

**PARTICIPATING ADDENDUM**  
for  
**MAILROOM EQUIPMENT, SUPPLIES & MAINTENANCE**  
Between  
**The State of Delaware and Pitney Bowes, Inc**  
**Contract # BPM003137**

Vendor Name: **Pitney Bowes Inc**

Delaware Contract Number: GSS22576-MAILEQUIP  
Mailroom Equipment, Supplies and Maintenance

**1. SCOPE**

- a. This Participating Addendum is made between the State of Delaware, Office of Management and Budget, Government Support Services (the "State") and **Pitney Bowes Inc** (Contractor), to establish Mailroom Equipment, Supplies and Maintenance.
- b. Under Delaware Code, Title 29 §6933 and §6987, The State of Delaware is authorized to participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of materiel or nonprofessional services, or professional services with 1 or more public procurement units either within the State or within another state in accordance with an agreement entered into between the participants.
- c. The requirements herein are in addition to those in the executed **NASPO ValuePoint** contract and shall continue through **May 14, 2024**. At the sole discretion of Government Support Services, this Participating Addendum may further be extended to include any extensions as agreed to, by and between **NASPO ValuePoint** and **Pitney Bowes, Inc**.
- d. As a Service subscription license costs shall be incurred at the individual license level only as the individual license is utilized within a fully functioning solution. Subscription costs will not be applicable during periods of implementation and solution development prior to the State's full acceptance of a working solution. List of Software Licenses offered under this Addendum may be found in Attachment E.

**2. CHANGES**

**a. MANDATORY INSURANCE REQUIREMENTS (29 Del. C. § 6929)**

Contractor must obtain at its own cost and expense and keep in force and effect during the term of this Participating Addendum, including all extensions, the minimum coverage limits specified below with a carrier satisfactory to the State. Contractor must carry the following coverage depending on the type of service or product being delivered.

- a. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
- b. Commercial General Liability - \$1,000,000 per occurrence/\$3,000,000 per aggregate.
- c. Automotive Liability Insurance covering all automotive units used in the work (including all units used by Contractor, used by Contractor for completing the Work required by this Participating Addendum to include but not limited to transporting Delaware clients

or staff), providing coverage on a primary non-contributory basis with limits of not less than:

1. \$1,000,000 combined single limit each accident, for bodily injury;
2. \$250,000 for property damage to others;
3. Comprehensive coverage for all leased vehicles, which shall cover the replacement cost of the vehicle in the event of collision, damage or other loss.

The Contractor must carry at least one of the following depending on the scope of work being performed.

- a. Medical/Professional Liability - \$1,000,000 per occurrence/\$3,000,000 per aggregate
- b. Miscellaneous Errors and Omissions - \$1,000,000 per occurrence/\$3,000,000 per aggregate
- c. Product Liability - \$1,000,000 per occurrence/\$3,000,000 aggregate

Should any of the above-described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.

Before any work is done pursuant to this Participating Addendum, the Certificate of Insurance referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:

State of Delaware  
Government Support Services  
Contract No: GSS22576-MAILEQUIP  
100 Enterprise Place, Suite 4  
Dover, DE 19904-8202

Nothing contained herein shall restrict or limit the Contractor's right to procure insurance coverage in amounts higher than those required by this Participating Addendum. To the extent that the Contractor procures insurance coverage in amounts higher than the amounts required by this Participating Addendum, all said additionally procured coverages will be applicable to any loss or claim and shall replace the insurance obligations contained herein.

To the extent that Contractor has complied with the terms of this Participating Addendum and has procured insurance coverage for all vehicles Leased and/or operated by Contractor as part of this Participating Addendum, the State of Delaware's self-insured insurance program shall not provide any coverage whether coverage is sought as primary, co-primary, excess or umbrella insurer or coverage for any loss of any nature.

In no event shall the State of Delaware be named as an additional insured on any policy required under this Participating Addendum.

Should any of the above-described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

**b. RESERVED**

**c. SEVERABILITY**

If any term or provision of this Participating Addendum is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Participating Addendum, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

**d. PERMITS AND LICENSES**

All necessary permits, licenses, insurance policies, etc. required by local, State or Federal laws, shall be provided by the Contractor at its own expense.

**e. RESERVED**

**f. STATE OF DELAWARE BUSINESS LICENSE**

Prior to commencing performance under this agreement, the Contractor shall either furnish Government Support Services with proof of State of Delaware Business Licensure or initiate the process of application, where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P. O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone: 302-577-8778. <http://revenue.delaware.gov/services/BusServices.shtml>

Information regarding the State of Delaware's decision to enter into this participating addendum will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject your organization to applicable fines and/or interest penalties.

