

PITNEY BOWES TERMS

Thank you for choosing Pitney Bowes products and services. These Terms and the executed order (the “**Order**”) make up your agreement with Pitney Bowes (this “**Agreement**”). Please read this Agreement carefully.

Let’s start with a few definitions that should help you better understand your agreement. “**PBC**” means Pitney Bowes of Canada Ltd. “**Pitney Bowes**” means PBC and its subsidiaries. “**We**”, “**our**” or “**us**” refers to the Pitney Bowes companies with whom you’ve entered into the Order. “**You**” or “**your**” refers to the entity identified on the Order. “**Meter**” means any postage meter supplied by PBC under the Order, including (i) in the case of a Connect+®, a SendPro™ P series or a SendPro C series mailing system, the postal security device that accounts for and enables postage to be purchased and printed (“**PSD**”), and (ii) in the case of all other mailing systems, the PSD, the user interface or keyboard and display and the print engine. “**Meter Services**” means access to the PSD to download, account for, and enable printing of postage within a Meter; Canada Post mandated processes associated with the PSD, including registration, usage reporting and withdrawal; repair or replacement of the PSD as described in Section 27; and the Soft-Guard Program outlined in Section 29. “**Equipment**” means the equipment listed on the Order, excluding any Meter or standalone software. “**Lease**” means Lease terms and conditions set out in Sections 12 through 18.

The provisions included in these Terms consist of: (i) General Terms; (ii) Lease Terms; (iii) a Service Level Agreement; (iv) Equipment Rental and Meter Services Terms; (v) PitneyWorks® Terms and Conditions; and (vi) provisions relating to specific products.

GENERAL TERMS

1. Warranties

- (a) We warrant that all Pitney Bowes branded equipment (“**PBC Equipment**”) will be free from defects in material and workmanship and will perform according to the operator guides for a period of ninety days from the date (i) the PBC Equipment is installed at your location when PBC installs the PBC Equipment for you or (ii) the PBC Equipment is delivered to you when you can install it yourself. The DI2000™ inserting system has its own unique warranty that you can see at www.pitneybowes.com/ca/en/di2000-terms.html. A defect doesn’t include the failure of rates within a rate update to conform to published rates.
- (b) We warrant that any service (“**Service**”) we perform under the Service Level Agreement set out in Sections 19 through 24 (the “**SLA**”) will be performed in a professional and workmanlike manner.
- (c) **YOUR SOLE REMEDY FOR A WARRANTY CLAIM IS TO HAVE US REPAIR OR REPLACE THE PBC EQUIPMENT OR, IN THE CASE OF DEFECTIVE SERVICE, REPERFORM THE SERVICE.**
- (d) There is no warranty for PBC Equipment that needs to be repaired or replaced because of any Excluded Circumstance. “**Excluded Circumstance**” is a circumstance outside of PBC’s control, including an accident, your negligent or reckless use of the equipment, use of the equipment which exceeds our recommendations or in a way not authorized by this Agreement or any operator guide, use of the equipment in an environment with unsuitable humidity, line voltage, damage in transit, software virus, loss of data, loss or fluctuation of power, fire, flood or other natural causes, and other external forces beyond our control, servicing of the equipment by someone other than us, failure to use required software updates, use of the equipment with any system where we have told you that we will no longer provide support or that 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 equipment (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.
- (e) The print engine(s), print engine components, structural components and printed circuit board assemblies supplied with or within the PBC Equipment may be reclaimed, reconditioned or

remanufactured. These items are warranted to perform according to the same standards as the equivalent new item.

- (f) The warranty doesn't cover ink, integrated printhead/ink cartridges, ink rollers, toner and drum cartridges, ribbons and similar items ("**Consumable Supplies**").
- (g) **EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, WE (ON OUR BEHALF AND ON BEHALF OF OUR SUPPLIERS) MAKE NO OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AS TO THE EQUIPMENT OR SERVICES. WE MAKE NO REPRESENTATION, WARRANTY OR CONDITION AS TO ANY THIRD PARTY EQUIPMENT. WE AGREE TO PASS THROUGH TO YOU ALL THIRD PARTY EQUIPMENT WARRANTIES TO THE EXTENT PERMITTED.**

2. Limitation of Liability

OUR TOTAL LIABILITY (INCLUDING ANY LIABILITY OF OUR SUPPLIERS) IS LIMITED TO THE FEES PAID BY YOU FOR THE APPLICABLE EQUIPMENT OR SERVICES. NEITHER WE NOR OUR SUPPLIERS IS LIABLE FOR ANY: (I) DAMAGE YOU MAY INCUR BY REASON OF YOUR MISUSE OR NEGLIGENT USE OF THE EQUIPMENT OR YOUR NEGLIGENT ACTS OR OMISSIONS OR (II) INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES OF ANY NATURE WHATSOEVER, INCLUDING COMMERCIAL LOSS, OR LOST PROFITS, DATA OR GOODWILL, FOR ANY MATTER RELATING TO THIS AGREEMENT.

