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## 1. AGREEMENT

1.1 This Agreement in its entirety; (a) subject to Clause 1.4 sets out the business between you and us with respect to the Equipment and Services; (b) unless otherwise stated on the page of the Order Form, incorporates all of the terms agreed between you and us and overrides any other terms and conditions on any purchase order, or in any document we may have given to you before you signed this Agreement; (c) except in the case of fraudulent misrepresentation or fraudulent concealment, excludes all claims or statements made before you signed this Agreement and to the fullest extent permitted by law, except as expressly stated in this Agreement, excludes all conditions, warranties or other terms implied by statute or common law.

1.2 You agree that you have not relied on any representation or undertaking whether oral or in writing other than the terms expressly included in this Agreement.

1.3 Before we accept this Agreement, we may require a third-party, satisfactory to us, to guarantee your obligations.

1.4 As part of your Agreement you have access to Pitney Bowes' SendPro® application, your use of that service is subject to the SendPro Terms of Use located in the SendPro application, the current version of which is located here: <http://www.pitneybowes.com/uk/license-terms-of-use/sendpro-subscription.html>.

## 2. DEFINITIONS

In this Agreement the following words shall have the following meanings:

"Account" means your Pitney Bowes Pre-Pay Account

"Agreed Prepaid Balance" – the amount you have agreed to pay to us to credit your Pitney Bowes Pre-Pay Account – pay in advance account to enable us to reset a postage meter using the PB Postage™ facility;

"Ascending Register Lock"- when the meter has reached its life end and can no longer be used.

"Average Saleable Condition"- all of the Equipment are immediately available for use by any other customer, other than you, without the need for repair or remanufacture.

"Client Services"- contacted by email at [clientservicesukroi@pb.com](mailto:clientservicesukroi@pb.com).

"Data Capture" - the capability of Pitney Bowes to process and archive information regarding postal product usage by product type and weight break.

"Data controller, personal data, and processing" are as set out in the Data Protection Legislation in force at the time.

"Data Protection Legislation" means the Data Protection Act 2018 and UK GDPR (which has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

"Date of Dispatch" - the date we (or our agents) dispatch the Equipment to you. Also the date on which you must commence the payments specified in the Order Form.

"Delivery" – dispatch by us (or by our appointed carrier) to your installation address.

"Equipment"- means the DM60 franking machine which is loaned to you at no cost.

"Mailmark® Rates" the postages rates available for the Equipment

"Meter"- franking and date stamping device used to show postage paid.

"Meter Reset"- the resetting of your Postage Meter by means of the PB Postage facility.

"Normal Business Hours"- 9.00 am to 5.00 pm Monday to Thursday; 9.00 am to 4.30 p.m. on Friday (excluding public holidays) for service cover.

"Order Form" the page beginning "Subscription Agreement" which references these terms and conditions.

"PB Postage™" –postage resetting facility.

"PSD"- (Postal Security Device) Device used for Postage by Phone security and funds management.

"Repudiation"- when your actions indicate that you no longer intend to keep to this Agreement and, due to which, we may give you notice that we have terminated your right to possession of the Equipment and are arranging for their recovery.

"Scheme" - the Royal Mail Scheme for Franking Letters and Parcels, as issued by Royal Mail from time to time.

"Subscription" - the monthly fee paid for the Services as set out on the Order Form.

"Services"- as set out in Clause 8.1 and detailed on the Order Form.

"Vault"- PB Postage revenue security device.

"we, us, our"- Pitney Bowes Limited.

## 3. YOUR OBLIGATIONS

3.1 You must: (a) keep to this Agreement and any other agreement you have with us; (b) pay us in full and on time for the whole of the Minimum Period and during any renewal period. Time is of the essence in respect of all your payments (including VAT) under this Agreement; (c) take care of the Equipment, keep the Equipment in your possession and under your control and keep them in good working order; (d) insure the Equipment for their full replacement value and against third party liability relating to them; (e) pay us the full replacement costs for any Equipment you lose; (f) use the Equipment only in accordance with the manufacturers instructions; (g) tell us in writing within 7 days of any change in your address; (h) indemnify us and keep us indemnified against any loss, damage, expense or injury arising directly or indirectly out of your use of the Equipment other than in accordance with our operating instructions or out of any cause beyond our reasonable control.