**g. EMERGENCY TERMINATION OF PARTICIPATING ADDENDUM**

1. Due to restrictions which may be established by the United States Government on material, or work, this Participating Addendum may be terminated by the cancellation of all or portions of this Participating Addendum.
2. In the event the Contractor is unable to obtain the material required to complete the items of work included in this Participating Addendum or related Purchase Order(s) because of restrictions established by the United States Government and if, in the opinion of the Agency, it is impractical to substitute other available material, or the work cannot be completed within a reasonable time, the incomplete portions of the work may be cancelled, or this Participating Addendum may be terminated.

**h. INDEMNIFICATION**

**1. General Indemnification**

The Contractor will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the Contractor's, its agents, and

employees' performance work or services in connection with this Participating Addendum.

**2. Proprietary Rights Indemnification**

Contractor shall warrant that all elements of its solution, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the Contractor in writing, and Contractor shall defend such claim, suit or action at Contractor's expense, and Contractor shall indemnify the State of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful. Contractor shall not be responsible for the State's or a Purchasing Entity's negligence.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the Contractor (collectively "Products") is or in Contractor's reasonable judgment is likely to be, held to constitute an infringing product, Contractor shall at its expense and option either:

- a. Procure the right for the State of Delaware to continue using the Product(s); Replace the product with a non-infringing equivalent that satisfies all the requirements of this Participating Addendum; or
- b. Modify the Product(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Product(s) or any part of the work to fail to conform to the requirements of this Participating Addendum, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

Notwithstanding the foregoing, Contractor shall not be required to indemnify to the extent such a claim is caused by a party other than Contractor, unless the party is a Subcontractor or agency of the Contractor

**i. NON-PERFORMANCE**

In the event the Contractor does not fulfill its obligations under the terms and conditions of this Participating Addendum, in addition to proceeding with termination of this Participating Addendum, as permitted below, the ordering agency may purchase equivalent product on the open market.

**j. RESERVED**

**k. RESERVED**

**l. REQUIRED REPORTS**

One of the primary goals in administering this Participating Addendum is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of this Participating Addendum and to establish proper bonding levels, if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested parties.

A complete and accurate Usage Report (Attachment A) shall be furnished in an Excel format and submitted electronically, no later than the 15th (or next business day after the 15th day) of each month, detailing the purchasing of all items and/or services on this Participating Addendum. The reports shall be completed in Excel format, using the template provided, and submitted as an attachment to [vendorusage@delaware.gov](mailto:vendorusage@delaware.gov), with a copy going to the contract officer identified as your point of contact. Submitted reports shall cover the full month (Report due by January 15<sup>th</sup> will cover the period of December 1 – 31.), contain accurate descriptions of the products, goods or services procured, purchasing agency information, quantities procured, and prices paid. Reports are required monthly, including those with “no spend”. Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result in corrective action, up to and including the possible cancellation of this Participating Addendum. Failure to provide the report with the minimum required information may also negate any extension clauses of this Participating Addendum. Additionally, if the Contractor is determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

In accordance with Executive Order 44, the State of Delaware is committed to supporting its diverse business industry and population. The Contractor will be required to accurately report on the participation by Diversity Suppliers which includes minority (MBE), woman (WBE), veteran owned business (VOBE), or service-disabled veteran owned business (SDVOBE) under this Participating Addendum. The reported data elements shall include but not be limited to; name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service-disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women’s Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2nd Tier reporting is shown as Attachment B.

Accurate 2nd Tier reports shall be submitted to the contracting Agency’s Office of Supplier Diversity at [vendorusage@delaware.gov](mailto:vendorusage@delaware.gov) or the 15th (or next business day) of the month following each quarterly period. For consistency quarters shall be considered to end the last day of March, June, September and December of each calendar year. Contract spend during the covered periods shall result in a report even if this Participating Addendum has expired by the report due date.

**m. DELAWARE ECONOMIC IMPACT**

Contractor shall provide an annual report of the economic impact of its operations in Delaware. This report shall be submitted by February 15<sup>th</sup> of each calendar year and shall report on the immediately prior one full calendar year of operations.

The following basic information is required under this Participating Addendum:

- # of Delaware Locations
- # of Delaware Employees
- Annual Taxes, licenses & Fees Paid to Delaware
  - This may be payroll, franchise, service taxes, etc.
- Major Delaware Investments/ Partnerships
  - Amount paid to Major partners or Suppliers in Delaware

- Highlight of Delaware MWBE, Veteran, Small Business (SBA criteria) and Disabled Veteran partnerships/ supply chain
- Rent to Delaware Locations or value of Delaware real property
- Utility Expenses paid to Delaware utilities

The report shall be submitted to [contracting@delaware.gov](mailto:contracting@delaware.gov).