3. Default and Remedies

- (a) If you don't make any payment within three days after the due date shown on our invoice, you breach any other obligation under this Agreement or under any other agreement with Pitney Bowes and such breach continues for thirty days after we give you notice or you become insolvent or file for bankruptcy, you will be in default and we may:
 - (i) cancel this Agreement and any other agreements Pitney Bowes has with you;
 - (ii) require you to pay to us immediately all amounts payable under the Lease or other agreements, whether then due or payable in the future;
 - (iii) disable the Meter;
 - (iv) require you to return the Equipment and Meter, and delete or remove software; and deny you access to the software;
 - (v) if you don't return the Equipment, require you to immediately pay to us an amount equal to the value of the Equipment, as determined by us;
 - (vi) charge you a late charge for each month that your payment is late;
 - (vii) charge you a cheque return fee for payments made by you with insufficient funds; and
 - (viii) pursue any other remedy, including repossessing the Equipment and Meter without notice to you. To the extent permitted by law, you waive any notice of our repossession or disposition of the Equipment or Meter. By repossessing the Equipment or Meter, we aren't waiving our right to collect the balance due.
- (b) You agree to pay all our costs, including attorneys' fees, incurred in enforcing our rights.
- (c) We may suspend any services during any period that your account is more than thirty days past due.
- (d) To the extent permitted by law, you waive any applicable provision under any statute which imposes greater obligations on us than provided in this Agreement.

4. Taxes

You agree to pay us for all applicable sales, use, property or other taxes (excluding taxes on net income) related to the Lease or Equipment rental agreement or Meter Services agreement based on or measured by your payments, the Equipment, Equipment location, Meter and Meter location. We will determine the

amount of all property and similar taxes to be charged to you based on our reasonable valuation of the Equipment or of the Meter, taking into consideration tax rates and depreciation.

5. Embedded Software; Applications

- (a) Our Equipment may contain embedded software. For embedded software, you agree that: (i) we and our licensors own the copyrights and other intellectual property to it; (ii) you are licensed only to use it with our Equipment in which it resides; (iii) you won't copy, modify, de-compile, or attempt to unbundle, reverse engineer or create derivative works of it; and (iv) you won't distribute or disclose it (or any portion) to anyone. Technical support for embedded software will be given according to the SLA covering the Equipment with the embedded software.
- (b) Certain products and services may provide you an opportunity to access applications provided by us or a third party. Each application you access will have its own terms and conditions applicable to your use of that application located within it, and by using the application you agree to those terms and conditions.

6. Internet Access Point

The internet connectivity for the Equipment or Meter may use an internet access point provided by us. You may only use this access point for connectivity between the Equipment or Meter and the internet and for no other purpose. You agree to pay all costs resulting from the use of the access point in violation of this restriction.

7. Security Interest

This Agreement allows you to defer payments on your purchases by obtaining credit advances ("**Advances**") on your Account (as defined in Section 26(g)). This Agreement also requires that you comply with certain financial obligations. As a continuing security for the repayment in full of all Advances and the performance of your financial obligations to PBC, you hereby grant to PBC a continuing, specific and fixed security interest in all property (including the Equipment and Meters) leased or otherwise provided under or in connection with this Agreement, together with any and all proceeds thereof. You hereby authorize us to prepare and file any financing statements or verification statements as are required to perfect and protect the security interest described herein. You waive the right to receive a copy of any financing statements or verification statements.

8. Quebec Hypothec

If any property (including the Equipment and Meters) leased or provided under this Agreement is located in the Province of Quebec, you hereby create pursuant to the laws of Quebec a hypothec on all such property (including the Equipment and Meters) in the amount of \$1,000,000 as security for all Advances and other financial obligations under this Agreement and to protect our interest in the property. We may register this hypothec with the Register of Personal and Movable Real Rights (Quebec). You agree, at our request, to use commercially reasonable efforts to obtain a cession of rank (priority agreement) from the holder of each hypothec registered in priority to ours so that we will have a first-ranking hypothec on all such property. The foregoing hypothec will subsist regardless of any fluctuation or repayment of Advances or performance of all your financial obligations until they have been discharged in full.

