

Pitney Bowes DMT Sales and Maintenance Agreement Terms

These terms apply to any transaction you enter into with Pitney Bowes Inc., through its Document Messaging Technologies division ("PBDMT") for the purchase of equipment manufactured by PBDMT or a third party ("Equipment"), and maintenance and emergency repair services for such Equipment ("Maintenance Services"). Other provisions, such as software license and maintenance agreement terms, may also apply, depending on your transaction. Separate agreements will cover other software products and services. Please read these provisions carefully as they constitute part of your agreement with PBDMT.

1. Definitions

"Agreement" – the Order and any terms referred to in the Order.

"Order" – the executed agreement between you and PBDMT.

"Installation" – The date Equipment or products sold under this Agreement are made available for use in production.

"You," "your," or "Client" – the entity identified on the Order.

"PBDMT," "PBI," or "Pitney Bowes DMT" – Pitney Bowes Inc., through its Document Messaging Technologies division

2. Fees

a. **Equipment Fees.** Client will pay the fees specified in the Order and any applicable taxes, within thirty (30) days from the date of PBI's invoice. Client will pay a late charge of one and a half percent (1.5%) per month on any fees not paid by the due date. Client agrees to provide accurate information about base and measured usage rates to PBI. If the information is not accurate, PBI reserves the right to estimate such usage and make adjustments based on actual usage on the Client's next invoice.

b. **Equipment Maintenance Fees.** If the Order specifies the purchase of Maintenance Services, Client will pay the fees for the initial term of one (1) year from the date of installation ("Initial Term"), and any Renewal Period(s) as defined below, upon receipt of PBI's invoice. The fees will be reviewed on an annual basis, and PBI will notify Client in writing of any price increase not less than thirty (30) days prior to the beginning of the Renewal Period. Upon receipt of such notice, Client will have thirty (30) days to reject such increase. If such increase is rejected, the parties will have thirty (30) days from the date of rejection to mutually agree upon a price for the upcoming year. In the event that such negotiation period expires without agreement and PBI is still providing services to Client, Client will be responsible for paying the monthly fee to PBI at the new price until resolution is achieved. In the event there is no agreement as to price, PBI will terminate Maintenance Services. PBI will not be obligated to provide any Maintenance Services before receiving full payment of any applicable invoice.

c. **Volume Overage Fees.** If the Order specifies the purchase of Maintenance Services, PBI will invoice Client for additional fees that result from annual cycle volume overages according to the maximum number of annual cycles per MPS/APS, Flowmaster/FPS/MSE Inserting System noted on the Order. The overage rate for a MPS/APS, and Flowmaster/FPS/MSE Inserting System is .0015 cents and .00175 cents, respectively. The number of annual cycles is determined by measuring complete cycles and not individual page counts.

d. **Taxes.** The fees do not include, and Client is responsible for paying, all charges and taxes which may be imposed or levied upon the sale, purchase, operation, value, possession or use of the Equipment or Maintenance Services, excluding taxes on or measured by PBI's net income, unless Client provides PBI with a valid tax exemption, direct pay or resale certificate.

e. **Late Fees.** To the extent PBI is required to enforce its rights under this Agreement, it may recover all expenses, including reasonable attorneys' fees and interest to the maximum extent permitted by law.

f. **Suspension of Services.** PBI reserves the right to suspend any services during any period in which the Client's account under this or any other agreement with PBI (including any other division or affiliate of PBI) is more than thirty (30) days past due.

3. **Terms For Customized Equipment.** This Agreement provides that PBI will customize Equipment for Client ("Customized Equipment"). After the Order is executed, PBI and Client will mutually agree on a design sample, which will represent the form Client will use with the Customized Equipment and contain accurate marks showing where the dash marks, fold style, and fold lines will be placed (the "Original Design Sample"). Once the Equipment is designed, PBI will notify Client as to the additional quantities of the Original Design Samples it will require at least 60 days before the date on which Client expects delivery, and Client will provide such forms in the quantities needed. Any modifications to the Original Design Sample may require PBI to modify the Customized Equipment design. To the extent Client makes changes to the Original Design Sample and PBI can accommodate such changes, Client will be charged for the cost of the redesign. If PBI needs to modify the Original Design Sample, there may be a delay in delivery as well as an increase in cost. If such Client directed modifications cannot be made, Client will be required to reimburse PBI for costs incurred in preparing the Customized Equipment according to the Original Design Sample, even if Client does not take delivery of such Equipment. If Client modifies the Original Design Sample after delivery of the Customized Equipment, and, in PBI's judgment, the modification will increase PBI's warranty or Maintenance Service costs, PBI reserves the right to suspend the warranty and Maintenance Services and negotiate new terms with

Client. In any event that Client does not take delivery of the Equipment and if a down payment has been made, PBI may retain the portion of such payment as is necessary to recoup its non-recoverable costs in customizing and manufacturing the Equipment.

