terms, is conditioned on Purchasing Entity providing to Contractor prompt notification of any claim or potential claim of which Purchasing Entity becomes aware that may be the subject of those Sections. Contractor shall have control of the defense and settlement of any claim that is subject to Sections 14.1 and 14.2; however, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any Purchasing Entity, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written approval of the Attorney General, nor shall Contractor settle any claim on behalf of the State of Oregon without the prior written approval of the Attorney General. The State of Oregon may, at its election assume its own defense and settlement in the event that the State of Oregon determines that (a) Contractor is prohibited from defending the State of Oregon, (b) is not adequately defending the State of Oregon's interests, or (c) that an important governmental principle is at issue and the State of Oregon desires to assume its own defense. The State of Oregon will assume the costs and expenses of its own defense under subsection (c) of the foregoing sentence. The State of Oregon may not settle any Infringement Claim or action without Contractor's prior written consent, which will not be unreasonably withheld.

15. Events of Default.

15.1. Default by Contractor under Participating Addendum. Contractor will be in default under this Participating Addendum if:

15.1.1. Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings which are not dismissed within sixty (60) Calendar Days of their commencement, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or

15.1.2. Contractor commits any material breach of any covenant, warranty, obligation or certification under this Participating Addendum, fails to provide the Goods or to perform the Services in conformance with the specifications and warranties provided in this Participating Addendum, or clearly manifests an intent not to perform future obligations under this Participating Addendum, and such breach or default is not cured, or such manifestation of an intent not to perform is not corrected by reasonable written assurances of performance within thirty (30) Business Days after delivery of Participating Entity's notice or such longer period as the Participating Entity may specify in such notice.

15.1.3. Without limiting the generality of Section 15.1.2 above, Contractor will be in default of this Participating Addendum if it is in material breach of Section 12.9 or Section 13 above of these Oregon Terms.

15.2. Default by Contractor under a Contract. Contractor will be in default under a Contract if:

15.2.1. Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings which are not dismissed within sixty (60) Calendar Days of their commencement, makes an assignment for the benefit of creditors, or ceases doing business on a regular; or

15.2.2. Contractor commits any material breach of any covenant, warranty, obligation or certification under the applicable Contract, fails to provide the Goods or to perform the Services in conformance with the specifications and warranties provided pursuant to the applicable Contract, or clearly manifests an intent not to perform future obligations under the applicable Contract, and such breach or default is not cured, or such manifestation of an intent not to perform is not corrected by reasonable written assurances of performance within 30 Business Days after the effective date of delivery (as provided for in Section 21.4 below of these Oregon Terms) of Purchasing Entity's notice or such longer period as Purchasing Entity may specify.

15.2.3. Without limiting the generality of Section 15.1.2 above, Contractor will be in default of any and all Contracts if it is in breach of Section 12.9 or Section 13 above of these Oregon Terms.

15.3. Default by Purchasing Entity. Purchasing Entity will be in default under this Participating Addendum if:

15.3.1. Purchasing Entity fails to pay Contractor any amount pursuant to the terms of this Participating Addendum, and Purchasing Entity fails to cure such failure within 30 Business Days after the effective date of delivery (as provided for in Section 21.4 below of these Oregon Terms) of Contractor's notice or such longer period as Contractor may specify in such notice; or

15.3.2. Purchasing Entity commits any material breach or default of any covenant, warranty, or obligation under this Participating Addendum, fails to perform its commitments under this Participating Addendum within the time specified or any extension thereof, and Purchasing Entity fails to cure such failure within 30 days after the effective date of delivery (as provided for in Section 21.4 below of these Oregon Terms) of Contractor's notice or such longer period as Contractor may specify in such notice.

16. Remedies for Default

16.1. Participating Entity's Remedies. In the event Contractor is in default under Section 15.1 of these Oregon Terms, Participating Entity may at its option, pursue any or all of the remedies available to it under this Participating Addendum and at law or in equity, including, without limitation:

16.1.1. Terminate the Participating Addendum in accordance with Section 17.2.3(c) of these Oregon Terms. Any leases written under this Addendum will remain in full force and effect for the duration of the lease to the extent not subject to termination under Section 16.2 or Section 18.

16.1.2. With respect to a breach of Section 12.9, (a) exercise the right of set-off, and withholding amounts due and owing to Contractor, in an amount equal to the Purchasing Entity's setoff right, without penalty and (b) initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. ; and

16.1.3. Exercise any or all of the tax compliance remedies set forth in Section 13.1.1 above of these Oregon Terms.

16.2. Purchasing Entity Remedies. In the event Contractor is in default of a Contract under Section 15.2 of these Oregon Terms, the Purchasing Entity to the applicable Contract may at its option, pursue any or all of the remedies available to it under the Participating Addendum and at law or in equity, including, without limitation:

16.2.1. Termination of the applicable Contract;

16.2.2. Withholding or offsetting payment for erroneous invoices for the Services that Contractor is obligated but has failed to perform in accordance with this Participating Addendum, including warranties in Section 12;

16.2.3. Reserved.

16.2.4. With respect to a breach of Section 16.2.5, (a) exercise the right of set-off, and withholding amounts due and owing to Contractor, in an amount equal to the Purchasing Entity's setoff right, without penalty and (b) initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. Purchasing Entity may recover any and all damages suffered as the result of Contractor's breach of the applicable Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Services or Goods, or both; and

16.2.5. Exercise any or all of the tax compliance remedies set forth in Section 16.1.3 above of these Oregon Terms.

16.3. Remedies Not Exclusive. The remedies afforded to the Participating Entity and Purchasing Entities as set forth in the Sections 16.1 and 16.2, as applicable, above of these Oregon Terms are cumulative to the extent the remedies are not inconsistent and each of them, or both of them, may pursue any of their respective remedies singly, collectively, successively or in any order whatsoever.

16.3.1. If it is determined for any reason that Contractor was not in default under Section 15.1 above of these Oregon Terms, the rights and obligations of the Contractor

and Participating Entity will be the same as if the Participating Addendum was terminated pursuant to Section 17.2.2 below of these Oregon Terms.

16.3.2. If it is determined for any reason that Contractor was not in default of a Contract under Section 15.2 above of these Oregon Terms, the rights and obligations of the Contractor and Purchasing Entity will be the same as if the Contract was terminated pursuant to Section 17.2.2 below of these Oregon Terms.

16.4. Contractor Remedies.

16.4.1. In the event a Purchasing Entity (a) terminates a Contract pursuant to Section 16.2.1 above of these Oregon Terms, or (b) is in default under Section 15.2 of these Oregon Terms and regardless of whether Contractor elects to exercise its right to terminate a Contract under Section 18.2.4 below of these Oregon Terms, Contractor's sole monetary remedy will be a claim for any unpaid invoices for the Goods or Services completed, delivered and Accepted. If previous amounts paid to Contractor exceed the amount due to Contractor under this section, Contractor shall promptly pay any excess to Purchasing Entity after receipt of written demand. The termination or expiration of the NASPO Master Agreement, as amended or Oregon Participating Addendum shall in no way relieve any individual entity from its obligations to any product leases or postage meter rental agreements that were entered prior to the date of any such termination.

17. Term and Termination of Participating Addendum.

17.1. Term of Participating Addendum. This Participating Addendum remains in effect until the earlier of (a) the expiration or termination of the NASPO Master Agreement, as amended, or (b) termination of this Participating Addendum in accordance with its terms.

17.2. Termination of Participating Addendum.

17.2.1. Participating Entity and Contractor may agree to terminate this Participating Addendum upon at least 30 days prior written agreement. The termination or expiration of the NASPO Master Agreement, as amended or Oregon Participating Addendum shall in no way relieve any individual entity from its obligations to any product leases or postage meter rental agreements that were entered prior to the date of any such termination.

17.2.2. Participating Entity may terminate this Participating Addendum, in whole or in part, at any time upon thirty (30) days prior written notice to Contractor. The termination or expiration of the NASPO Master Agreement, as amended or Oregon Participating Addendum shall in no way relieve any individual entity from its obligations to any product leases or postage meter rental agreements that were entered prior to the date of any such termination. Any leases written under this Addendum will remain in full force and effect for the duration of the lease to the extent not subject to termination under Section 9.2.