9. Analog Connectivity

IF YOU USE AN ANALOG CONNECTION FOR YOUR MAILING SYSTEM, YOU ACKNOWLEDGE THAT THE ANALOG CONNECTIVITY IS PROVIDED BY A THIRD PARTY SUPPLIER. NEITHER WE NOR OUR SUPPLIERS PROVIDE ANY WARRANTY WITH RESPECT TO THE FUNCTIONALITY OR QUALITY OF THE ANALOG CONNECTION. IF THE THIRD PARTY SUPPLIER NO LONGER PROVIDES ANALOG CONNECTION CAPABILITY, WE WON'T BE RESPONSIBLE FOR PROCURING AN ALTERNATIVE SUPPLIER AND YOU WILL HAVE TO USE A DIGITAL CONNECTION.

10. Risk of Loss and ValueMAX® Program

- (a) You bear the entire risk of loss, theft, damage or destruction to the Equipment and Meter from the date of shipment by us until the Equipment and Meter is returned to, and received by, us, regardless of cause, ordinary wear and tear excepted (“**Loss**”). No Loss will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss. To protect the Equipment and Meter from Loss, you will either: (i) keep the Equipment and Meter insured against Loss for the full replacement value of each under a comprehensive policy of insurance or other arrangement that is reasonably satisfactory to us (“**Insurance**”); or (ii) be enrolled in PBC’s ValueMAX program described in paragraph (b) below.
- (b) YOU MUST CALL US AT 1-800-672-6937 OR GO TO www.pitneybowes.com/ca/en/valuemaxoptout.html AND PROVIDE US WITH EVIDENCE OF INSURANCE IF YOU DO NOT WISH TO BE ENROLLED IN THE VALUEMAX PROGRAM. If you don’t provide evidence of Insurance and haven’t previously enrolled in our equipment replacement program (ValueMAX), we may include the Equipment and Meter in the ValueMAX program and charge you a fee, which we will include as an additional charge on your invoice. We will provide written notice reminding you of your Insurance obligations described in paragraph (a) above. If the Equipment and Meter are included in the ValueMAX program and any loss, theft, damage or destruction to the Equipment or Meter 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 damaged Equipment and Meter. We aren’t liable to you if we terminate the ValueMAX program. By providing the ValueMAX program, we aren’t offering or selling you insurance; accordingly, regulatory agencies haven’t reviewed this Lease, this program or its associated fees, nor are they overseeing our financial condition.

11. Miscellaneous

- (a) We will use your information in accordance with our [Privacy Statement](#).
- (b) You agree to use the Equipment and Meter only for business or commercial purposes, and not for personal, family or household purposes.
- (c) We aren’t responsible for any delay or failure to perform resulting from causes outside of our control.
- (d) You may not assign this Agreement without our prior written consent. Any assignment without our consent is void.
- (e) Payments aren’t subject to setoff or reduction.
- (f) **ANY LEGAL ACTION YOU FILE AGAINST US MUST BE STARTED WITHIN ONE YEAR AFTER THE EVENT GIVING RISE TO YOUR CLAIM, OR SUCH LONGER PERIOD AS MAY BE REQUIRED BY LAW. YOU WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION RELATED TO THIS AGREEMENT.**
- (g) We can only change this Agreement if we both agree to do so in writing. You may use a purchase order to offer to obtain equipment or services but none of its provisions will modify or supersede these provisions unless we expressly agree in writing. If any provision in this Agreement is found to be invalid or unenforceable, the remaining provisions won’t be affected.
- (h) Our respective rights and obligations under Sections 2 (Limitation of Liability), 3 (Default and Remedies) and 4 (Taxes) will survive termination of this Agreement.
- (i) You agree to the delivery by us of any notice and other communication to you under this Agreement by mail or by email to the addresses that we have on file for you. We may call you at any number you give to us.

- (j) Unless otherwise required by applicable law, this Agreement is governed by the laws of the Province of Ontario.
- (k) Language. The parties agreed to draft this Agreement as well as other related documents, including communications and notices, in English. Les parties ont convenu que ce contrat ainsi que d'autres documents qui s'y rattachent, notamment des messages et des avis, pouvaient être rédigés en langue anglaise.
- (l) You agree to comply with all applicable export control laws and regulations.