**n. INDEPENDENT CONTRACTORS**

The parties to any contract from this solicitation shall be independent contractors to one another, and nothing herein shall be deemed to cause this Participating Addendum to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

**o. RESERVED**

**p. WORK PERFORMED IN A STATE BUILDING**

Awarded Vendor(s) who have any employees carrying out any work related to the awarded contract at a State facility shall have those employees comply with any health mandate or policy issued by the State related to a pandemic or other State of Emergency issued by any State authority during the term of the awarded contract, including those that apply directly to State employees. At the present time these include, but not limited to, wearing a mask in all State buildings and the policy for State employees regarding vaccination. The vaccination policy is located at <https://dhr.delaware.gov/policies/documents/covid19-vaccination-and-test-policy.pdf> . For clarity, State buildings are those owned or leased by the State.

**q. FAIR BACKGROUND CHECK PRACTICES**

Pursuant to 29 Del. C. [§ 6909B](#), the State does not consider the criminal record, criminal history, credit history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Contractors doing business with the State are encouraged to adopt fair background check practices. Contractors can refer to 19 Del. C. [§ 711\(g\)](#) for applicable established provisions.

**r. RESERVED**

**s. RESERVED**

**t. SERVICING SUBCONTRACTORS**

1. Contractor may use State-approved Subcontractors or Distributors under this Participating Addendum for sales and service functions as defined herein.
2. Contractor shall be responsible for successful performance and compliance with all requirements in accordance with the terms and conditions under this Participating Addendum, even if work is performed by Servicing Subcontractors.
3. Contractor will be the sole point of contact with regard to Participating Addendum contractual matters, reporting and administrative requirements.

4. For the purposes of this Participating Addendum, Servicing Subcontractors are classified as follows:
    - a. "Authorized Reseller"
      - i. Authorized Resellers may provide quotes, accept purchase orders, fulfill purchase orders, perform maintenance/warranty services and accept payment from ordering agencies for products and associated services offered under this Participating Addendum.
      - ii. Authorized Resellers are responsible for sending a copy of all purchase orders and invoices to the Contractor for compliance with quarterly usage reporting and administrative requirements.
      - iii. All purchase documents to Authorized Resellers shall reference the Participating Addendum Number and Pitney Bowes Inc. as the Contractor.
    - b. "Agent"
      - i. Agents are only authorized to provide quotes, sales assistance, configuration guidance and ordering support for products and associated services offered under this Participating Addendum.
      - ii. Agents are not authorized to accept orders or payments.
  5. Subject to the approval of the State, Servicing Subcontractors may be added or deleted during the Participating Addendum term.
  6. Proposed Servicing Subcontractors, as well as the Contractor, must complete the [Delaware Substitute Form W-9](#).
  7. State-approved Servicing Subcontractors will be posted on the [State's Contracting website](#).
- u. All Pitney Bowes contractors, subcontractors, Authorized Sales and Services Representatives authorized in the State of Delaware, 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 aforementioned Master Agreement
- v. **ORDERING PROCEDURE**  
 Contractor is required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Depending on the nature and scope of the event, each State agency or other governmental entity shall be responsible for contacting the Contractor directly for all required resources. All consumables delivered by the Contractor and received by a State agency or other governmental entity, become the property of that State agency or entity. Orders may be accomplished by written purchase order, telephone, fax or computer on-line systems. All Purchase Orders **must** include the State's contract number.
- w. **BILLING**  
 The Contractor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide contract number, ship to and bill to address, contact name and phone number. Per *Del. C. § 6516 (d) (4)*, the Contractor shall not charge a late fee that exceeds more than one percent (1%) per month, not to exceed twelve percent (12%) per annum for State and Local Agencies. Any non-profit agency will be subject to the standard late fees.

**x. METHOD OF PAYMENT**

1. For each P.O. issued as part of this Participating Addendum, the State will pay Contractor within thirty (30) days of the date of the Contractor's invoice, the amount which is legitimately earned by the Contractor.

Final settlement for total payment to the Contractor will be made within thirty (30) days from the date of final written State acceptance, if acceptance criteria is applicable to the order, of the work and services as agreed to in the P.O.

2. No premium time for overtime will be paid without prior written State authorization. Indirect overhead cost shall not be applied to the premium portion of the overtime.
3. The agencies or school districts using this Participating Addendum will authorize and process for payment each invoice within thirty (30) days after the date of a correct invoice. The State of Delaware intends to maximize the use of the P-Card for payment for goods and services provided under this Participating Addendum. Notwithstanding the foregoing, the P-Card is not accepted for payment of postage. Contractor shall not charge additional fees for acceptance of this payment method. Additionally, there shall be no minimum or maximum limits on any P-Card transaction under this Participating Addendum. While it is the State's intention to utilize the P-card payment method the State reserves, at its discretion, the right to pay by ACH/ ACI or check. Should the Contractor wish to provide a financial incentive to not process payment by P-Card, they are to prepare a proposal to clearly outline any incentives for alternative payment methods the Contractor is willing to accept.