17.2.3. Participating Entity may also terminate this Participating Addendum , in whole or in part, immediately upon written notice to Contractor, or at such later date as Participating Entity may establish in such notice, for any reason, or upon the occurrence of any of the following events:

- (a) Participating Entity fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the Goods or Services to be purchased under the Participating Addendum ; or
- (b) Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of Goods or Services, or both under this Participating Addendum are prohibited or the Participating Entity is prohibited from paying for such Goods or Services from the planned funding source; or
- (c) Contractor is in breach of this Participating Addendum under Section 15.1 above of these Oregon Terms and has not cured such breach within thirty (30) days of receiving notification of such breach from the Purchasing Entity.

17.3. Stop Performance Upon Termination. Upon receipt of written notice of termination, Contractor will stop performance under all Contracts as directed by Participating Entity.

17.4. Remedies Not Exclusive. Termination under any provision of this Participating Addendum does not extinguish or prejudice the Participating Entity's right to enforce this Participating Addendum, a Contract, or a Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of the Participating Entity's to indemnification by Contractor. If this Participating Addendum, is so terminated, the Participating Entity will pay Contractor in accordance with the terms of this Participating Addendum.

18. Term and Termination of Individual Contracts.

18.1. Term of Individual Contracts. An Individual Contract will remain in effect until the expiration or termination of the Contract in accordance with its terms. The termination or expiration of the NASPO Master Agreement, as amended or Oregon Participating Addendum shall in no way relieve any individual entity from its obligations to any product leases or postage meter rental agreements that were entered prior to the date of any such termination.

18.2. Termination of a Contract.

18.2.1. Any Contract may be terminated at any time by mutual written consent of Purchasing Entity and Contractor.

18.2.2. Any Purchasing Entity may, at its sole discretion, terminate, in whole or in part, any Contract such Purchasing Entity has entered into with Contractor in

accordance with the terms of the lease. The termination or expiration of the NASPO Master Agreement, as amended or Oregon Participating Addendum shall in no way relieve any individual entity from its obligations to any product leases or postage meter rental agreements that were entered prior to the date of any such termination.

18.2.3. Any Purchasing Entity may terminate in whole or in part, any Contract such Purchasing Entity has entered into with Contractor immediately upon written notice to Contractor, or at such later date as Purchasing Entity may establish in such notice, upon the occurrence of any of the following events:

18.2.3.1. Purchasing Entity fails to receive funding, or appropriations, limitations, or other expenditure authority at levels sufficient to pay for the Goods or Services, or both, to be purchased under a Contract;

18.2.3.2. Federal or State laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of Goods or Services, or both, under a Contract is prohibited or Purchasing Entity is prohibited from paying for such Goods or Services, or both, from the planned funding source; or

18.2.3.3. Contractor commits any material breach of the Contract and has not cured such breach within thirty (30) days of receiving notification of such breach from the Purchasing Entity.

18.2.4. Contractor may terminate a Contract if a Purchasing Entity is in default under Section 15.3 of these Oregon Terms.

18.3. Effect of Termination of a Contract. Upon receipt of written notice of termination of a Contract, Contractor will stop performance under such Contract as directed by the Purchasing Entity.

18.4. Remedies Not Exclusive Termination of a Contract does not extinguish or prejudice a Purchasing Entity's right to enforce the applicable Contract with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of the Purchasing Entity to indemnification by Contractor. In addition, termination of a Contract does not extinguish or prejudice Purchasing Entity's right to enforce any other rights or remedies it has under the applicable Contract. If Contract is so terminated, the Purchasing Entity will pay Contractor in accordance with the terms of the Contract for Goods delivered or Services performed and Accepted by Purchasing Entity, or both, up to the time of any breach by Contractor.

18.5. Contractor Remedies. Contractor shall not be entitled to enforce any remedy which would cause this Participating Addendum or any provision of any Pitney Bowes Document to constitute a "debt" or "liability" within the meaning of Article XI, Section 7 of the Oregon Constitution and/or violate *State ex rel Kane v. Goldschmidt*, 308 Or 573, 783 P2d 988 (1989).

18.6.

19. Limitation of Liability.

19.1. To Participating Entity.

19.1.1. EXCEPT FOR CONTRACTOR'S LIABILITY ARISING OUT OF OR RELATED TO (i) SECTION 14.1, GENERAL INDEMNITY, (ii) SECTION 14.2 IP INDEMNITY, (iii) SECTION 10, CONTRACTOR'S DUTIES OF CONFIDENTIALITY AND NON-DISCLOSURE, OR (vi) CLAIMS FOR BODILY INJURY, INCLUDING DEATH, OR DAMAGE TO REAL PROPERTY OR TANGIBLE OR INTANGIBLE PERSONAL PROPERTY ARISING FROM THE NEGLIGENCE, RECKLESS MISCONDUCT, OR INTENTIONAL ACTS OF CONTRACTOR, ITS OFFICERS, EMPLOYEES OR AGENTS, CONTRACTOR'S LIABILITY TO PARTICIPATING ENTITY FOR DAMAGES FOR ANY OTHER CAUSE WHATSOEVER IS LIMITED TO \$50,000.

19.1.2. EXCEPT FOR CONTRACTOR'S LIABILITY ARISING OUT OF OR RELATED TO (i) SECTION 14.1 GENERAL INDEMNITY, (ii) SECTION 14.2, IP INDEMNITY (iii) SECTION 10, CONFIDENTIALITY OR (v) CLAIMS FOR PERSONAL INJURY, INCLUDING DEATH, OR DAMAGE TO REAL PROPERTY OR TANGIBLE OR INTANGIBLE PERSONAL PROPERTY ARISING SOLELY FROM THE NEGLIGENCE, RECKLESS CONDUCT OR INTENTIONAL ACTS OF CONTRACTOR, ITS OFFICERS, EMPLOYEES OR AGENTS NEITHER CONTRACTOR NOR PARTICIPATING ENTITY WILL BE LIABLE TO THE OTHER FOR ANY LOST PROFITS, LOST SAVINGS, OR PUNITIVE, INDIRECT, EXEMPLARY, CONSEQUENTIAL, OR INCIDENTAL DAMAGES.

19.2. To Purchasing Entity.

19.2.1. EXCEPT FOR CONTRACTOR'S LIABILITY ARISING OUT OF OR RELATED TO (i) SECTION 14.1, GENERAL INDEMNITY, (ii) SECTION 14.2 IP INDEMNITY, (iii) SECTION 10, CONTRACTOR'S DUTIES OF CONFIDENTIALITY AND NON-DISCLOSURE, OR (vi) CLAIMS FOR BODILY INJURY, INCLUDING DEATH, OR DAMAGE TO REAL PROPERTY OR TANGIBLE OR INTANGIBLE PERSONAL PROPERTY ARISING FROM THE NEGLIGENCE, RECKLESS MISCONDUCT, OR INTENTIONAL ACTS OF CONTRACTOR, ITS OFFICERS, EMPLOYEES OR AGENTS, CONTRACTOR'S LIABILITY TO PURCHASING ENTITY FOR DAMAGES FOR ANY OTHER CAUSE WHATSOEVER IS LIMITED TO TWO AND ONE-HALF TIMES THE TOTAL FEES PAID DURING THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT WHICH GAVE RISE TO THE CLAIM BY THE PURCHASING ENTITY UNDER THE APPLICABLE CONTRACT.

19.2.2. EXCEPT FOR CONTRACTOR'S LIABILITY ARISING OUT OF OR RELATED TO (i) SECTION 13.1 GENERAL INDEMNITY, (ii) SECTION 13.2, IP INDEMNITY (iii) SECTION 9, CONFIDENTIALITY OR (v) CLAIMS FOR BODILY INJURY, INCLUDING DEATH, OR DAMAGE TO REAL PROPERTY OR TANGIBLE OR INTANGIBLE PERSONAL PROPERTY ARISING SOLELY FROM THE NEGLIGENCE, RECKLESS CONDUCT OR INTENTIONAL ACTS OF CONTRACTOR, ITS OFFICERS, EMPLOYEES OR AGENTS NEITHER CONTRACTOR NOR PURCHASING ENTITY BE LIABLE TO THE OTHER FOR ANY LOST PROFITS, LOST SAVINGS, OR PUNITIVE, INDIRECT, EXEMPLARY, CONSEQUENTIAL, OR INCIDENTAL DAMAGES.

19.3. To Contractor.

19.3.1. ANY CONTRACT ENTERED INTO BY CONTRACTOR AND A STATE AGENCY FOR A CAPITAL LEASE SHALL BE VOID AND THE STATE SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY SUCH LEASE.