LEASE TERMS

12. Lease of Equipment

If you are leasing Equipment, these Lease terms apply. The term of this Lease is the number of months stated on the Order (the "**Lease Term**"). **You may not cancel this Lease for any reason and all payment obligations under this Lease are unconditional.** You understand that we own the Equipment. Except as stated in Section 15, you don't have the right to become the owner of the Equipment at the end of the Lease Term.

13. Lease Commencement Date

If none of the Equipment on your Order includes installation, the Lease Term commences on the date as of which all of the Equipment has shipped. If your Order includes installation of any Equipment (the "**Install Equipment**"), then your Lease Term will commence on the date as of which all Equipment has shipped and all of the Install Equipment has been installed; provided, however, that if (i) Pitney Bowes has been ready, willing and able to install all of the Install Equipment and (ii) ninety days have passed since the Install Equipment has shipped (the "**Install Period**") but Pitney Bowes has been unable to install the Install Equipment as a result of any action or inaction by you, then the Lease Term shall commence on the last day of the Install Period. You agree that the Install Period provides you with an adequate amount of time to be able to allow Pitney Bowes to install the Install Equipment and that you will take any and all actions necessary to enable the installation.

14. Payment Terms

We will invoice you quarterly in advance for all payments on the Order, unless the Order says otherwise (each such payment is a "**Periodic Payment**"). You will make each Periodic Payment by the due date shown on our invoice. Your Periodic Payment may include a one-time origination fee, amounts carried over from a previous lease, software license and maintenance fees and other charges. Any Meter Services fees, SLA fees and subscription fees (collectively "**PBC Payments**") will be included with your Periodic Payment and begin with the start of the Lease Term. After the Lease Term, your Periodic Payment will increase if your PBC Payments increase.

15. End of Lease Options

During the ninety days before your Lease ends, you may, unless you are in default: (i) enter into a new lease or an amended lease with us; (ii) purchase the Equipment "as is, where is" for its fair market value; or (iii) return the Equipment and Meter in their original condition, reasonable wear and tear excepted, and pay us our then applicable processing fee (including any equipment return 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 a service carrier specified by us to pick up and ship them to us. If you don't do one of the things listed in clause (i), (ii) or (iii) above, you will be deemed to have agreed to enter into successive month to month extensions of the term of this Lease. You may choose to cancel the automatic extensions at any time by giving us sixty days' written notice or by creating a case at <http://www.pitneybowes.com/ca/en/support/topics/account/how-to-submit-a-service-request-using-my-account.html> (follow the instructions under "how to create a case"). Upon cancellation, you agree to either return all items as provided in this Section 15 or purchase the Equipment.

16. WARRANTY AND LIMITATION OF LIABILITY

PBC PROVIDES YOU WITH THE LIMITED WARRANTIES IN SECTION 1. PBC MAKES NO WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OR CONDITION OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT, AND PBC ISN'T LIABLE FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES) OR EXPENSE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT.

17. Equipment Obligations

You will keep the Equipment free from liens and in good condition and working order. We may inspect the Equipment and related maintenance records.

18. Other Lease Terms

- (a) If more than one lessee is named in this Lease, liability is joint and several or, in province of Quebec, joint. You, and any guarantor signing the Order or any documents executed in connection with this Lease, agree to furnish us financial information upon request. Each of these persons authorizes us to obtain credit reports on them now and in the future.
- (b) You may not assign or sublet the Equipment, the Meter or this Agreement without our prior written consent. Any assignment without our consent is void. We may sell or assign all or part of this Lease or the Equipment but it will not affect your rights or obligations.
- (c) We will provide you with a welcome letter by email or mail.

SERVICE LEVEL AGREEMENT

19. Applicability of SLA

This SLA section applies to you if we have entered into an agreement to provide service for any Equipment we lease, rent or sell on the Order, excluding any DI2000 (the covered equipment is called "**Covered Equipment**").