**y. FORMAL CONTRACT AND/OR PURCHASE ORDER**

No employee of the Contractor is to begin any work prior to receipt of a State of Delaware Purchase Order signed by authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office. A purchase order, email, telephone, fax or State of Delaware's credit card shall serve as the authorization to proceed with Participating Addendum and Master Agreement in accordance with the work specifications and the special instructions, once it is received by the Contractor.

**z. MINIMUM WAGE RATES**

Work performed under this solicitation may fall under the [State of Delaware Minimum Wage Rates](#) or the Delaware Prevailing Wage rates. Prior to issuing a purchase order, the ordering agencies must obtain from the Department of Labor a determination if prevailing wage applies to the project and, if appropriate, what the applicable prevailing wage rates would be for the work to be performed. No work shall proceed without a determination by the Department of Labor. Request for prevailing wage certification can be found at: <http://dia.delawareworks.com/labor-law/prevailing-wage.php>

**aa. Reserved**

**bb. DISPUTE RESOLUTION**

At the option of, and in the manner prescribed by the Office of Management and Budget (OMB), the parties shall attempt in good faith to resolve any dispute arising out of or relating to this Participating Addendum promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management



than the persons with direct responsibility for administration of this Participating Addendum. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided evidence that is otherwise admissible or discoverable shall not be rendered inadmissible.

If the matter is not resolved by negotiation, as outlined above, or, alternatively, the parties elect to proceed directly to mediation, then the matter will proceed to mediation as set forth below. Any disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to a mediator selected by the parties. If the matter is not resolved through mediation, it may be submitted for arbitration or litigation. The Agency reserves the right to proceed directly to arbitration or litigation without negotiation or mediation. Any such proceedings held pursuant to this provision shall be governed by State of Delaware law, and jurisdiction and venue shall be in the State of Delaware. Each party shall bear its own costs of mediation, arbitration, or litigation, including attorneys' fees. The parties shall maintain the confidential nature of the arbitration proceeding, include the Hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits.

**cc. REMEDIES**

Except as otherwise provided in this solicitation, including but not limited to Section bb above, all claims, counterclaims, disputes, and other matters in question between the State of Delaware and the Contractor arising out of, or relating to, this solicitation, or a breach of it may be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Delaware.

**dd. TERMINATION OF INDIVIDUAL ORDERS OR PURCHASE ORDERS**

As a central contract, this Participating Addendum shall include individual orders from state agencies and other entities authorized by law to procure from this Participating Addendum. The individual orders may be terminated as follows:

**1. Termination for Cause**

If, for any reason, or through any cause, the Contractor fails to fulfill in timely and proper manner his obligations, or if the Contractor violates any of the covenants, agreements, or stipulations of this Participating Addendum, the Agency shall have the right to terminate the P.O. by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. Contractor shall be permitted to cure the breach within this thirty (30) day notification period, and if such breach is cured within said thirty (30) day period, then the notice of termination shall be deemed to be rescinded. In the event that the Participating Addendum is terminated, Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the Agency.

If, for any reason, or through any cause, the Purchasing Entity fails to fulfill in timely and proper manner its obligations, or if the Purchasing Entity violates any of the covenants, agreements, or stipulations of this Participating Addendum or any lease or software license, the Contractor shall have the right to terminate the P.O. by giving written notice to the Purchasing Entity of such termination and specifying

the effective date thereof, at least thirty (30) days before the effective date of such termination. Purchasing Entity shall be permitted to cure the breach within this thirty (30) day notification period, and if such breach is not cured or able to be cured within said thirty (30) day period, then the P.O. shall terminate immediately

## **2. Termination for Convenience**

The Agency may only terminate an individual lease if permitted in the attached lease agreements. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the department, become its property and the Contractor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials which are usable to the Agency. Notwithstanding the foregoing, any leases entered into prior to the effective date of termination of this Participating Addendum shall continue for the duration of the lease term as stated in the lease.

## **3. Termination for Non-appropriation**

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds. This is not a termination for convenience and will not be converted to such.

## **ee. TERMINATION OF PARTICIPATING ADDENDUM**

As a central contract, this Participating Addendum may be terminated as follows by Government Support Services.

### **1. Termination for Cause**

If, for any reasons, or through any cause, the Contractor fails to fulfill in timely and proper manner its obligations under this Participating Addendum, or if the Contractor violates any of the covenants, agreements, or stipulations of this Participating Addendum, the State shall thereupon have the right to terminate this Participating Addendum by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. In that event, Contractor under this Participating Addendum shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the State.