19.3.2. IN THE EVENT CONTRACTOR ENTERED INTO A CONTRACT WITH A STATE AGENCY FOR SOFTWARE OR SOFTWARE SERVICES AND SUCH STATE AGENCY FAILED TO OBTAIN PRIOR WRITTEN CONSENT FOR SUCH SOFTWARE OR SOFTWARE SERVICES, AS APPLICABLE, IN ACCORDANCE WITH SECTION 3.4 OF THESE OREGON TERMS, THE STATE SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY SUCH CONTRACT.

19.3.3. Nothing in this Participating Addendum or in any Contract may be construed to permit any violation of Article XI, Section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon.

20. Recycled Products. Contractor will use, to the maximum extent economically feasible in the performance of this Contract, recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh)), and other recycled plastic resin products and recycled products (as “recycled product” is defined in ORS 279A.010(1)(ii)).

21. Notices.

21.1. To Purchasing Entity. Any formal communications between Contractor and a Purchasing Entity or notices to be made under a Contract shall be given in writing to the person and address indicated in the Purchase Order pursuant to which the applicable Contract was formed.

21.2. To Participating Entity. Any formal communications between Contractor and Participating Entity or notices to be made under the Participating Addendum shall be given to the Contract Administrator identified in Section 7 of the Participating Addendum:

21.3. To Contractor. All formal communications or notices required to be given between Contractor and Purchasing Entity under a Contract, or between Contractor and Participating Entity under the Participating Addendum, shall be given to the following person and address:

Name: Arthur E. Adams, Jr.
Title: Director Government Contract Compliance
Address: Pitney Bowes, Inc.
3001 Summer Street
Stamford, CT 06926

21.4. Means and Effective Date of Delivery. All such communications and notices shall be delivered and made effective as follows:

21.4.1. via U.S. Postal Services, postage pre-paid, shall be effective 5 Business Days after mailing;

21.4.2. via personal delivery shall be effective upon actual delivery;

21.4.3. via express parcel or other express commercial carrier, fees pre-paid, shall be effective within two Business Days after placing with such carrier.

21.4.4. Via electronic delivery

22. Governing Law. This Participating Addendum and any and all Contracts are governed by and construed in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws. Notwithstanding the foregoing, the use of Purchase Power shall be governed by the laws of the State of Utah.

23. Jurisdiction and Venue:

23.1. Participating Entity and State Agency Purchasing Entities. Any claim, action, suit or proceeding (individually and collectively, “**Claims**”) between Contractor and the Participating Entity, or between Contractor and any Purchasing Entity that is a State Agency, that arises from or relates, as applicable, to this Participating Addendum or a Contract, or both, will be brought and conducted solely and exclusively in the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively in the United States District Court of the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS ADDENDUM OR ACCEPTANCE OF A PURCHASE ORDER SUBMITTED PURSUANT TO THIS ADDENDUM HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. Nothing in this section will be construed as a waiver of the State of Oregon’s sovereign immunity based on the eleventh amendment to the Constitution of the United States or otherwise, with respect to any Claim, whether brought under State or Federal law, or in State or Federal Court.

23.2. ORCPP Members. Any Claims between Contractor and a Purchasing Entity that is an ORCPP Member (“**ORCPP Purchasing Entity**”) that arise from or are related to individual a Contracts will be brought and conducted solely and exclusively within the Circuit Court of the county in the State of Oregon in which such ORCPP Purchasing Entity resides or has its principal office, or at such ORCPP Purchasing Entity’s option, within such other county as the ORCPP Purchasing Entity will be entitled to proceed under the venue laws of Oregon to bring or defend Claims. If any such Claims must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS ADDENDUM OR ACCEPTANCE OF A PURCHASE ORDER SUBMITTED PURSUANT TO THIS ADDENDUM HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

24. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon as of the effective date of this Participating Addendum, Contractor will promptly

provide to the Oregon Department of Revenue all information required by that Department relative to the Participating Addendum. A Purchasing Entity may withhold final payment under a Contract until Contractor has provided the Oregon Department of Revenue with the required information.

25. Merger Clause; Waiver.

25.1. Participating Entity. As to Contractor and Participating Entity, the Participating Addendum, including the NASPO Master Agreement, as amended and all applicable Exhibits, Attachments, and Schedules thereto, constitutes the entire agreement between Contractor and Participating Entity on the subject matter hereof, and supersedes all prior agreements, oral or written. There are no understandings, agreements, or representations, oral or written, between these parties that are not specified in this Participating Addendum. No waiver, consent, modification or change of terms of this Participating Addendum binds either party unless in writing and signed by both Contractor and the Participating Entity and all necessary State approvals have been obtained in writing. Such waiver, consent, modification or change, if made is effective only in the specific instance and for the specific purpose given. The failure of the Participating Entity to enforce any provision of this Participating Addendum does not constitute a waiver by the Participating Entity of that or any other provision.

25.2. Purchasing Entity. As to Contractor and a Purchasing Entity, the Contract, including the Participating Addendum, the applicable Purchase Order, the NASPO Master Agreement, as amended and all applicable Exhibits, Attachments, and Schedules thereto, constitute the entire agreement between Contractor and Purchasing Entity on the subject matter thereof, and supersedes all prior agreements, oral or written. There are no understandings, agreements, or representations, oral or written, between Contractor and Purchasing Entity that are not specified in the applicable Contract. Except as expressly permitted in these Oregon Terms, including, without limitation, Sections 3.1, 3.2, and 20, no Purchasing Entity has any authority or right to waive, consent, modify or change of terms of the Participating Addendum and no such waiver, consent or modification or change binds either party. The failure of the Purchasing Entity to enforce any provision of the Contract does not constitute a waiver by the Purchasing Entity of that or any other provision.

26. Independent Contractor. Contractor shall act at all times as an independent contractor and not as an agent or employee of a Purchasing Entity or the Participating Entity. Contractor has no right or authority to incur or create any obligation for or legally bind Purchasing Entity or the Participating Entity in any way. Contractor is not an "officer", "employee", or "agent" of any Purchasing Entity or the Participating Entity (or any other agency, office, or department of the State of Oregon), as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary. Neither Contractor, Purchasing Entity, or the Participating Entity shall make any statements, representations, or commitments of any kind or to take any action binding on the other except as provided for herein or authorized in writing by the party to be bound.

27. Access to Records. Contractor will maintain all fiscal records relating to any and all Purchase Orders, Contracts, and the Participating Addendum, in accordance with generally accepted accounting principles and will maintain any other records relating to Purchase Orders, Contracts, and the Participating Addendum in such a manner as to clearly document Contractor's

performance thereunder. The Participating Entity, on behalf of itself and any and all Purchasing Entities, and its respective agents, the Oregon Secretary of State Audits Division, and their duly authorized representatives will have access to such fiscal records and to all other books, documents, papers, of Contractor which relate to the billing under any Purchase Order, Contract, or the Participating Addendum and have the right to perform examinations and audits and make excerpts and transcripts reasonably necessary to perform such examinations and audits. To the extent provided by law, the federal government will be entitled to the same access as the State of Oregon. Contractor will retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of six (6) years, or such longer period as may be required by applicable law following final payment and termination of this Participating Addendum, or until the conclusion of any audit, controversy or litigation arising out of or related to the Participating Addendum, whichever date is later.

28. Severability. If any term or provision of the Participating Addendum or any Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the parties will be construed and enforced as if, and as applicable, the Participating Addendum or the Contract did not contain the particular term or provision held to be invalid.

29. Survival. Any terms, as applicable, of the Participating Addendum or a Contract, which by their nature are intended to survive termination or expiration including but not limited to warranty, indemnification, access to records, lease payment obligations, governing law, venue, consent to jurisdiction, termination and remedies provisions survive the termination or expiration of, as applicable, the Participating Addendum or applicable Contract.

30. Insurance. Within ten (10) days of the Effective Date of the Participating Addendum, Contractor must provide insurance as set forth on Exhibit No. 2 to the Participating Addendum. No Purchase Order may be placed or accepted and no Contract shall be formed until proof is provided that these requirements have been met.

31. Anticipated Amendments. Contractor and Participating Entity may need to amend the Participating Addendum to modify selected terms, conditions, and price(s). The Participating Addendum may be modified by written document only. No amendment shall be effective until signed by Contractor and Participating Entity and all approvals required by law have been obtained in writing.