3.2 You must not without our written permission: (a) charge, part with, sell, or allow anyone else to use the Equipment, or move them from your installation address; (b) assign this Agreement to anyone else.

## 4. OUR RIGHTS, OBLIGATIONS AND LIABILITY

4.1 Our rights will not be affected if we do not enforce, or delay enforcing, any of these terms.

4.2 We may: (a) assign or transfer our rights or obligations to another party by informing you in writing; (b) except in respect to money in your Account, use any credit balance we are holding on your behalf towards payment of

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any sum you owe us or which will fall due to us; (c) adjust your payments to us if the current VAT rate changes.

4.3 We will not be responsible for any delay, or the consequences of any delay, in performing our obligations if the delay is due to your failure to notify us of any change in your address or to any circumstances beyond our control. Except in the case of fraud, personal injury or death caused by our negligence, or any other liability by law which cannot be excluded or limited: (a) our total liability under or in connection with this Agreement shall be limited to £10,000; and (b) we shall in no circumstances be liable for any consequential, indirect or special loss or damage (including, without limitation, loss of business or loss of profit, whether direct or indirect) however so arising (whether in contract, tort, negligence, other tort or otherwise).

## 5. THE EQUIPMENT

5.1 We own all the Equipment.

5.2 We may supply Equipment whether newly manufactured or remanufactured, containing serviceable new or used parts which are warranted equivalent to new.

5.3 You must pay all costs (legal or otherwise) reasonably incurred by us in repossessing the Equipment.

5.4 Embedded software. Our Equipment may contain embedded software. You agree that: (a) Pitney Bowes Inc and its licensors own the copyrights and other intellectual property in and to the embedded software; (b) you are licensed only to use the embedded software with our Product in which the embedded software resides; (c) you will not copy, modify, de-compile, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; (d) you will not distribute or otherwise disclose the embedded software (or any portion thereof) to any other person; and (e) 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.

## 6. POSTAGE METERS

6.1 We must obtain a licence on your behalf from Royal Mail for you to use a Meter and you undertake to strictly perform and observe the conditions of the licence.

6.2 When you are licensed to use the Meter:

6.2.1 You must not: (a) do anything which may result in Royal Mail revoking your licence; (b) make any alterations to the Meter, or the design or colour of any impression approved by Royal Mail without written consent from Royal Mail or us; (c) make any modifications or attachments to the Meter which will affect the franking or revenue recording system.

6.2.2 You must: (a) for a period of 3 months from installation (and after then in accordance with the current Royal Mail regulations) allow us to remotely inspect a Meter fitted with a Vault as required by Royal Mail guidelines. Overdue inspections will render the Meter inoperable; (b) immediately upon request, at any time, deliver the Meter to us or to a specified Post Office for inspection, and collect the Meter

following inspection by Royal Mail; (c) allow us to repossess any franking, date stamping dies, PB Postage security codes, Vaults, PSDs or Meters if we provide you with evidence that Royal Mail has asked us to repossess them; (d) indemnify us against any liability incurred by us to Royal Mail if Royal Mail demands payment from us because you are using a Meter or made a payment for postage without a valid licence; (e) ensure that the Meter has the active Royal Mail tariff with current prices. Failure to comply may result in surcharges from Royal Mail or may render the Equipment inoperable.

## 7. REPAIR/REPLACE

7.1 We will repair or replace the Equipment at no cost to you if it becomes faulty unless: (a) you are responsible for the fault in which case charges for engineer servicing may apply; or (b) we have requested that you return the Equipment to us and you have not done so in time; or (c) we perform work outside of Normal Business Hours or which cannot conveniently be carried out on site.

7.2 you will be responsible for faults to Equipment caused by: (a) misuse or neglect of, or accidental or deliberate damage to the Equipment; and/or (b) your failure to follow the manufacturer's or operating instructions regarding the Equipment; and/or (c) tampering or disassembling the Equipment; and/or (d) improper use or operation of the Equipment by untrained and/or non-competent personnel; and/or (e) operating adjustments made by the engineer that an operator would have been expected to conduct during normal operation.