20. Service Level Description

- (a) PBC will provide at its option either repair or replacement services for the Covered Equipment during the Initial Service Term or any Renewal Service Term (each term as defined in Section 21) (the "**Service Term**"). You are also entitled to: (i) the replacement of printheads for Covered Equipment without additional charge, except for printheads which need to be replaced as a result of any Excluded Circumstance, and except for integrated printhead/ink cartridges; and (ii) two preventative maintenance service calls per calendar year. PBC will notify you when preventative maintenance is due or you can request preventative maintenance service. If your Covered Equipment 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 8:30 a.m. – 5 p.m., Monday – Friday, excluding PBC-observed federal and provincial holidays, in the time zone where the Equipment or other items are located.
- (b) If PBC determines that replacement of Covered Equipment is necessary, PBC will, at no additional cost to you, promptly ship new, reconditioned, or remanufactured equipment of the same or a functionally equivalent model to replace the affected Covered Equipment. Unless

PBC instructs you otherwise, within five days of receiving the replacement Equipment, you must pack the Covered Equipment to be replaced in the shipping carton that contained the replacement Equipment, place the pre-paid return address label on the carton, and return it to PBC. You are responsible for Covered Equipment until PBC receives it.

21. Service Term

PBC will provide you with Service for twelve months, if you don't have a Lease, or the Lease Term, if you are leasing Equipment (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 Service, you must deliver a written notice (the "**Termination Notice**") at least sixty days prior to the renewal of the term to us at PO Box 278, Orangeville, ON L9W 2Z7, Attn: CRCA or you may notify us by creating a case at <http://www.pitneybowes.com/ca/en/support/topics/account/how-to-submit-a-service-request-using-my-account.html> (follow the instructions under "how to create a case"). Your Termination Notice must include your customer account number or CAN and lease number (if applicable). PBC reserves the right not to renew your SLA for any reason.

22. SLA Fees

You will pay the SLA fees for the Initial Service Term and any Renewal Service Term(s). We may increase the SLA fees after the Initial Service Term, and any increases will be reflected on your invoice. If you receive service for repairs caused by any Excluded Circumstance, PBC will charge you for the service at PBC's current hourly rates and for any required parts. If you exceed the cycle volume of your Equipment specified on the Order, PBC may 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.

23. Service Changes

PBC may modify its 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 Service by giving us a termination notice at the address indicated in Section 21 or by creating a case at <http://www.pitneybowes.com/ca/en/support/topics/account/how-to-submit-a-service-request-using-my-account.html> (follow the instructions under "how to create a case").

24. Additional Service Terms

You can't elect to have Service apply to some but not all of the items of Equipment. Service doesn't include services and repairs that are made necessary due to any Excluded Circumstance. Service excludes the supply of postal and carrier rate changes and Consumable Supplies. If you replace any of your Covered Equipment during the Service Term, and the replacement Equipment qualifies for Services, PBC will automatically enroll you for maintenance coverage on the new Equipment at PBC's then current annual rates. If you acquire an attachment, or add a unit, to your Covered Equipment, PBC will provide coverage for each attachment or unit which we determine qualifies for coverage under the SLA and adjust your rate accordingly. If you choose not to continue coverage on the replacement Equipment, attachment or unit, you may cancel 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 or repair services on the Equipment, attachment or unit will be subject to PBC's current rates. Standard SLA will apply to rented Equipment at no additional charge.

EQUIPMENT RENTAL AND METER SERVICES TERMS

25. Equipment Rental and Meter Services

- (a) If you aren't leasing the Equipment and paying for it in your lease payment to PBC, we will invoice you the Equipment rental ("rental") and Meter Services fees listed on the Order. We may, after one year of the date of installation of the Equipment (whether leased or rented) and Meter,

increase the rental and/or Meter Services fees upon at least twenty days prior written notice to you. When you receive notice of an increase, you may terminate your rental and/or Meter Services only (but not any lease of Equipment) as of the date the increase becomes effective.

- (b) At the end of the Initial Term, the rental term and Meter Services term will automatically renew for successive 12-month extensions. If you don't wish to renew the rental term or Meter Services term, you must deliver a written notice to us at least sixty days prior to the renewal of the rental term or Meter Services term, as applicable, to the address in Section 21 or by creating a case at <http://www.pitneybowes.com/ca/en/support/topics/account/how-to-submit-a-service-request-using-my-account.html> (follow the instructions under "how to create a case"). Upon expiration of the term of the rental or Meter Services, you agree to return the Equipment and Meters covered by the rental and Meter Services agreement in their original condition, reasonable wear and tear excepted.