On receipt of this Participating Addendum cancellation notice from the State, the Contractor shall have not less than five (5) days to provide a written response and may identify a method(s) to resolve the violation(s). A response from the Contractor shall not effect or prevent this Participating Addendum cancellation unless the State provides a written acceptance of the Contractor's response. If the State does accept the Contractor's method and/or action plan to correct the identified deficiencies, the State will define the time by which the Contractor must fulfill its corrective obligations. Final retraction of the State's termination for cause will only occur after the Contractor successfully rectifies the original violation(s). At its discretion the State may reject in writing the Contractor's proposed action plan and proceed with the original Participating Addendum cancellation timeline. Notwithstanding the foregoing, any leases entered into during the term of this Participating Addendum would continue

for the remaining duration of the lease despite the termination of this Participating Addendum.

**2. Termination for Convenience**

The State may terminate this Participating Addendum at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of such termination. In that event Contractor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials, and which is usable to the State. Notwithstanding the foregoing, any leases entered into during the term of this Participating Addendum would continue for the remaining duration of the lease despite the termination of this Participating Addendum.

**3. Termination for Non-Appropriations**

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds. This is not a termination for convenience and will not be converted to such.

**ff. PUBLICATON, REPRODUCTION AND USE OF MATERIAL**

No reports produced in whole or part under this Participating Addendum shall be subject to copyright in the United States or in any other country. The State shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, or data prepared under this Participating Addendum; provided, however, that the State agrees not to use any design or engineering plans prepared by the Contractor for anything other than their intended purpose under this Participating Addendum.

**gg. RIGHTS AND OBLIGATIONS**

The rights and obligations of each party to this Participating Addendum shall not be effective, and no party shall be bound by the term of this Participating Addendum, unless and until a valid executed purchase order has been approved by the State of Delaware Secretary of Finance, and all reasonable procedures of the State of Delaware Department of Finance have been complied with. A separate purchase order shall be issued for every project or order.

**hh. ASSIGNMENT OF ANTITRUST CLAIMS**

The Contractor hereby grants, conveys, sells, assigns, and transfers to the State of Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, regarding the specific goods or services purchased or acquired for the State pursuant to this Participating Addendum.

**ii. AUDIT ACCESS TO RECORDS**

The Contractor shall maintain books, records, documents, and other evidence pertaining to this Participating Addendum to the extent and in such detail as shall adequately reflect performance hereunder. The Contractor agrees to preserve and make available to the State, upon request, such records for a period of five (5) years from the date services were rendered by the Contractor. Records involving matters in litigation shall be retained

for one (1) year following the termination of such litigation. The Contractor agrees to make such records available for inspection, audit, or reproduction to any official State representative in the performance of their duties under this Participating Addendum. Upon at least ten (10) business day's prior written notice given to the Contractor, representatives of the State or other duly authorized State or Federal agency may inspect, monitor, and/or evaluate the cost and billing records or other material relative to this Participating Addendum. Reimbursement to the State for disallowances shall be drawn from the Contractor's own resources and not charged to this Participating Addendum cost or cost pools indirectly charging costs.

**jj. IRS 1075 Publication (If Applicable)**

**1. Performance**

In performance of this Participating Addendum, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

All work will be performed under the supervision of the Contractor or the Contractor's responsible employees.

The Contractor and the Contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.

Any Federal tax returns or Federal tax return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this Participating Addendum. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Participating Addendum. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited.

All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.

No work involving returns and return information furnished under this Participating Addendum will be subcontracted without prior written approval of the IRS.

The Contractor will maintain a list of employees authorized access. Such list will be provided to the Agency and, upon request, to the IRS reviewing office.

The Agency will have the right to void this Participating Addendum if the Contractor fails to provide the safeguards described above.

The Contractor shall comply with agency incident response policies and procedures for reporting unauthorized disclosures of agency data.

## **2. Criminal/Civil Sanctions**

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Participating Addendum. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Participating Addendum. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRCs 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of Contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

Granting Contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractor must maintain its authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, Contractor must be advised of the provisions of IRCs 7431, 7213, and 7213A (see Exhibit 4, Sanctions for Unauthorized Disclosure, and Exhibit 5, Civil Damages for Unauthorized Disclosure). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10 ) For both the initial certification and the annual certification, the Contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

### **3. Inspection**

The IRS and the Agency, with 24-hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this Participating Addendum for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

#### **kk. SUBCONTRACTS**

Subcontracting is permitted under this Participating Addendum. However, every subcontractor, authorized representative or reseller shall be identified (Attachment C) and agreed to in writing by the State or as are specifically authorized in writing by the Agency during the performance of the Participating Addendum. Any substitutions in or additions to such subcontractors, associates, or consultants will be subject to the prior written approval of the State.