## 8. THE SERVICES

8.1 The Services consist of: (a) Access to current and future Mailmark® Rates; (b) Meter Rests; (c) ink for the Equipment; and (d) Mandatory meter inspection.

8.2 You shall maintain a safe working environment in accordance with Health and Safety Laws.

8.3 You must provide a suitable electrical power supply in accordance with our advice and/or recommendations.

8.4 We will not under any circumstances make any adjustments that may alter the Equipment specification or render them unsafe or unreliable.

8.5 If in our opinion reconditioning of the Equipment is required due to deliberate or accidental damage, abnormal use outside the Product specification, an estimate of the cost of reconditioning will be submitted to you. You must pay the costs of any necessary reconditioning. If you do not authorise the work we may immediately terminate this Agreement.

8.6 Technical assistance will be provided in the first instance through our knowledge base web support. This can be accessed by logging on to [pitneybowes.com/uk](http://pitneybowes.com/uk) and visiting the Support pages.

8.7 The Equipment will come with a SmartLink Connectivity device which you must install and leave connected to the Equipment at all times. The SmartLink device sends ink alerts to us so we can send you ink as and when you need it. Disconnecting the SmartLink device will stop the shipping of ink for the Equipment.

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9. PITNEY BOWES PREPAY - paying for postage in advance

9.1 we will:

(a) set up on your behalf a Pitney Bowes PrePay account and Pitney Bowes Your Account where you can access your monthly invoices; (b) collect from you an amount equal to the Agreed Prepaid Balance, credit your Account with your payment and allow you to reset your Meter as required up to the pre-pay balance of your Account; (c) as long as you are not in breach of the terms of your Account or this Agreement, pay to Royal Mail on your behalf the amounts for which you wish to reset your Meter and charge this amount to your Account; (d) automatically charge to your Account all postage; (e) if Royal Mail refunds or surcharges a sum of postage under the terms of your license as outlined in the Scheme, apply the postage to your Account; (f) deposit the monies held in your Account into a designated bank account; (g) not pay you interest on funds held in your Account or elsewhere on your behalf, but will retain for our benefit all income accruing on your Account; (h) let you know in writing your Account balance, repayable to you on 30 days written notice of termination (by either you or us) of this payment method, and ask for your written instructions for sending you the monies, if any.

9.2 You will surrender to us the monies due to you under Clause 9.1 (h) above if you do not claim the monies within 180 days of us telling you the amount repayable to you.

9.3 Your sums will be due when we draw the direct debit as notified to you.

9.4 If you fail to pay us any sum we have advanced you on its due date we will charge you late payment interest calculated on an average daily balance basis at a rate of 0.0497% per day compounded monthly and also a late payment fee of £25 each time you pay late.

9.5 We may allow you to reset your Meter up to an amount equal to your Agreed Prepaid Balance where your prepay balance is nil however we will charge you an over limit fee of 3% of the amount over your balance.

9.6 You are the only one entitled to use the Account.

9.7 If this Agreement is terminated your Pitney Bowes PrePay arrangement will be cancelled automatically. Any amounts due by you to us under the arrangement will become immediately due and payable on cancellation.

9.8 We will send you notification that your invoice is available to view on Your Account at the following address [www.pitneybowes.com/uk](http://www.pitneybowes.com/uk) and visiting the Your Account pages. A hard copy will not be sent. This concerns all payments made by direct Debit.

10. RENEWAL

This Agreement will continue into a monthly renewal period after the end of the Minimum Period. The Subscription will increase annually in line with RPI.

11. ENDING THIS AGREEMENT

11.1 We may end this Agreement during the Minimum Period or any renewal period by giving you written notice if: (a) you do not keep to this Agreement or any other agreement with us; or (b) you do not pay us on time; or (c) any

attachment or arrestment is made (in Scotland) against all or part of your assets; or you are unable to pay your debts when they are due or you are declared bankrupt or (in Scotland) become apparently insolvent; or (d) you are trading as a partnership, a petition for compulsory winding-up is presented against your business. Any of these will be considered as a Repudiation of the Agreement.

11.2 When this Agreement for any reason is terminated during the Minimum Period, you must pay to us all amounts already due to us including any interest payable on those amounts together with any expenses and costs incurred by us due to your failure to keep to the Terms of this Agreement plus all Subscriptions which would have been payable by you had this Agreement not ended early.