32. Subcontracts and assignment. Contractor must not enter into any subcontracts for any of the Services required by this Contract or assign or transfer any of its interest in this Contract without the Participating Entity's prior written consent. Any proposed use of a subcontractor which is located outside the United States or use of subcontract labor or facilities located outside the United States must be called to the specific attention of the Participating Entity prior to or at the time of Contractor's request for consent. In addition to any other provisions Participating Entity may require, Contractor must include in any permitted subcontract a requirement that the subcontractor be bound by the relevant provisions of the Participating Addendum, including but not limited to requirements of performance, indemnification, and liability, as if subcontractor were Contractor. Participating Entity's consent to any subcontract will not relieve Contractor of any of its duties or obligations under the Participating Addendum or any Contract.

33. Successors and assigns. The provisions of, as applicable, the Participating Addendum or any and all Contracts, will be binding upon and will inure to the benefit of the parties thereto and their respective successors and permitted assigns, if any.

34. Intended Beneficiaries. Contractor and Participating Entity are the only parties to the Participating Addendum and are the only parties entitled to enforce its terms. Nothing in the Participating Addendum gives, is intended to give, or must be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name therein and expressly described as intended beneficiaries of the terms of this Contract.

34.1. Purchasing Entities. In accordance with Section 34 above, upon the formation of any Contract, the Purchasing Entity to such Contract will be an intended third party beneficiary of the Participating Addendum and shall have all the rights and obligations thereunder as expressly set forth therein.

35. Headings. The headings in these Oregon Terms are included only for convenience and do not control or affect the meaning or construction of this Participating Addendum.

EXHIBIT No. 2

INSURANCE

Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit prior to performing under this Participating Addendum and any Contract and shall maintain it in full force and at its own expense throughout the duration of this Participating Addendum and all warranty periods Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to DASPS.

Workers' compensation insurance. All employers, including Contractor, that employ subject workers in the State of Oregon must comply with ORS 656.017 and provide the required workers' compensation coverage, unless such employers are exempt under ORS 656.126. Contractor must also ensure that each of its approved subcontractors complies with these requirements.

General liability insurance. Contractor must obtain and maintain, at its own expense, for the duration of this Participating Addendum and any Contract, general liability insurance with a combined single limit, or the equivalent, of not less than \$2,000,000, for each occurrence for bodily injury and property damage. It must include contractual liability coverage for the indemnity provided under this Contract.

Automobile liability insurance. Contractor must obtain, at Contractor's expense, and keep in effect during the term of this Participating Addendum and any Contract, Commercial Business Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits). Combined single limit per occurrence must not be less than \$1,000,000.

Additional Insureds. The State of Oregon, DASPS and their divisions, officers and employees are included as additional insureds under the General Liability and Automobile Liability policies, but only with respect to the Goods or Services that Contractor will provide under this Participating Addendum and any Contract.

Notice of cancellation or change. Contractor must not cancel, cause a material change in, reduce its limits for or omit or intend not to renew the insurance coverage required under this Participating Addendum without thirty (30) calendar days' prior written notice from Contractor or its insurers to DASPS.

Certificates of insurance. As evidence of the insurance coverage required under this Participating Addendum, Contractor must furnish acceptable insurance certificates to DASPS before providing the Goods or commencing the Services and annually thereafter. The certificates must specify all of the parties who are additional insureds Insuring companies must be authorized to sell insurance in the State of Oregon. Contractor must be financially responsible for all pertinent deductibles, self-insured retention, and self-insurance.

EXHIBIT No. 3
CONTRACTOR TAX CERTIFICATION

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that:

1. The number shown on this form is Contractor's correct taxpayer identification;

Federal Tax Number 06-0495050

Oregon Tax Number 0036981-7

2. Contractor is not subject to backup withholding because:

- (i) Contractor is exempt from backup withholding,
- (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or
- (iii) the IRS has notified Contractor that Contractor is no longer subject to backup withholding.

3. S/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes,

4. For a period of no fewer than six calendar years preceding the Effective Date of this Addendum and any Contract, Contractor faithfully has complied with:

- (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
- (ii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
- (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and
- (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor: Pitney Bowes Inc.

Signature  Date 2/23/2018

EXHIBIT No. 4

LIST OF AVAILABLE PRODUCT & SERVICE CATEGORIES

State and ORCPP Members: Postage Meter Rental (to include Legacy Postage Meters)

- Digital postage meter must have display that provides date, piece-count, postage used, and postage unused.
- Must be refillable by phone and/or electronically that may be placed on a master account or paid by P-Card.
- Must imprint postage from \$0.01 to \$99.99.
- No administrative fees for postage meter refills.
- Rental renewal available annually.
- No automatic renewals shall be allowed on this contract.
- No penalties for early rental termination.

State & ORCPP Members: Mailing Systems, Ultra Low Volume

- Digital or IBI (Information Based Indicia) Operation to conform with all USPS® requirements.
- Manual Feed.
- Must meter, date envelopes.
- Handles mail envelopes from 3½" x 5" to 12" x 15".
- Interfaces with postage scales.
- Must include locking key or security feature.
- Must imprint postage from \$0.01 to \$99.99.
- Must have replaceable ink cartridge.
- Must have wet or dry tape system for oversize packages.

State & ORCPP Members: Mailing Equipment, Mailing Systems, Low Volume

- Digital or IBI (Information Based Indicia) Operation to conform with all USPS® requirements.
- Minimum feed speed of 30 pieces/minute.
- Must meter, date, and seal envelopes.
- Handles standard mail envelopes from 3½" x 5" to 12" x 15".
- Interfaces with postage scales.
- Must include locking key or security feature.
- Must imprint postage from \$0.01 to \$99.99.
- Must have replaceable ink cartridge.
- Must have wet or dry tape system for oversize packages.

State & ORCPP Members: Mailing Equipment, Mailing Systems, Medium Volume

- Digital or IBI (Information Based Indicia) Operation to conform with USPS® requirements.
- Minimum feed speed of 45 pieces/minute.

- Must meter, date, and seal envelopes.
- Handles letter mail and large envelopes up to 3/8" thick and 7-1/2" wide.
- Interfaces with postage scales up to 100 lbs.
- Includes tape dispenser for parcel.
- Must imprint postage from \$0.01 to \$99.99.
- Must include locking key or security feature.
- Must have replaceable ink cartridge.
- To include water reservoir with water level indicator.
- Must have sealed and non-sealed modes.

ORCPP Members Only: Mailing Systems, High Volume

- Digital or IBI (Information Based Indicia) Operation to conform with USPS® requirements.
- Minimum feed speed of 200 pieces/minute.
- Must meter, date, and seal envelopes.
- Handles letter mail and large envelopes from 3"x 5" to 13" x 13".
- Interfaces with postage scales up to 100lbs.
- Includes Tape Dispenser for parcel.
- Must imprint postage from \$0.01 to \$99.99.
- Must include locking key or security feature.
- Must have replaceable ink cartridge.
- To include water reservoir with water level indicator.
- Must have sealed and non-sealed modes.

ORCPP Members Only: Mailing System, Production

- Digital or IBI Operation to conform with USPS® requirements.
- Minimum feed speed of 300+ pieces/minute.
- Must meter, date, and seal envelopes.
- Handles letter mail and large envelopes from 3"x 5" to 13" x 13".
- Interfaces with postage scales up to 100 lbs.
- Includes Tape Dispenser for parcel.
- Must imprint postage from \$0.01 to \$99.99.
- Must include locking key or security feature.
- Must have replaceable ink cartridge.
- To include water reservoir with water level indicator.
- Must have sealed and non-sealed modes.

State & ORCPP Members: Integrated Postal Scales

- Capable of Interfacing with Postage Meter.
- Includes variety of rates including: Standard, First Class, Priority Mail, Certified Mail, Return Receipt Registered, C.O.D., Insured, Registered, Bulk Rates, etc.
- Includes keyboard graphics, operator prompts and menu selections.
- Special Carrier Rates.
- Capable of weighing to a 32nd of an oz., displaying in increments of 0.5 oz.
- Must electronically set postage meter by the touch of one button.

- Must include postal rate changes at no additional cost throughout the lease or maintenance contract.

STATE & ORCPP MEMBERS: LETTER OPENERS, LOW VOLUME

- Includes Feeder and Stacker, Variable Trim Control.
- Processing speed up to 10,000 pieces per hour Minimum.
- Self-Sharpening trim blade adjusts to allow for narrow or wide cut.
- Includes Tray that collects 80 #10 opened envelopes and trimmings

STATE & ORCPP MEMBERS: LETTER OPENERS, HIGH VOLUME

- Includes Feeder and Stacker, Variable Trim Control.
- Processing speed over 20,000 pieces per hour Minimum.
- Self-Sharpening trim blade adjusts to allow for narrow or wide cut.
- Includes Tray that collects 150 opened envelopes and trimmings.

