

DI2000™ TERMS AND CONDITIONS

(Updated: April 6, 2020)

The following provisions apply when you buy or lease the DI2000™ inserting system (the “**System**”) and are in addition to the Pitney Bowes Terms. These System terms, the executed order (the “**Order**”) and the Pitney Bowes Terms make up your agreement with Pitney Bowes (the “**Agreement**”). Capitalized terms not defined below will have the same meanings set out in the Pitney Bowes Terms.

D1. SYSTEM FEES

D1.1 System Fees. We will invoice you the System fees listed on the Order. You agree to provide accurate information about base and measured usage rates to us. If the information is not accurate, we reserve the right to estimate such usage and make adjustments based on actual usage on your next invoice.

D2. SYSTEM MAINTENANCE SERVICES

D2.1 Service Level Options.

(a) If you sign up for **Standard SLA** on the Order, PBC will repair the System during the Initial Service Term or any Renewal Service Term (each term as defined in Section (b) below) (the “**Service Term**”). You are also entitled to preventative maintenance. Preventative maintenance will consist of inspecting, cleaning and periodically lubricating various components as well as replacing any worn parts. PBC will inform you of the recommended timing for preventative maintenance required. You will make the System reasonably available to PBC for preventative maintenance. Alterations to the System not authorized by us are strictly prohibited and will void your SLA. If the System needs repair, PBC may provide repair by remote access, diagnostics and service and/or by on-site repair service. Repair service is provided only for damage resulting from normal wear and tear. Repair service may include the use of new, reconditioned, or remanufactured parts and assemblies. PBC will provide parts or assemblies for discontinued equipment (or equipment not marketed as new) only if available. If PBC deems it necessary, PBC will dispatch a service technician to arrive at your location for on-site service. You won't incur hourly charges unless service is performed outside Normal Working Hours, which will be done only with your consent. “**Normal Working Hours**” means 8 a.m. – 5 p.m., Monday – Friday, excluding PBC observed U.S. holidays, in the time zone where the System or other items are located.

(b) System Maintenance Term. PBC will provide you with maintenance service for twelve months, if you don't have a Lease, or for the Lease Term, if you are leasing the System (the “**Initial Service Term**”). **SERVICE AUTOMATICALLY RENEWS FOR CONSECUTIVE ONE YEAR TERMS (EACH A “RENEWAL SERVICE TERM”) UNLESS YOU TERMINATE YOUR SERVICE AS PROVIDED BELOW OR THE LEASE EXPIRES OR IS TERMINATED OR THE RENEWAL IS PROHIBITED BY LAW.** If you don't wish to renew the maintenance service, you must deliver a written notice (the “**Termination Notice**”) at least 60 days prior to the renewal of the term to us at PO Box 278, Orangeville, ON, L9W 2Z7. Your Termination Notice must include your customer account number or Federal Business Number and lease number (if applicable). PBC reserves the right not to renew your SLA for any reason. If you elect to terminate

the maintenance service without cause prior to the expiration of the then applicable Service Term, no pro-rata refund will be provided, even if any prepaid hours of service have not yet been performed by us.

D2.2 Repair Service. If the System is under warranty, and we need to take the System back, PBC will be responsible for all transportation costs. We will provide parts or assemblies for discontinued equipment (or equipment not marketed as new) only if available. Lubricants and other materials needed to service the System, except Consumable Supplies and replacement printheads, are provided without additional charge. Not included as normal wear is coverage for repairs made necessary due to any DI2000 Excluded Circumstance (defined below). If off site service is not successful, then a customer service representative will be sent to your location.