The Contractor shall be responsible for compliance by the subcontractor or reseller with all terms, conditions and requirements of the Master Agreement and this Participating Addendum and with all local, State and Federal Laws. The Contractor shall be liable for any noncompliance by any subcontractor or reseller. Further, nothing contained herein or in any subcontractor agreement shall be construed as creating any contractual relationship between the subcontractor and the State.

#### **II. CONTRACTOR EMERGENCY RESPONSE POINT OF CONTACT**

The Contractor shall provide the name(s), telephone, or cell phone number(s) of those individuals who can be contacted twenty-four (24) hours a day, seven (7) days a week where there is a critical need for commodities or services when the Governor of the State of Delaware declares a state of emergency under the Delaware Emergency Operations Plan or in the event of a local emergency or disaster where a state governmental entity requires the services of the Contractor.

In the event of a serious emergency, pandemic, or disaster outside the control of the State, the State may negotiate, as may be authorized by law, emergency performance from the Contractor to address the immediate needs of the State, even if not contemplated under the original Participating Addendum. Payments are subject to appropriation and other payment terms.

**mm. POTENTIAL CONTRACT OVERLAP**

Contractors shall be advised that the State, at its sole discretion, shall retain the right to solicit for goods and/or services as required by its agencies and as it serves the best interest of the State. As needs are identified, there may exist instances where contract deliverables, and/or goods or services to be solicited and subsequently awarded that overlap this Participating Addendum.

**nn. SUPPLEMENTAL SOLICITATION**

The State reserves the right to advertise a supplemental solicitation during the term of this Participating Addendum if deemed in the best interest of the State.

**oo. CONFIDENTIALITY AND DATA INTEGRITY**

The Department of Technology and Information is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored: e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State Agency/School District data will not be modified without the knowledge and written authorization of the Department of Technology and Information. All data generated from the original source data, shall be the property of the State of Delaware. The control of the disclosure of those data shall be retained by the State of Delaware and the Department of Technology and Information.

The Contractor is required to agree to the requirements in the CONFIDENTIALITY AND INTEGRITY OF DATA STATEMENT; Attachment D attached and made a part of this Participating Addendum.

**pp. SECURITY**

As computer, network, and information security are of paramount concern, the State wants to ensure that computer/network hardware and software does not compromise the security of its IT infrastructure. Therefore, the Contractor is guaranteeing that any systems or software meets or exceeds the Top 18 Critical Security controls located at <http://www.sans.org/critical-security-controls/>.

**qq. TAX EXEMPTION**

- a. In accordance with the Internal Revenue Service regulations, the State of Delaware is generally exempt from federal excise tax for communications, certain fuels, sales by manufacturers and the tax on heavy trucks, trailers, and tractors. More detail is included in IRS Publication 510 Excise Taxes located at <https://www.irs.gov/publications/p510>. Per IRS regulations, all exemption certificates must be specific to the vendor and the type of excise tax. If an exemption certificate is requested by a vendor, the Division of Accounting will work with the agency and vendor to complete the appropriate certificate. Such taxes shall not be included in prices quoted. Such taxes shall not be included in prices quoted.

- b. Any material which is to be incorporated in the work or any equipment required for the work contemplated in the proposal may be consigned to the Agency. If the shipping papers show clearly that any such material is so consigned, the shipment will be exempt from the tax on the transportation of property under provisions of Section 3475 (b) of the Internal Revenue Code, as amended by Public Law 180 (78th Congress). All transportation charges shall be paid by the Contractor.

rr. **RESERVED**

ss. **DOCUMENT EXECUTION**

The State of Delaware requires a new vendor to complete the registration process through the Delaware Supplier Portal at <http://esupplier.erp.delaware.gov>. Successful completion of this registration enables the creation of a State of Delaware supplier record. The Taxpayer ID (SSN or EIN) and Applicant (supplier) name are submitted to the Internal Revenue Service for "matching"/ If the Taxpayer ID and name do not match, the vendor record cannot be approved.

It is the applicant's responsibility to select the appropriate 1099 Withholding Type and Class. If incorporated, a business is not subject to 1099 reporting unless the business is providing legal or medical services.