STATE & ORCPP MEMBERS: LETTER FOLDERS, LOW VOLUME

- Automatic.
- Folds up to 10,000 sheets per hour minimum.
- Completes Standard or Custom folds. •
- Handles at a minimum paper from 3-1/8" x 4" x 9-1/2" x 14".

STATE & ORCPP MEMBERS: LETTER FOLDERS, HIGH VOLUME

- Automatic.
- Folds more than 20,000 sheets per hour minimum.
- Completes Standard or Custom folds.
- Handles at a minimum paper from 3-1/8" x 4" x 12" x 18".
- Able to process Multiple Folds.

ORCPP MEMBERS ONLY: INSERTERS, PRODUCTION

- Processes up to 5,500 sheets per hour minimum.
- Feeds, collates, folds, and, inserts material into envelopes.
- Jobs can be pre-programmed.

State & ORCPP Members: Folder/Inserters, Low volume

- Automatic.
- Completes Standard or Custom folds.
- Handles paper from 3-1/8" x 4" x 9-1/2" x 14".
- Processes up to 1,500 sheets per hour minimum.
- Feeds, collates, folds, and, inserts material into envelopes.
- Jobs can be pre-programmed.

State & ORCPP Members: Folders/Inserters, Medium Volume

- Automatic.
- Completes Standard or Custom folds.
- Handles paper from 3-1/8" x 4" x 9-1/2" x 14".
- Processes up from 1501 – 4,999 sheets per hour minimum.
- Feeds, collates, folds, and, inserts material into envelopes.
- Jobs can be pre-programmed.

ORCPP MEMBERS ONLY: FOLDERS/INSERTERS, PRODUCTION

- Automatic.
- Completes Standard or Custom folds.
- Handles paper from 3-1/8" x 4" x 9-1/2" x 14".
- Processes over 10,000 sheets per hour minimum.
- Feeds, collates, folds, and, inserts material into envelopes.
- Jobs can be pre-programmed.

State & ORCPP Members: Envelope Mail Labeler, Low Volume

- Label Speed: up to 5,000 # 10 envelopes per hour.
- Applies permanent (peel off) labels ranging in size from 1" to 4" high and maximum backing strip of 6".
- Adjustable label positioning from side-to-side and top-to-bottom of document.
- Motor driven take-up reel for label backing and control for adjusting for different types of labels and backing.
- Includes digital counter.
-

STATE & ORCPP MEMBERS: ENVELOPE MAIL LABELER, MEDIUM VOLUME

- Label Speed: up to 10,000 # 10 envelopes per hour.
- Applies permanent (peel off) labels ranging in size from 1" to 4" high and maximum backing strip of 6".
- Adjustable label positioning from side-to-side and top-to-bottom of document.
- Motor driven take-up reel for label backing and control for adjusting for different types of labels and backing.
- Includes digital counter.

STATE & ORCPP MEMBERS: ENVELOPE MAIL LABELER, HIGH VOLUME

- Label Speed: up to 15,000 # 10 envelopes per hour.
- Applies permanent (peel off) labels ranging in size from 1" to 4" high and maximum backing strip of 6".
- Adjustable label positioning from side-to-side and top-to-bottom of document.

- Motor driven take-up reel for label backing and control for adjusting for different types of labels and backing.
- Includes digital counter.

ORCPP MEMBERS ONLY: ENVELOPE MAIL LABELER, PRODUCTION

- Label Speed: up to 25,000 # 10 envelopes per hour.
- Applies permanent (peel off) labels ranging in size from 1" to 4" high and maximum backing strip of 6".
- Adjustable label positioning from side-to-side and top-to-bottom of document.
- Motor driven take-up reel for label backing and control for adjusting for different types of labels and backing.
- Includes digital counter.

STATE & ORCPP MEMBERS: ENVELOPE ADDRESSING SYSTEM, INK JET, LOW VOLUME

- Label Speed: up to 2,500 # 10 envelopes per hour.
- Applies address information directly to envelopes.
- Adjustable printing positioning from side-to-side and top-to-bottom of document.
- Adjustable print resolution.
- Scalable fonts.
- Interface with Windows based software.
- Includes digital counter.

State & ORCPP Members: Envelope Addressing System, Ink Jet, Medium Volume

- Label Speed: up to 5,000 # 10 envelopes per hour.
- Applies address information directly to envelopes.
- Adjustable printing positioning from side-to-side and top-to-bottom of document.
- Adjustable print resolution.
- Interface with Windows based software.
- Includes digital counter.
-

ORCPP Members Only: Envelope Addressing System, Ink Jet, High Volume

- Label Speed: up to 24,999 # 10 envelopes per hour.
- Applies address information directly to envelopes.
- Adjustable printing positioning from side-to-side and top-to-bottom of document.
- Adjustable print resolution.
- Multiple print heads.
- Movable print heads.
- Print USPS Bar Codes.
- Scalable fonts.
- Interface with Windows based software.
- Includes digital counter.

ORCPP MEMBERS ONLY: ENVELOPE ADDRESSING SYSTEM, INK JET, PRODUCTION

- Label Speed: over 25,000 # 10 envelopes per hour.
- Applies address information directly to envelopes.
- Adjustable printing positioning from side-to-side and top-to-bottom of document.
- Adjustable print resolution.
- Multiple print heads.
- Movable print heads.
- Scalable fonts.
- Print USPS Bar Codes.
- Interface with Windows based software.
- Includes digital counter.

ORCPP MEMBERS ONLY: TABBERS, LOW VOLUME

- Complies with all USPS® regulations.
- Single-tab speeds up to 15,000/Hr.
- Multiple tabbing options (paper, clear translucent with or without perforation etc.).
- Easy Programming and Set up.
- Automatic size adjusting (accepts various tab sizes).
- Accepts various types and sizes of media.

ORCPP MEMBERS ONLY: TABBERS, MEDIUM VOLUME

- Complies with all USPS® regulations.
- Single-tab speeds from 15,001 - 22,000/Hr.
- Multiple tabbing options (paper, clear translucent with or without perforation etc.).
- Easy Programming and Set up.
- Automatic size adjusting (accepts various tab sizes).
- Accepts various types and sizes of media.

ORCPP MEMBERS ONLY: TABBERS, HIGH VOLUME

- Complies with all USPS® regulations.
- Single-tab speeds greater than 22,001/Hr. – 50,000/Hr.
- Multiple tabbing options (paper, clear translucent with or without perforation etc.).
- Easy Programming and Set up.
- Accepts various types and sizes of media.
-

ORCPP MEMBERS ONLY: TABBERS, PRODUCTION

- Complies with all USPS® regulations.
- Single-tab speeds greater than 50,000/Hr.
- Multiple tabbing options (paper, clear translucent with or without perforation etc.).
- Easy Programming and Set up.
- Accepts various types and sizes of media.

ORCPP MEMBERS ONLY: CHECK IMPRINTING/ENDORISING

- Minimum monthly volume of 25,000.
- Utilize both cut sheet and continuous style documents.
- Able to provide a variety of options with regards to signatures, date stamps, seals and logos on various locations on the document.
- Counters that can be reset and non-reset for audit purposes.
- Offers both tri-color and ultraviolet ink roll options.

ORCPP Members Only: Pressure Sealing, Production

- Creates a single piece mailer from a full range of stock or custom forms.
- Creates a single piece mailer with a continuous seal formed to assure security and confidentiality.
- Must be able to detect when “double documents” are processed.
- Must be able to detect document jams during production.
- Shall have emergency shut off/safety device.

ORCPP MEMBERS ONLY: BURSTING EQUIPMENT, PRODUCTION

- Able to burst cut sheet.
- Able to burst at the perforation.
- Stack sequentially and continuous multipart documents.
- Burst at the horizontal perforations.
- Burst various locations of perforations.

ORCPP MEMBERS ONLY: PRE-SORTING EQUIPMENT, PRODUCTION

- Minimum monthly volume of 100,000.
- Ability to sort various sizes of envelopes, flats and packages.
- Multiple Station.
- Various rates of speed.
- Ability to process the entire range of USPS.

ORCPP MEMBERS ONLY: EXTRACTORS

- Processes up to 3000 pieces per hour.
- One, Two, or, Three Sided Opening.
- Includes counting and monitoring system that counts pieces processed.
- Capable of processing various sizes of intermixed mail up to and including #11 envelopes, heights to 5-1/4”.