26. Postage

- (a) You will be charged a fee of up to \$15.00 each time you refill your postage. We may, after one year of the date of installation of the rented Equipment and Meter, increase postage refill fees upon at least twenty days prior written notice of increase.
- (b) If you participate in any PBC credit programs (such as PitneyWorks), we will make Advances on your behalf to Canada Post. Advances will be billed separately from your Meter Services fees.
- (c) We have established a pooled account (the "**Postage By Phone™ Account**") with the Royal Bank of Canada (or another bank to which the Postage By Phone Account is moved, the "**Bank**") for the purpose of funding postage refills. You will be required to make a deposit into your Postage By Phone Account in order to load postage into your Meter. Deposits may be by cheque drawn on a Canadian financial institution payable to the Postage By Phone System at the following address or another address as we may provide to you from time to time: Box 1040, Postal Station 'A', Toronto, ON M5W 3C8. by the Bank. You will not be entitled to withdraw money or issue cheques or other payment orders from your Postage By Phone Account.
- (d) You authorize us to instruct the Bank - and you authorize the Bank to accept such instructions - to: (i) make payments to Canada Post (a "**Postage Payment Direction**"); (ii) make payments to you so long as you have funds in the Postage By Phone Account that are not subject to a Postage Payment Direction; (iii) withdraw any incorrect or unfunded deposits made to the Postage By Phone Account; and (iv) withdraw and place in safekeeping with the Bank a specified amount of funds from the Postage By Phone Account in Canadian dollar obligations of the Bank or Canadian dollar obligations guaranteed by or secured by the Government of Canada, as we may specify from time to time, and to return such specified amount to the Postage By Phone Account upon maturity of the instruments.
- (e) You authorize us to use a designated agent to provide the Bank with instructions with respect to the Postage By Phone Account ("**Designated Agent**"), and you agree that the Bank can rely fully upon the instructions of the Designated Agent.
- (f) We or the Bank may be required to grant access to Canada Post and its agents and employees to certain records maintained by us and the Bank with respect to the Postage By Phone Account and you authorize us to do so.
- (g) You may contact us from time to time and request incremental postage settings. You authorize us to (i) issue to the Bank a Postage Payment Direction; and (ii) send you a postage setting code that allows you to increase postage on your Meter. If postage is paid for but not received by you, we will promptly repair or replace the Postage By Phone function of the Meter so that your Meter contains a postage credit in the amount paid. If you have insufficient funds credited to your Postage By Phone Account, the amount due for postage settings, less the amount of funds on deposit, will be automatically charged to your PitneyWorks account ("Account") up to your PitneyWorks credit limit. The postage meter reset fee, if any, which you pay under the Postage

By Phone program is different from and will be charged in addition to any transaction fees payable under the PitneyWorks program.

- (h) Upon receipt of each cheque from you for deposit to the Postage By Phone Account, the Bank will advise us of the amount thereof and will provide identifying information with respect to you. We will maintain on behalf of the Bank a record of all deposits by and payments for your account. We have been appointed the agent of the Bank for this purpose, and, as a compensation for these services, we are authorized to collect and retain interest and income accruing on all funds deposited in or held for the credit of the Postage By Phone Account. The Bank will maintain records in respect of the Postage By Phone Account showing dates and amounts of deposits to and payments out of the Postage By Phone Account and the current balance in the Postage By Phone Account. These records will be maintained by the Bank only in respect of the aggregate of deposits to and payments out of the Postage By Phone Account, and, for the purpose of maintaining these records the Bank will be entitled to consult with and rely upon the records maintained by us.
- (i) The Bank will not be responsible for losses or damages incurred or suffered by you as a result of the operation of the Postage By Phone Account in accordance with these terms and conditions or resulting either directly or indirectly from any cause beyond the control of the Bank or within our control.
- (j) The Bank will not look to you for payment in respect of services or expenses performed or incurred by the Bank in connection with the operation of the Postage By Phone Account. You will not be entitled to any interest income or other funds accruing on funds deposited in or held for the credit of the Postage By Phone Account.

27. Meter Repair or Replacement; Meter Care and Risk of Loss

If the Meter malfunctions or fails due to reasons other than an Excluded Circumstance, we will repair or replace the Meter. You agree to take proper care of the Meter(s), as stated in this Agreement and any user documentation. You assume all risk of loss or damage to the Meter(s) while you have possession.