D2.3 System Maintenance Fees. If the Order specifies the purchase of maintenance services, you will pay the fees for the Initial Service Term, and any Renewal Service Term, upon receipt of our invoice. We may increase the fees for any Renewal Service Term, and any increases will be reflected on your invoice. If you are leasing, the fees will be incorporated into your payment cycle. If you receive service for repairs caused by any DI2000 Excluded Circumstance, PBC will charge you for the service at PBC's current hourly rates and for any required parts. "DI2000 Excluded Circumstance": Notwithstanding anything in this Agreement to the contrary, PBC will not be responsible: (i) for maintaining any System that you have failed to operate under suitable temperature, humidity, line voltage, or any specified environmental conditions; (ii) if reasonable care is not used in handling, operating, and maintaining the System; (iii) if the System is not used in accordance with the agreed applications and for the ordinary purpose for which it is designed; (iv) if the inability of any System to perform is due to any act or failure to act by you, including without limitation, any alteration of or adding components to any System; (v) for unqualified operators' use of the System; (vi) for use of the System in a manner not intended; (vii) for use of the System to process applications not previously approved in writing by PBC; (viii) for use of damaged materials, such as paper or envelopes; (ix) if someone other than us services the System; (x) if you don't use required software updates; (xi) if you use the System with any equipment where we have told you that we will no longer provide support or that we have advised you is no longer compatible; (xii) if you use third party supplies (such as ink), hardware or software that results in (1) damage to the System (including damage to printheads), (2) poor indicia, text or image print quality, (3) indicia readability failures, or (4) a failure to print indicia, text or images; or (xiii) for damage to the System resulting from your missed preventative maintenance appointment. If PBC performs any repairs or maintenance as a result of any of the foregoing, you will pay PBC at its normal rates in effect at such time. If you exceed the cycle volume of your Equipment specified on the Order, PBC will bill you for the additional cycles over the specified cycle volume (the additional cycles are called the "Overage"). The charge will be determined by reference to the rate in effect at the time that we determine that an Overage exists. The rate in effect as of March 2020 is 0.0022 cents per cycle and is subject to change at our discretion. We will not be obligated to provide any maintenance services before receiving full payment of any applicable invoice.

D2.4 Replacement Equipment. If you acquire an attachment, or add a unit, to the System, PBC will provide coverage for each attachment or unit which we determine qualifies for coverage under the SLA and will

automatically enroll you for maintenance coverage on the new components at PBC's then current annual rates. If you choose not to continue coverage on the replacement component, attachment or unit, you may cancel the maintenance service for the item within thirty days of the date of your initial invoice for the item from PBC. If you cancel, any further maintenance services on the System, attachment or unit will be subject to PBC's current rates.

D2.5 Service Changes. PBC may modify its maintenance service by giving written notice to you (a "**Service Change Notice**"), which will state whether the change is material. After receiving a Service Change Notice, if the change is material, you may terminate maintenance service by giving us a termination notice at the address indicated in Section D2.1(b).

D2.6 Additional Service Terms.

(a) Maintenance service excludes the supply of postal and carrier rate changes and Consumable Supplies.

(b) Self-Service Maintenance. WE WILL NOT IN ANY EVENT BE LIABLE FOR ANY CLAIMS OF ANY KIND, ASSERTED BY YOU OR ANY THIRD PARTY, CAUSED BY THE REMOVAL, MODIFICATION, FAILURE TO MAINTAIN OR BY-PASSING OF BUILT-IN SAFETY FEATURES BY YOU.

(c) You can't elect to have maintenance service apply to some but not all of the components of the System. Maintenance service doesn't include services and repairs that are made necessary due to any D12000 Excluded Circumstance.

D2.7 Support Services. If you request that we provide services such as installation, maintenance, training, consulting, systems integration and data conversion or other similar support services ("Support Services"), charges for such services are in addition to the price of the System, unless otherwise specified in the Order.

D3. WARRANTIES; LIMITATION OF LIABILITY

D3.1 PBC System Warranty. The warranty on any System will run for a period of 90 days from the date of delivery, or if installed by PBC, then 90 days from the date of installation, or until the System reaches PBC's System usage limits, whichever occurs first.

D4. DELIVERY; INSTALLATION; RETURNS

D4.1 Delivery. You will pay all costs for transporting the System from PBC's facility to the location designated in the Order. We will make commercially reasonable efforts to deliver the System on the delivery date in the Order, but cannot guarantee a specific date.

D4.2 Installation. You must provide a suitable power source, access, and space for installation according to PBC's specifications. You must give us advance notice of any site problems.

D4.3 Returns. Unless the System fails to conform to the express warranties in Section D3.1, the System will not be returned to us.