ORCPP MEMBERS ONLY: MAILING FURNITURE (SPECIFIC TO A CATEGORY)

- Mailroom furniture shall be appropriate for the mailroom category being it is being offered in.
- Mailroom work tables, pedestals, bins etc. must be constructed of wood, steel or plastic bases with steel, laminate or wood tops that can support the daily use and weight of mailroom product and equipment.
- Only furniture specifically related to the category/group of equipment may be purchased under this category.

STATE & ORCPP MEMBERS: MAILING FURNITURE (GENERAL)

- Mailroom furniture shall not be specific to a piece of equipment or a category/group.
- Mailroom free standing mail sorter tables, case works, mail carts etc. must be constructed of wood, steel or plastic bases with steel, laminate or wood tops that can support the dialing use and weight of mailroom activity.

STATE & ORCPP MEMBERS: ACCESSORIES

- Mailroom accessories must be appropriate for a mailroom operation.
- All accessories related to equipment configurations must be identified in the equipment catalogs with the associated percentage % discount(s) off the manufacturer's suggested retail price.

ORCPP Members Only: Software, License and Subscription(Licenses are not reviewed by the State of Oregon, Each entity who chooses to use must have their own legal team review.

- Commercial off-the-shelf (COTS) and customized mail room related software utilized by mailing equipment (e.g. tracking software or accounting software) and purchased/leased on either a monthly or annual basis.
- All software must be specifically utilized only for mailing equipment operations.
- Includes licensing, software maintenance, technical support and updates.
- All installations will be performed by the Contracted Supplier.
- Updates shall be performed by Contracted Supplier or user.

ORCPP Members Only: Software Consulting Services

- Consulting services for mailing solutions that may require requirements definition, custom design, programming, testing and implementation as outlined in a detailed statement of work.

ORCPP Members Only: Software Integration

- Consulting services provided by Contractor that includes but not limited to the process of bringing together applications into one system to ensure the applications function together as a whole for mailing room operations functionality.

State & ORCPP Members: Training

- *Additional* training services as specified in Section 3.4.1.

State & ORCPP Members: Supplies /Consumables

- All Supplies/Consumables needed to operate the mailing device or equipment.
- Regular paper is not included in this category.
- Labels for addressing and other mail room purposes are included.

ORCPP Members Only: Design, Production Only

- Billable only for Production equipment.

- Total hours/days with total fee will be agreed to in writing from both parties before any work will begin.
- All other Design work is included in the cost of the mailing equipment.

ORCPP Members Only: Assembly/Installation, Production Only

- Billable only for Production equipment.
- Total hours/days with total fee will be agreed to in writing from both parties before any work will begin.
- All other Installation work is included in the cost of the mailing equipment.
-

EQUIPMENT LEASING

- See section 3.15.

EQUIPMENT RENTAL

- See section 3.16.

EQUIPMENT RELOCATIONS SERVICES

- Equipment Relocation Services include: dismantling, packing, transporting and re-installing equipment at the Client Agency’s request. No additional charges shall be incurred for fuel or tolls. Awarded Vendors may charge for device moves. Such charges must be in the format listed below according to the distance from the original placement:

Move Zone	Distance from the Original Device Placement	Allowable Charge Format
Zone 1	100 Yards or less; or within the same building	No Charge Allowed except as outlined below*
Zone 2	Between Zone 1 and 50 miles	Flat Fee
Zone 3	Outside of Zone 2	Per mile fee

*** The Awarded Vendor/Contractor may charge the Purchasing Entity a mutually agreed upon cost for special rigging in the event a Purchasing Entity's building demographics require such rigging for Move Zone 1 relocations (100 yards or less or within the same building).**

The foregoing costs shall be agreed upon in writing by the Purchasing Entity prior to any equipment relocation in Zone 1

EXHIBIT No. 5
PRICE LIST

Pricelists can be accessed by following the link below:

<https://www.pitneybowes.com/us/state-and-local-government-solutions/states.html>

EXHIBIT No. 6
PITNEY BOWES, INC. DOCUMENTS

The following documents apply to the Goods and Services:

SUMMARY OF LEASING/RENTAL PROGRAMS UNDER ADSP016-169897

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 (Production Ink Jet Envelope Addressing System, Production Tabbers, Inserter Production, Production Folder-Inserter, Pre-Sorting Equipment) awarded under ADSP016-00006328- to Pitney Bowes Inc.

TERM RENTAL (INSTALLMENT PURCHASE) - Option A This program provides a 36, 48 or 60 Month Lease and is available only to city and state agencies, such as public school districts, municipal hospitals, police and fire departments. Due to the tax exempt status of the Lessee, rates are much lower than standard Fair Market Value Lease rates. Title to the Equipment passes up front and at the end of the lease term, lessee owns the equipment (excluding meter). (Non-profits, private universities & schools and non-State or Local agencies are excluded from this program). Sales & Purchase Tax will be charged, if required under Your State Statute.

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

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

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

MONTHLY LEASE RATES			
TERM	OPTION A	OPTION B	OPTION C
36	0.0326	0.0377	0.0342
48	0.0257	0.0309	0.0277
60	0.0216	0.0270	0.0237

MONTHLY LEASE PAYMENT BASED ON \$10,000.00 TRANSACTION*			
TERM	OPTION A	OPTION B	OPTION C
36	\$ 326.00	\$ 377.00	\$ 342.00
48	\$ 257.00	\$ 309.00	\$ 277.00
60	\$ 216.00	\$ 270.00	\$ 237.00

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

SPECIAL COTERMINOUS LEASE RATES (for SMB only)

Pitney Bowes can offer to our current leasing customers the opportunity to enter into a "coterminous lease" for the purposes of acquiring additional accessories and solutions for their current equipment. The term of the lease will be consistent with the number of months remaining on the lease contract for the existing equipment. For example, a customer with 18 months remaining on a lease will be offered an 18 month lease for additional accessories or solutions. Invoices will show two separate line items reflecting the current machine lease and the new coterminous lease. The coterminous lease will be subject to the same terms and conditions as the original lease. Below are the monthly co-terminus lease rates for NASPO ValuePoint ADSPO16-00006328 Financing Option A, Option B, and Option C.

TERM	OPTION A	OPTION B	OPTION C
12	0.08825	0.09312	0.08981
15	0.07153	0.07638	0.07308
18	0.06039	0.06525	0.06194
21	0.05244	0.05732	0.05400
24	0.04648	0.05139	0.04804
27	0.04185	0.04680	0.04341
30	0.03815	0.04313	0.03972
33	0.03513	0.04015	0.03671
36	0.03260	0.03770	0.03420
39	0.03048	0.03560	0.03210
42	0.02866	0.03382	0.03028
45	0.02709	0.03230	0.02871
48	0.02570	0.03090	0.02770
51	0.02450	0.02980	0.02615
54	0.02343	0.02880	0.02510
57	0.02247	0.02786	0.02414

OPTION A -- NASPO VALUEPOINT TERM RENTAL (INSTALLMENT PURCHASE) 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 Term Rental (Installment Purchase) 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. This Agreement may not be used by State Agencies.

Pricing Plan for the NASPO ValuePoint Term Rental (Installment Purchase) Lease Terms and Conditions is as follows:

Monthly Rate Factors:

<u>Term:</u>	<u>Lease Rate:</u>
36	.0326
48	.0257
60	.0216

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 the Quarterly payment would equal a \$326.00 monthly equipment lease payment multiplied by 3 months equaling a \$978 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 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, Usage-based Equipment, 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 Term Rental (Installment Purchase) 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, 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 agreement between the applicable Pitney Bowes company and you for the Equipment.

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

"PBI" - Pitney Bowes Inc.

"Pitney Bowes" – PBI, PBGFS and their respective subsidiaries.

"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, as amended.

"Usage-based Equipment" - equipment for which charges are based on volume of use

"USPS" – the United States Postal Service.

"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 Section L10 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 in accordance with ORS 293.462.

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 month for all payments on the Order (each, a "Quarterly Payment"), except as provided in any SOW attached to this 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.

L3.4 Your obligations, including your obligation to pay the Quarterly Payments due in any fiscal year during the term of this Agreement, shall constitute a current expense for such fiscal year and shall not constitute indebtedness within the meaning of the constitution and laws of the state in which you are located. Nothing herein shall constitute a pledge by you of any taxes or other moneys (other than moneys lawfully appropriated from time to time by or for your benefit for this Agreement) to the payment of any Total Payment due under this Agreement.