28. Terms of Use of Meter; Canada Post Requirements

- (a) PBC owns any Meter and you acknowledge that you have no ownership rights in the Meter rented to you. The Meter may only be used with our Equipment. You further acknowledge that PBC reserves the right to recover or disable any Meter and/or terminate your use and rental of a Meter and provision of any Meter Services at any time and for any reason. You will adhere to the Canada Post requirements in paragraph (b) below with respect to your use of any Meter. In addition, you agree that you will:
 - (i) promptly notify us in writing of any proposed change of address of the Equipment and Meter from the location specified on the Order as provided in Section 28(b)(xv) below . Prior to proceeding with the change of address of any Equipment and Meter, you must obtain our consent.
 - (ii) You agree to use only attachments or printing devices authorized by us.
- (b) The following Canada Post requirements apply to your use of a Meter:
 - (i) You agree that Canada Post has no obligations to us or to you under this Agreement.
 - (ii) We may inspect, at any reasonable time on your premises, your Meter and the Meter aspect of your mail preparation process, including, but not limited to, the accurate determination of applicable rates and reference to the applicable current rates.
 - (iii) Your lease/rental and your use of the Meter are subject to the Canada Post Corporation Act and Regulations under that Act including, but not limited to, the Postage Meter Regulations,

2010 and any other applicable laws (all of the foregoing defined collectively as “**Postal Rules**”).

- (iv) You will implement and maintain security measures that are reasonably necessary to adequately ensure the security of your Meter and as may be directed by us.
- (v) We and Canada Post are each entitled to correct or require correction of any oversetting of a Meter.
- (vi) If your Meter allows you to print words or symbols other than the standard words or symbols required under the Postal Rules or as otherwise required or directed by Canada Post, you will not set up the Meter except as approved by Canada Post’s representatives.
- (vii) You expressly authorize us and Canada Post to exchange all information concerning you, including your lease/rental, with Canada Post.
- (viii) You authorize Canada Post to use, for any purpose that is within the description of the objects of Canada Post under the Canada Post Corporation Act, any information concerning you.
- (ix) If Canada Post establishes specifications for items used in conjunction with Meters, including, but not limited to, tape and ink, you will only use items that are on Canada Post’s then current list of acceptable items of that type once Canada Post has established specifications for any such item.
- (x) You will apply the then current postage rates as advised by us and/or Canada Post.
- (xi) You are using and will use your Meter only in connection with your business or businesses for your own mail or, to the extent that your core business or businesses is providing mail preparation and induction services to your customers, the mail of such customers. You agree to furnish to us the legal name and the trading names of your business, or each of the listed businesses, as the case may be.
- (xii) You must surrender your Meter to us or to Canada Post when requested, and we may immediately initiate legal action against you to repossess your Meter if you refuse to surrender it.
- (xiii) You will not undertake any activity that violates any Postal Rule. We, at our discretion or as requested by Canada Post, will immediately remove your Meter if you violate any Postal Rule.
- (xiv) We may terminate your use of the Meter at any time and for any reason. Upon termination or expiration, you must return your Equipment and Meter in its original condition, reasonable wear and tear excepted.
- (xv) You must promptly notify us in writing of any change of address where the Meter is located and the date on which the Meter will be relocated.
- (xvi) If you become aware of a malfunction in your Meter or suspect that your meter has been tampered with, you must immediately inform us, cease to use the Meter and make it available for inspection.
- (xvii) You must immediately inform us if your Meter is lost or stolen.
- (xviii) Tampering with or misuse of the Meter is punishable under law.

29. Rate Updates and Soft-Guard™ Program

Your Meter or Equipment may require periodic rate updates that you will obtain under our Soft-Guard program. We will provide rate updates only if required due to a postal or carrier change in rate, service, Postal Code or zone change. The Soft-Guard program doesn't cover any change in rates due to custom rate changes, new classes of carrier service, or a change in Postal Code or zone due to equipment relocation. You agree to keep the Meter up to date with all Canada Post postal rate updates and applicable software downloads as regulated by Canada Post and required by us to ensure the security and proper functioning of the Meter, and to download these updates as soon as made available to you. We won't be responsible for any losses arising out of or resulting from the failure of rating or software downloads to conform to published rates.

30. Collection of Information

You authorize us to access and download information from your Meter. We may disclose this information to Canada Post or other authorized governmental entity. We won't share with any third parties (except Canada Post or other governmental entity) individually identifiable information that we obtain about you in this manner unless required to by law or court order. We may elect to share aggregate data about our clients' postage usage with third parties.