Any questions about completing this registration or specific comments about the registration, please contact supplier maintenance by phone at 302-672-5000.

tt. **LEASE AGREEMENTS:**

**State agencies use the State of Delaware's MLPA for the leasing of Equipment. In the event the MLPA is not a suitable alternative for a state agency as determined by the bank, then the lease options offered by Contractor may be available for use, and the terms and conditions will be negotiated at that time.**

**EQUIPMENT LEASE AND RENTAL AGREEMENTS ("ELRA") ARE AVAILABLE TO NON-STATE AGENCIES. Those non-State agencies using the ELRA must receive legal advice from its own legal counsel.**

Equipment Lease and Rental Agreements are authorized in accordance with the terms of NASPO ValuePoint Master Price Agreement number CTR058808. Attachment \_\_\_ reflects the lease and/or rental options Participating State/Entity has agreed to use. Any underlying leases to this agreement will remain in full force and effect throughout the stated lease term of such lease agreement, subject to termination provisions stipulated with such lease. The following, together with their respective terms and conditions are offered for lease or rental transactions under this Participating Addendum.

- (a) Pitney Bowes Global Financial Services LLC "GFS" Term Rental (Installment Purchase) – Option A,
- (b) FMV Rental – Option B, and
- (c) State & Local Fair Market Value Lease – Option C



Sales & Purchase Tax will be charged, if required under your State Statute.

**uu. PURCHASE ORDER INSTRUCTIONS:**

All orders under this PA are to be made out to and processed by Pitney Bowes and should contain the following (1) Mandatory Language "PO is subject to NASPO ValuePoint Master Agreement number CTR058808" (2) Your Name, Address, Contact, & Phone-Number.

Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order

**vv. PRICE AGREEMENT NUMBER:**

All purchase orders issued by Purchasing Entities within the jurisdiction of this Participating Addendum shall include the Participating State/Entity's contract number: GSS22576MAILEQUIP and the Lead State price agreement number: CTR058808.

**uu. INDIVIDUAL CUSTOMER:**

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 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.

**ww. POSTAGE METERS:**

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.

### 3. PRIMARY CONTACTS

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

#### Lead State

Contact: Nyesha Daley  
Address: 100 N. 15<sup>th</sup> Ave,  
Phoenix, AZ 85007  
Phone: 602-542-4907  
Email: [Nyesha.daley@azdoa.gov](mailto:Nyesha.daley@azdoa.gov)

#### Contractor

Contact: Art Adams  
Address: 3001 Summer St,  
Stamford, CT  
Phone: 06926  
Email: 203-351-7866  
[Art.adams@pb.com](mailto:Art.adams@pb.com)

#### Participating State - Delaware, Government Support Services

Contact: Dennis J Smith  
Address: 600A S. Bay Rd  
Dover, DE 19901-4604  
Phone: 302-857-4544  
Fax: 302-739-3779  
Email: [dennis.smith@delaware.gov](mailto:dennis.smith@delaware.gov)


**4. CONTRACT NUMBER**

The contract number for the State of Delaware is: GSS22576-MAILEQUIP

This Participating Addendum and the Master Price Agreement, Number BPM003137, (administered by the State of Arizona) together with their respective attachments and exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Participating Addendum and the Master Contract, together with its exhibits, shall not be added to or incorporated into this Participating Addendum or the Master Contract and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Participating Addendum and the Master Contract and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms. Notwithstanding the foregoing, the terms and conditions of any applicable mutually agreed upon software license, software license and maintenance agreements (SLMA), or subscription are not deemed to be additional terms and shall govern with respect to the applicable software provided under an Order.

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

State of Delaware

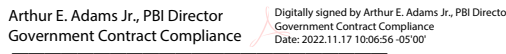
By: 

Name: Michael A. Bacu

Title: Deputy Director, GSS

Date: 11/22/2022

Contractor: Pitney Bowes Inc.

By: 

Name: Arthur E. Adams Jr.

Title: Dir., Government Contract Compliance

Date: November 17, 2022

STATE OF DELAWARE  
MONTHLY USAGE REPORT

**SAMPLE REPORT - FOR ILLUSTRATION PURPOSES ONLY**

Ver. 5.1b 4/6/2014

Review and Update Previous Report

**State of Delaware - Monthly Usage Report**

Contract No.: \_\_\_\_\_

Contract Title: \_\_\_\_\_ See Below for Transaction Detail

E-mail report to [vendorusage@delaware.gov](mailto:vendorusage@delaware.gov) no later than the 15th of each month for prior calendar month usage

Check here if there were no transactions for the reporting period

FSF #: \_\_\_\_\_

Supplier Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_

State Contract Item Sales \$	-	Report Start Date:	_____
Non-State Contract Item Sales \$	-	Report End Date:	_____
Total Sales \$	-	Today's Date:	_____

Customer Group	Customer Department, School District, or OTHER - Municipality / Non-Profit	Customer Division (State Agency Section name, School name, Other Municipality / Non-Profit name)	Item Description	Awarded Contract Item Yes/No	Contract Item Num	Unit of Measure	Qty	Contract Proposal Price / Rate	Total Spend (Qty x Contract Proposal Price / Rate)

**Note:** A copy of the Usage Report will be sent by electronic mail to the Awarded Contractor. The report shall be submitted electronically in **EXCEL** and sent as an attachment to [vendorusage@delaware.gov](mailto:vendorusage@delaware.gov). It shall contain the six-digit department and organization code for each agency and school district.