L4. EQUIPMENT OWNERSHIP

L4.1 PBI owns any Meter. Title to the Equipment shall pass to you upon installation. However, you and we agree that title shall automatically revert to us in the event of default, or termination due to your non-appropriation under Section L10.

L5. TERM

L5.1 This Agreement shall commence on the date of delivery and shall continue until the earlier of (i) termination at our option upon the occurrence of an event of default, or (ii) the occurrence of an event of a non-appropriation under Section L10, or (iii) the expiration of the Term and your payment of all Quarterly Payments and other

sums due and your fulfillment of all other obligations under this Agreement.

L6. SURRENDER OF EQUIPMENT

L6.1 If you default, or terminate this Agreement by non-appropriation under Section L10, you, at your expense, shall return all Equipment by delivering it to us in the same condition as when delivered to you, reasonable wear and tear excepted, to such place or on board such carrier, packed for shipping, as we may specify. Until the Equipment is returned as required above, all terms of this Agreement remain in effect including, without limitation, your obligations to make payments relating to your continued use of the Equipment and to insure 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 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.

L7.3 PBI provides you with the warranty as provided in the Master Agreement, as amended 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, as amended.

(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.

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

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").

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- (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")
- (d) YOU MUST CALL US AT 1-800-732-7222 AND PROVIDE US WITH EVIDENCE OF INSURANCE.

L9.2 Self-Insurance. To the extent Purchasing Entity is required to obtain insurance, Purchasing Entity may, at its own cost and expense, maintain a program of insurance, self-insurance or risk-assumption or any combination thereof if Purchasing Entity does so generally, and not only with respect to this Agreement. In such case, Purchasing Entity shall not be required to obtain the casualty or liability insurance referred to above, provided Purchasing Entity shall provide us with a letter evidencing the existence of such program or programs that shall be sufficient to enable Purchasing Entity to fulfill all of its obligations under this Agreement. The State of Oregon is self-insured.

L10. NON-APPROPRIATION

L10. 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. REPRESENTATIONS

L11.1 You hereby represent and warrant that (a) you are a state or political subdivision thereof within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code"); and (b) you have the power and authority under applicable law to enter into this Agreement and you have been duly authorized to execute and deliver this Agreement and carry out your obligations hereunder. You acknowledge that a portion of each Quarterly Payment you shall pay includes interest and that this Agreement is entered into based on the assumption that the interest portion of each Quarterly Payment is not includible in gross income of the owner thereof for Federal income tax purposes under Section 103(a) of the Code. You shall, at all times, do and perform all acts and things necessary and within your control in order to assure that such interest component shall be so excluded. If any interest is determined not to be excludible from gross income, your Quarterly Payment shall be adjusted in an amount sufficient to maintain our original after tax yield utilizing our consolidated marginal tax rate, which adjusted Quarterly Payments you agree to pay as provided in this Agreement, subject to Section L10. The rate at which the interest portion of Quarterly Payments is calculated is not intended to exceed the maximum rate or amount of interest permitted by applicable law. If such interest portion exceeds such maximum, then at our option, if permitted by law, the interest portion will be reduced to the legally permitted maximum amount of interest, and any excess will be used to reduce the principal amount of your obligation or be refunded to you. You shall not do (or cause to be done) any act which will cause, or by omission of any act allow, this Agreement to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or a "private activity bond" within the meaning of Section 141(a) of the Code. At the time of your execution of this Agreement, you shall provide us with a properly prepared and executed copy of the appropriate US Treasury Form 8038-G or 8038-GC and you appoint us as your agent for the purpose of maintaining a registration system as required by Section 149(a) of

the Code. This Section shall survive the termination of this 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, THE METER OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH WILL NOT BE UNREASONABLY WITHHELD.
- L12.3 We may sell, or assign all or any part of this Lease or the Equipment. Any sale or assignment 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 Any Meter rented under this Agreement is subject to the applicable USPS regulations and meter terms and conditions as may be provided by PBI
- L12.6 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.
- L12.7 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.
- L 12.8 The Connect+ and SendPro P and C Series mailing system may use an internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+ and SendPro P 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.

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

Pitney Bowes Global Financial Services LLC will serve as a sub-contractor under ADSPO16-169897, as amended and will be the 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 ADSPO16-00006328- to Pitney Bowes Inc.

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

Monthly Rate Factors:

<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 ADSPO16-169697, 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 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, as amended.

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“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, in accordance with ORS 293.462.

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**. Late charges will be invoiced in accordance with ORS 293.462.

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, as amended 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 as amended.
- (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.

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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.

L9.2 Self-Insurance. To the extent Purchasing Entity is required to obtain insurance, Purchasing Entity may, at its own cost and expense, maintain a program of insurance, self-insurance or risk-assumption or any combination thereof if Purchasing Entity does so generally, and not only with respect to this Agreement. In such case, Purchasing Entity shall not be required to obtain the casualty or liability insurance referred to above, provided Purchasing Entity shall provide us with a letter evidencing the existence of such program or programs that shall be sufficient to enable Purchasing Entity to fulfill all of its obligations under this Agreement, The State of Oregon is self-insured.

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, as amended.

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™ 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+ or SendPro™ P series mailing system and the internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction.

L12.9 We will provide you with a welcome letter by email.

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

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

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

Monthly Rate Factors:

<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, as amended, Mail Room Equipment, Supplies and Maintenance contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.

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 "Custome" – 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, in accordance with ORS 293.462.

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. Late charges will be invoiced in accordance with ORS 293.462.

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.

L9.2 Self-Insurance. To the extent Purchasing Entity is required to obtain insurance, Purchasing Entity may, at its own cost and expense, maintain a program of insurance, self-insurance or risk-assumption or any combination thereof if Purchasing Entity does so generally, and not only with respect to this Agreement. In such case, Purchasing Entity shall not be required to obtain the casualty or liability insurance referred to above, provided Purchasing Entity shall provide us with a letter evidencing the existence of such program or programs that shall be sufficient to enable Purchasing Entity to fulfill all of its obligations under this Agreement, The State of Oregon is self-insured.

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. 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 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.

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

POSTAGE 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.

POSTAGE METER RENTAL TERMS AND CONDITIONS

- (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.2 To the extent you deposit funds in advance of the use of any evidence of postage, you may make Deposits in the Lockbox Bank account identified as "United States Postal Service CMRS-PB" or make deposits in your Reserve

Account, in either case through electronic means, including Automated Clearinghouse Transfers. The USPS may, at its discretion, designate itself or a successor as recipient of Deposits made by you to the Lockbox Bank account described above.

UI.3 Any deposit made by you in your Reserve Account is subject to the Postage By Phone® Reserve Account – Agreement and Disclosure Statement governing your Reserve Account.

UI.4 Any Deposit made by you in the Lockbox Bank account shall be credited by the USPS only for the payment of evidence of postage. Such Deposits may

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be commingled with Deposits of other clients. You shall not receive or be entitled to any interest or other income earned on such Deposits.

UI.5 The USPS will provide a refund to you for the remaining account balances of Deposits held by the USPS. These refunds are provided in accordance with the rules and regulations governing deposit of funds for evidence of postage, published in the CFR.

UI.6 The Lockbox Bank, which shall collect funds on behalf of the USPS, shall provide PBI, on each business day, information as to the amount of each Deposit made to the USPS by you, so that PBI can update its records.

UI.7 PBI may deposit funds on your behalf. The USPS will make no advances of funds to you. Any relationship concerning advances of funds is between you and PBI, PBGFS and/or the Bank.

UI.8 You acknowledge that the terms of this Acknowledgement may be changed, modified, or revoked by the USPS, with appropriate notice.

UI.9 Postal Regulations governing the deposit of funds are published in the CFR or its successor. You acknowledge that you shall be subject to all applicable rules, regulations, and orders of the USPS, including future changes to such rules, regulations, and orders, and such additional terms and conditions as may be determined in accordance with applicable law. The USPS rules, regulations, and orders shall prevail in the event of any conflict with any other terms and conditions applicable to any Deposit.

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.

PBSMARTPOSTAGE™ TERMS AND CONDITIONS

If you have ordered pbSmartPostage™, your use of that product will be subject to the Terms of Use which are available at <http://www.pitneybowes.com/us/license-terms-of-use/smart-postage-terms-and-conditions.html> and which are incorporated by reference. Your use of pbSmartPostage is entirely governed by the pbSmartPostage Terms of Use and any other provisions of the Pitney Bowes Terms will not apply.