PITNEYWORKS TERMS AND CONDITIONS

31. General

- (a) The PitneyWorks program provides a convenient way for you to order products and services from us (the "**Program**"). You may only order products and services for commercial, industrial or business purposes. You will receive a set of more specific provisions for the Program within thirty days of the date of this Agreement.
- (b) Except as provided below, each time a meter refill, office supply or other product or service is ordered through the Program by an employee or agent of yours with express, implied or apparent authority to do so (an "**Authorized User**"), your Account automatically will be charged for the amount of postage, products and services requested, and any applicable fees and charges. You authorize PBC to honor requests by Authorized Users to use the Account, and you agree to be liable for all amounts payable on the Account as a result of transactions made by Authorized Users, until PBC receives written notice revoking the authority.
- (c) You will receive a billing statement for each billing cycle, unless (a) there has been no activity on your Account, (b) the outstanding balance or credit to your Account is less than \$5.00, or (c) the only activity on the billing statement is a customer service adjustment, such as a fee reversal. You have thirty days from the date on the billing statement to notify us of any errors on the billing statement, or it will be deemed correct.
- (d) Payments are due by the due date shown on your billing statement. Each payment will be applied first against any accrued interest and default charges, second against any fees incurred, thirdly against any outstanding balance on your Account, and finally against any balance for orders processed or fees incurred during the current billing cycle.
- (e) PBC will assign a credit limit to your Account and may change your credit limit at any time. PBC may refuse to make an Advance if the amount of the Advance plus your existing unpaid Account balance exceeds your credit limit. You agree that PBC may receive from and exchange credit and other information concerning your affairs with others. PBC will not be liable for any such credit reporting.
- (f) If you choose not to pay the entire balance due by the due date shown on your billing statement, you may pay a portion of the balance by the due date, but not less than the minimum payment shown. If there is a remaining balance on your Account as of the payment due date, PBC will make an Advance to you in the amount of the unpaid balance or your credit limit, whichever is less. Each Advance will be deemed to have been made on the date the unpaid order(s) was delivered ("**Advance Date**").

- (g) You agree to pay interest on all Advances from the Advance Date until all Advances are repaid. Unpaid interest, default charges and transaction fees will be added to the outstanding balance of unpaid Advances on the due date shown on each billing statement. If unpaid interest, default charges and transaction fees are not paid by that date, such balance will be treated as part of the Advance. The interest rate applicable to Advances is 2% per month (24% annually).
- (h) Unless prohibited by law, you agree to pay the fees and charges of which we have 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 limit; and (v) fees attributable to the return of any payment item, cheque or draft.
- (i) PBC may at any time close or suspend your Account or, if applicable, temporarily refuse to make new Advances or fulfill orders. You can cancel your Account by notifying PBC in writing. No cancellation or suspension will affect your obligation to pay any amounts you owe under the Program.
- (j) We may permanently close or cancel your Account or refuse to make any new Advances to you if you violate this Agreement or any other agreement between you and us. We may also demand immediate payment of the entire amount you owe, plus interest at the rate applicable to Advances.
- (k) We may amend the terms of 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). Any amendment will become effective on the date stated in the notice and will apply to any outstanding unpaid balance on your Account. We may terminate the Program at any time upon notice to you. Any outstanding obligations on your part will survive termination of the Program or your Account.
- (l) We may accept late payments, partial payments or payments marked "payment in full", without losing any rights we might have with respect to them. We may choose not to exercise or to delay enforcement of any of its rights without losing them. We may assign your Account and its rights and obligations under the Program to a third party. You may not assign your Account or your interest, if any, in the Program.

PRODUCT SPECIFIC TERMS

32. Software

If you are acquiring an on-premise software license or on-demand subscription services, additional terms apply which are available by clicking on the hyperlink for that software or subscription service located at <https://www.pitneybowes.com/ca/en/license-terms-of-use/software-and-subscription-terms-and-conditions.html>. Those additional terms are incorporated by reference.

33. DI2000 Inserting System Terms

Certain provisions which apply when you purchase, lease or rent a DI2000 inserting system and when you purchase a service plan for it are set forth at www.pitneybowes.com/ca/en/di2000-terms.html and are incorporated by reference. Those provisions govern to the extent that they are inconsistent with the other terms of this Agreement.

34. Pitney Bowes Intelligent Locker Solutions

Our ValueMAX program, described in Section 10 above, does not apply to Pitney Bowes Intelligent Locker Solutions. You must keep the Equipment insured against Loss for its full replacement value under a comprehensive policy of Insurance.

35. AddressRight® Printers

Certain provisions which apply when you purchase, lease or rent an AddressRight Printer are set forth at www.pitneybowes.com/ca/en/addressrightprinter-terms.html and are incorporated by reference. Those provisions govern to the extent that they are inconsistent with the other terms of this Agreement.