11.3 You may from time to time request that we agree to the termination of this Agreement during the Minimum Period. Should you wish to terminate, we will provide you with a written quotation setting forth the basis on which any agreed termination shall take place, which shall take into account all subscription payments up to the date of the quotation. Such quotation shall remain valid unless and until you request a further quotation.

11.4 During the renewal period after the Minimum Period, you or we can terminate this Agreement by giving us at least 1 month's written notice to the other.

11.5 You must also immediately return the Equipment to us in accordance with Clause 12 below.

12. RETURN OF THE EQUIPMENT

12.1 If this Agreement is ended under Clause 11 above, on expiry of the Minimum Period, or otherwise you will no longer have our permission to keep the Equipment and you will fully cooperate with any arrangements we make to collect the Equipment from you.

12.2 If you do not return the Equipment you must: (a) allow us to enter the installation address so we may collect our Equipment and, if we have to collect them ourselves, pay us our reasonable costs for collection; (b) pay us the full replacement cost of the Equipment if we are prevented from collecting, or you no longer have, them and for any parts or accessories missing from returned or collected Equipment; (c) continue to pay Subscriptions on a pro-rata basis until all the Equipment are returned and accepted by us.

12.3 We will invoice you for any costs payable under Clause 12.2.

13. VARIATION OF THE AGREEMENT

13.1 We can vary this Agreement at any time. Normally We will only vary this Agreement to reflect changes in law, market conditions or good hire industry practice. Our rights of variation are subject to important restrictions set out in the rest of this Clause.

13.2 We will not vary any of the information set out in the page of the Order Form without entering into a new agreement with you.

13.3 If we vary this Agreement and the variation is to your disadvantage, we will give you at least 30 days' prior

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written notice of the variation, except where we have to vary the Agreement more quickly to comply with legislation.

13.4 In all other cases we will write to You within 30 days of having varied the Agreement.

#### 14. RISK OF LOSS

14.1 Risk of loss to Equipment passes to you from the date of Delivery by us until the Product is returned to, and received by, us, regardless of cause, ordinary wear and tear excepted ("Loss").

14.2 No Loss will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.

14.3 To protect the Product from Loss, you will keep the Product insured against Loss for its full replacement value under a comprehensive policy of insurance or other arrangement with an insurer of your choice, and provide us with evidence upon request.

#### 15. JOINT AND SEVERAL LIABILITY

If your business is a partnership, each individual partner and the partnership business are all legally bound by the Terms and Conditions of this Agreement. This Clause does not apply if you are trading together as a Limited Liability Partnership.

#### 16. NOTICES

Except for legal notices, any requirements to provide notice in writing to (i) you, will be made to the email address registered in Your Account; and (ii) us, to [clientservicesukroi@pb.com](mailto:clientservicesukroi@pb.com). Legal notices to you or us given under this Agreement must be sent by first class pre-paid post to the address shown on

Page 1 or to any other address we have told each other about in writing. The notice will be deemed delivered 2 business days after posting. Legal notice(s) must be clearly marked "FOR THE ATTENTION OF THE COMPANY SECRETARY".

#### 17. DATA PROTECTION

17.1 You and we will comply with all applicable requirements of Data Protection Legislation. You agree that we will not be processing any personal data on behalf of you as data controller. We will collect, use, disclose, transfer, and store personal information when needed to administer this Agreement and for our operational and business purposes, as further described in our Privacy Statement which is found here: <http://pitneybowes.com/content/pb/uk/en/privacy-statement.html>.

17.2 PB Postage and Data Capture information may be routinely supplied by us to Royal Mail to provide you with information about Royal Mail Equipment and services. We will use the PB Postage and Data Capture information to ensure your postage meter is operating within specification and to provide elements of reporting as and when appropriate.

#### 18. JURISDICTION

This Agreement is governed by and construed in accordance with Scottish law where you are ordinarily resident in Scotland. In all other cases, this Agreement is governed and construed in accordance with English Law. We all agree to submit to the exclusive jurisdiction of the English Courts. Royal Mail is a trading name of Royal Mail Group PLC