SENDPRO™ TERMS AND CONDITIONS

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

EXHIBIT No. 6 -A
TO
PARTICIPATING ADDENDUM

Riders to Pitney Bowes Documents

This rider (“**Rider**”) applies to the following:

- Option A - NASPO ValuePoint Term Rental (Installment Purchase) Lease Terms and Conditions (“**Installment Purchase Agreement**”);
- Option B -- NASPO ValuePoint FMV Rental Terms and Conditions (“**Rental Terms**”);
- Option C - NASPO Valuepoint FMV Lease Terms and Conditions (“FMV Lease Terms”)
- ADSP016-169897, Postage Meter Rental Terms and Conditions (“**USPS Rental Terms**”);
- Pitney Bowes Bank, Inc. Purchase Power Terms and Conditions (“**Purchase Power Terms**”) and
- Any online terms and conditions.

collectively referred to as: “**Pitney Bowes Documents**” and attached as Exhibit No. 6 to the Participating Addendum. The terms and conditions of this Rider amend and supersede any provision in the Pitney Bowes Documents and covers any Goods leased by a Purchasing Entity and is incorporated by reference into any Contract between Contractor and Purchasing Entity.

- 1. Defined Terms.** To the extent that this Rider amends or modifies specific paragraphs of the Pitney Bowes Documents, the amended paragraph uses the defined terms of the Pitney Bowes Documents, otherwise capitalized terms not defined in this Rider shall have the meanings assigned to them in, as applicable, the Participating Addendum and Exhibit Nos. 1-5.
- 2. Capital Leases - State Agencies Ineligible.** IN NO EVENT SHALL ANY STATE AGENCY HAVE THE RIGHT, UNDER THE PARTICIPATING ADDENDUM, TO ENTER INTO A CONTRACT FOR A CAPITAL LEASE. ANY CONTRACT ENTERED INTO BY CONTRACTOR AND A STATE AGENCY FOR A CAPITAL LEASE SHALL BE VOID AND THE STATE SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY SUCH CAPITAL LEASE. Nothing in the Participating Addendum, however, prevents a State Agency from entering into a Contract for an Operating Lease.

- 2.1. ORCPP Purchasing Entities may, subject to all applicable federal, State, and local laws, enter into a Contract for a Capital Lease or Operating Lease under the Participating Addendum.
3. Notwithstanding any provision of the Pitney Bowes Documents, the parties agree as follows:
- 3.1. Pitney Bowes shall not be entitled to enforce any remedy which would cause this Participating Addendum or any provision of any Pitney Bowes Document to constitute a “debt” or “liability” within the meaning of Article XI, Section 7 of the Oregon Constitution and/or violate *State ex rel Kane v. Goldschmidt*, 308 Or 573, 783 P2d 988 (1989).
- 3.2. Purchasing Entity will not knowingly do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the Lease Payments to be or become includable in gross income for federal income taxation purposes under the Internal Revenue Code. Purchasing Entity will, with respect to each Pitney Bowes Document, complete and execute an original Form 8038-G or 8038-GC, as applicable, and timely file such form with the Internal Revenue Service. Pitney Bowes is not appointed as an agent on behalf of Purchasing Entity.
- 3.3. Purchasing Entity shall not be required to provide financial information in addition to what is publicly available. The State of Oregon’s Comprehensive Annual Financial Report is found at:
<http://www.oregon.gov/DAS/CFO/SARS/Pages/publications.aspx>
- 3.4. **Late Fees.** All payments are subject to ORS 293.462.
- 3.5. **Security Interest.** All security interests are subject to the provisions of ORS 283.089(f), and any provisions relating to signing financing statements or a power of attorney regarding the same, or authorizing Pitney Bowes to file financing statements, that may be contained in the Pitney Bowes Documents are hereby deleted in their entirety. To secure the prompt payment and performance as and when due of all of Purchasing Entity’s obligations under each Pitney Bowes Documents, Purchasing Entity hereby grants to Pitney Bowes a security interest in the Equipment delivered under each Pitney Bowes Document, all replacements, substitutions, accessions and proceeds (cash and non-cash), including the proceeds of all insurance policies, thereof.
- 3.6. **Self-Insurance.** To the extent Purchasing Entity is required to obtain insurance, Purchasing Entity may, at its own cost and expense, maintain a program of insurance, self-insurance or risk-assumption or any combination thereof if Purchasing Entity does so generally, and not only with respect to the Pitney Bowes Document. In such case, Purchasing Entity shall not be required to obtain the casualty or liability insurance referred to above, provided Purchasing Entity shall provide Pitney Bowes with a letter evidencing the existence of such program or programs that shall be sufficient to enable Purchasing Entity to fulfill all of its obligations under the Pitney Bowes Document.
- 3.7. **Third Party Software Licenses.** To the extent the Equipment includes embedded third party software, Pitney Bowes shall deliver a copy of any license agreement to Purchasing Entity for review. Purchasing Entity shall have 30 Calendar Days to

review. If Purchasing Entity determines that the provisions of the third party license are not acceptable, Purchasing Entity may terminate the Contract and upon a full refund of all amounts paid and shall have no liability for early termination charges.

3.8. Termination for Convenience. Purchasing Entity may terminate an Option C agreement under Pitney Bowes Document at any time for any reason or for no reason (“Termination for Convenience”); provided that Purchasing Entity shall pay Pitney Bowes a termination charge equal to the net present value of the periodic payments remaining in the Term, discounted by six percent (6%) per annum. Such amount must be received by Pitney Bowes within 30 Calendar Days of the effective date of termination. Upon receipt of such payment, Purchasing Entity shall have no further payment obligation or early termination charges owed to Pitney Bowes under any of the Pitney Bowes Documents.

3.9. Governing Law. With the exception of Purchase Power which must be governed by the laws of the State of Utah, The Pitney Bowes Documents are governed by and construed in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws.

3.10. Conflict. In the event of a conflict between the terms and conditions of any Pitney Bowes Document and the State Specific Terms and Conditions set forth in Exhibit No. 1, the terms and conditions set forth in the State Specific Terms and Conditions set forth in Exhibit No. 1 will control.

4. No Other Amendments or Modifications. Except as amended in this Exhibit No. 6-A, all terms and conditions of the Pitney Bowes Documents remain in effect.

EXHIBIT No. 7

VOLUME SALES REPORT TEMPLATE

The information contained in this report is *proprietary and confidential* to Pitney Bowes Inc.
 This material can be used solely for the purpose of evaluation. No recipient of this material may use it for their own commercial advantage or to dispute an invoice.
 The recipient must hold this document in confidence and shall not distribute it, in whole or in part, to any other individual or entity, in any form, without the prior written consent of Pitney Bowes Inc.

Fields	Data	General instructions: VCAF Rate/Structure is determined by your contract. Email completed report to vcaf.reporting@oregon.gov
Price Agreement Number	PA #1518	
Vendor Name	PITNEY BOWES	
Reporting Period	4TH QTR	
VCAF Rate or Structure	1.00%	
Form of e-Payment (Debit /Credit)	CHECK	
Type of Report (Original, Corrective)	Original	
Vendor/Contact E-mail	lorris.mckee@pb.com	
Vendor/Contact Phone	412-744-4733	

PO #	Customer Name	Type of Commodity	ITEM CODE	Type of Commodity	Quantity of Items Sold	Unit Cost	Total Value of Line Item	Enter VCAF Amount	Invoice Number	Date of Sale
000366412	STATE COURTS		793-5	DM1001 RED INK CART 1RDY	3	\$84.99	\$254.97	\$2.55	NA	Oct 16, 2017
0003950229	STATE OF OREGON		787-1	CONNECT+ RED FL INK CTG (PRD) CG333A	18	\$246.49	\$4,436.82	\$44.37	NA	Dec 1, 2017
0003940875	OREGON CORRECTIONS ENTERPRISES		787-1	CONNECT+ RED FL INK CTG (PRD) CG333A	2	\$234.16	\$468.32	\$4.68	NA	Dec 13, 2017
0003966672	CITY COUNTY INSURANCE SERVICES		608-0	E-Z SEAL (6402 BTL5) 4/BOX	1	\$72.67	\$72.67	\$0.73	NA	Dec 22, 2017
0003966046	STATE OF OREGON		CK0-1	SMALL BUS CLEAN KIT W/O AIR	1	\$22.94	\$22.94	\$0.23	NA	Dec 1, 2017
0003948213	STATE OF OREGON SAIF 7515		78P-R	CONNECT + RED FLRSCNT PRINTHEAD	2	\$101.99	\$203.98	\$2.04	NA	Nov 28, 2017