**SAMPLE REPORT - FOR ILLUSTRATION PURPOSES ONLY**

State of Delaware																				
Subcontracting (2nd tier) Quarterly Report																				
Prime Name:							Report Start Date:													
Contract Name/Number							Report End Date:													
Contact Name:							Today's Date:													
Contact Phone:							*Minimum Required		Requested detail											
Vend or Name *	Vend or TaxID*	Contra ct Name/ Numbe r*	Vend or Conta ct Name *	Vend or Conta ct Phon e*	Repo rt Start Date *	Repo rt End Date *	Amount Paid to Subcontrac tor*	Work Performed by Subcontra ctor UNSPSC	M/WB E Certifyi ng Agency	Veteran/Ser vice Disabled Veteran Certifying Agency	2nd tier Suppli er Name	2nd tier Suppli er Address	2nd tier Suppli er Phone Number	2nd tier Suppli er email	Descript ion of Work Performed	2nd tier Suppli er Tax Id	Dat e Paid			

**Note:** A copy of the Subcontracting Quarterly Report will be sent by electronic mail to the Awarded Contractor.

Completed reports shall be saved in an Excel format, and submitted to the following email address: [vendorusage@delaware.gov](mailto:vendorusage@delaware.gov).



**DEPARTMENT OF TECHNOLOGY AND INFORMATION**

William Penn Building  
801 Silver Lake Boulevard  
Dover, Delaware 19904-2407

**CONFIDENTIALITY (NON-DISCLOSURE) AND INTEGRITY OF DATA AGREEMENT**

The Department of Technology and Information is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored; e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State Agency data will not be modified without the knowledge and written authorization of the Department of Technology and Information. All data generated from the original source data, shall be the property of the State of Delaware. The control of the disclosure of those data shall be retained by the State of Delaware and the Department of Technology and Information.

I/we, as an employee(s) of Pitney Bowes, Inc or officer of my firm, when performing work for the Department of Technology and Information, understand that I/we act as an extension of DTI and therefore I/we are responsible for safeguarding the States' data and computer files as indicated above. I/we will not use, disclose, or modify State data or State computer files without the written knowledge and written authorization of DTI. Furthermore, I/we understand that I/we are to take all necessary precautions to prevent unauthorized use, disclosure, or modification of State computer files, and I/we should alert my immediate supervisor of any situation which might result in, or create the appearance of, unauthorized use, disclosure or modification of State data.

Penalty for unauthorized use, unauthorized modification of data files, or disclosure of any confidential information may mean the loss of my position and benefits, and prosecution under applicable State or Federal law.

This statement applies to the undersigned Contractor and to any others working under the Contractor's direction.

I, the Undersigned, hereby affirm that I have read DTI's Policy on Confidentiality (Non-Disclosure) and Integrity of Data and understood the terms of the above Confidentiality (Non-Disclosure) and Integrity of Data Agreement, and that I/we agree to abide by the terms above.

Contractor Signature Arthur E. Adams Jr., PBI Director  
Title: Director, Government Contract Compliance  
Date: November 17, 2022  
Contractor Name: Pitney Bowes Inc.

Digitally signed by Arthur E. Adams Jr., PBI Director  
Government Contract Compliance  
Date: 2022.11.17 10:06:20 -05'00'



**The Office of Supplier Diversity (OSD) has moved to the  
Division of Small Business (DSB)**

Supplier Diversity Applications can be found here:  
<https://business.delaware.gov/osd/>

Completed Applications can be emailed to: [OSD@Delaware.gov](mailto:OSD@Delaware.gov)

For more information, please send an email to OSD:  
[OSD@Delaware.gov](mailto:OSD@Delaware.gov) or call 302-577-8477

Self-Register to receive business development information here:  
<https://business.delaware.gov/directory-of-certified-businesses/>

**New Address for OSD:**  
Office of Supplier Diversity (OSD)  
State of Delaware  
Division of Small Business  
820 N. French Street, 10<sup>th</sup> Floor  
Wilmington, DE 19801

Telephone: 302-577-8477 Fax: 302-736-7915  
Email: [OSD@Delaware.gov](mailto:OSD@Delaware.gov)  
Web site: <https://business.delaware.gov/osd/>

**Dover address for the Division of Small Business**

**Local applicants may drop off applications here:**  
Division of Small Business  
99 Kings Highway  
Dover, DE 19901  
Phone: 302-739-4271

Submission of a completed Office of Supplier Diversity (OSD) application is optional and does not influence the outcome of any award decision.