4. **Equipment Maintenance.** Should Client choose on-call maintenance, as specified on the Order, PBI will provide Maintenance Services for the Equipment (excluding software) that Client identifies on the Order ("Covered Equipment") during the Initial Term or any Renewal Period (collectively, the "Maintenance Services Term").

a. **Obtaining Service.** Client may call for Maintenance Services on the Covered Equipment during the hours of 8am-5pm local time, Monday through Friday, excluding PBI holidays ("Normal Working Hours").

b. **Repair Service.** If PBI determines that repair service is necessary, it will provide such repair via on-site or remote service. If the equipment is Covered Equipment under warranty, and PBI needs to take the Equipment back to its facility, PBI will be responsible for all transportation costs. Repair service for normal wear and tear of Covered Equipment (excluding software) may include the use of new (or equivalent to new) parts and assemblies. Lubricants and other materials needed to service Covered Equipment, except consumable supplies, are provided without additional charge. Parts or assemblies for discontinued Covered Equipment (and Covered Equipment not marketed as new) will be provided only if available. Not included as normal wear is coverage for repairs made necessary due to Client negligence, misuse, external forces, loss of electrical power, power fluctuation, non-PBI service or the use of supplies not meeting PBI's specifications. If off site service is not successful, then a PBI service representative will be sent to Client's location. No hourly charges will be incurred for on-site or off site service on Covered Equipment unless such service is performed outside Normal Working Hours. If Client qualifies it may have additional remedies available under the Client Satisfaction Guarantee as may be established by PBI from time to time.

c. **Replacement Equipment.** If Client wants to replace any of its Covered Equipment or to have additional equipment designated as Covered Equipment, adjustments will be made by mutual agreement. If Client does not want to continue coverage on new replacement equipment, any further Maintenance Services will be subject to PBI's then-current rates.

d. **Client Self-Service Maintenance.** PBI WILL NOT IN ANY EVENT BE LIABLE FOR ANY CLAIMS OF ANY KIND, ASSERTED BY CUSTOMER OR ANY THIRD PARTY, CAUSED BY THE REMOVAL, MODIFICATION, FAILURE TO MAINTAIN OR BY-PASSING OF BUILT-IN SAFETY FEATURES BY CUSTOMER.

5. Equipment Maintenance Term.

a. **Initial Term.** For the Initial Term, PBI will provide Client with Maintenance Services as specified on the Order.

b. **RENEWAL PERIOD(S).** UNLESS SUCH RENEWAL IS PROHIBITED BY APPLICABLE STATE LAW, MAINTENANCE SERVICES WILL AUTOMATICALLY RENEW FOR CONSECUTIVE (1) ONE-YEAR TERMS (EACH, A "RENEWAL PERIOD"), UNLESS TERMINATED BY EITHER PARTY AT LEAST SIXTY (60) DAYS PRIOR TO THE RENEWAL DATE OF SUCH TERM. If Client intends not to renew, it must deliver a written notice (the "Termination Notice") via certified mail to PBI at the following address: Pitney Bowes Inc., 37 Executive Drive, Danbury, CT 06810, Attention: Client & Order Management. If PBI intends not to renew, it will deliver a Termination Notice to Client via certified mail at the address on the Order. IN THE EVENT CLIENT ELECTS TO TERMINATE MAINTENANCE SERVICES WITHOUT CAUSE PRIOR TO THE EXPIRATION OF THE INITIAL TERM OR RENEWAL PERIOD, NO PRO-RATA REFUND WILL BE PROVIDED, EVEN IF ANY PREPAID HOURS OF SERVICE HAVE NOT YET BEEN PERFORMED BY PBI.

6. Warranties.

a. **Client Warranties.** Client represents and warrants that: (i) it is financially solvent and is able to pay for the Equipment and Maintenance Services contemplated by this Agreement; and (ii) it is using the Equipment for business and commercial purposes and not for personal, family or household use.

b. **PBI Equipment Warranty.**

(i) Except as explained further below, PBI warrants to Client that Equipment will be free from manufacturing defects in material and workmanship ("Manufacturing Defect(s)") and that it will perform according to PBI's specifications for ninety (90) days from the date of delivery or if installed by Pitney Bowes, then ninety (90) days from the date of Installation ("Warranty Period"). For console inserting systems, the Warranty Period will run for ninety (90) days from the date of delivery or if installed by Pitney Bowes, then ninety

(90) days from the date of Installation, or until the system reaches PBI's Equipment usage limits, whichever occurs first.

(ii) **Warranty Exclusions.** PBI does not assume a warranty obligation for consumable parts or supplies such as print heads and ink or for parts worn out due to extraordinary use of the Equipment or use inconsistent with manufacturer's specifications. This warranty excludes: (a) preventative maintenance, routine service and normal wear and tear; (b) Equipment serviced, repaired or refurbished by persons not certified by PBI to perform such service and repair; (c) damage to the Equipment caused by use of spare parts or supplies not supplied by PBI; (d) damage to Equipment caused by not using the procedures authorized by PBI; or (e) damage caused by integrating Equipment with products or processing equipment of companies other than PBI or its wholly-owned subsidiaries. For this warranty to be valid, Client must operate the Equipment in accordance with PBI's specifications including, without limitation, under suitable temperature, humidity, line voltage, and any other PBI specified environmental conditions and only if Client uses reasonable care in handling, operating, and maintaining the Equipment and uses the Equipment only for the purpose for which it was designed.

(iii) **Services Warranty.** PBI warrants that any services provided pursuant to this Agreement will be performed in a professional and workmanlike manner.

(iv) **Disclaimer.** EXCEPT AS EXPRESSLY SET FORTH HEREIN, PBI DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES FOR EQUIPMENT AND SERVICE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(v) **Third Party Equipment.** PBI makes no warranty of any kind as to the Equipment sold hereunder but manufactured by a third party. PBI agrees to pass through to Client all third party warranties it receives on such Equipment to the extent such warranties are transferable. Further, any Maintenance Services performed by PBI will not include maintaining such Equipment.

7. Limitation on Liability.

- a. PBI'S TOTAL LIABILITY IS LIMITED TO THE FEES PAID BY CLIENT TO PBI FOR THE APPLICABLE EQUIPMENT OR SERVICES IN THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO THE CLAIM.
- b. PBI WILL HAVE NO LIABILITY FOR ANY DAMAGE YOU MAY INCUR BY REASON OF YOUR NEGLIGENT ACTS OR OMISSIONS, OR YOUR MISUSE OF THE EQUIPMENT.
- c. PBI WILL NOT IN ANY EVENT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES OF ANY KIND RELATED TO THIS AGREEMENT, EVEN IF PBI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8. Support Services. If Client requests that PBI provide services such as installation, maintenance, training, consulting, systems integration and data conversion or other similar support services ("Support Services"), charges for such services are in addition to the price of the Equipment, unless otherwise specified in the Order. Client's obligation to pay for Support Services is a binding obligation and will survive any termination of this Agreement for whatever reason.

9. Leases or Rentals. Additional terms and conditions apply to leases or rentals of Equipment and leases and rentals are subject to a lease or rental agreement, as the case may be, and must be entered into separately.

10. Delivery; Installation; Risk of Loss; Binding Order; Returns.

a. **Delivery.** Except as otherwise stated in the Order, Client will pay all costs for transporting the Equipment from PBI's facility to the location designated in the Order. PBI will make commercially reasonable efforts to deliver the Equipment on the delivery date in the Order, but cannot guarantee a specific date.

b. **Installation.** Client must provide a suitable power source, access, and

space for installation according to PBI's specifications. Client must give PBI advance notice of any site problems.

c. **Title; Risk of Loss.** Title to the Equipment and risk of loss to the Equipment and any embedded software will pass to Client upon delivery to the location in the Order.

d. **Binding Order.** The Order will become binding upon Client at the earliest of the following: (i) the date the Equipment is shipped to Client; (ii) the date Client executes the Order, or (iii) the date on which PBI receives the first installment payment if the Equipment is to be paid for in installments. After the date the Order has become binding upon Client, there will be no refund of any deposit made by Client to PBI.

e. **Returns.** Unless the Equipment fails to conform to the express warranties set forth herein, the Equipment will not be returned to PBI.

11. Security Interest. Client hereby grants PBI a purchase money security interest in the Equipment and in any and all replacements and substitutions therefor, as well as in any proceeds from the sale of such Equipment, for the purpose of securing payment of any balance due hereunder. PBI has the right to recover the Equipment if Client has not paid for it. PBI may file a copy of this Agreement as a financing statement with the appropriate State authorities.

12. Force Majeure. Neither party will be held responsible or incur any liability for any delay or failure to perform any part of the this Agreement if such delay or failure results from causes beyond its control, including, but not limited to, fire, flood, explosion, acts of terrorism, war, labor disputes, embargo, civil or military authority, natural disaster, judicial or governmental action or requirement, or acts of God.

13. Assignment. Neither party may assign this Agreement or Order including by operation of law without the prior written consent of the other party, which consent will not be unreasonably withheld or delayed. Any attempted assignment without consent will be without force and effect.

14. Export Laws. Client agrees: (i) to comply with all applicable U.S. export control laws and regulations; (ii) that all products and technologies received hereunder will only be exported, re-exported or transferred, directly or indirectly, in accordance with these laws and regulations; (iii) that it will not export, re-export, or transfer, directly or indirectly, any products and technologies received hereunder to any destination or to any person if this would be prohibited, in whole or in part, by any U.S. law or regulation or would otherwise be prohibited by any U.S. Government entity or agency; and (iv) to immediately notify PBI in writing if it or one of its affiliates is or becomes listed in any Denied Parties List or if its export privileges or the export privileges of any of its affiliates are denied, suspended or revoked, in whole or in part, by any U.S. Government entity or agency.

15. Entire Agreement. This Agreement, including the Order and all attached exhibits, is the sole and complete agreement between the parties and will not be modified or amended except by a writing signed by all parties. However, software including embedded software provided hereunder is subject to PBI's software license terms. PBI does not accept and will not be subject to any terms and conditions in Client's purchase order, acknowledgement, or any other form, and any such provisions will be deemed rejected.

16. Waiver; Severability; Survival; Governing Law. No waiver of any breach of any provision of this Agreement by any party or the failure of any party to insist on exact performance will constitute a waiver of any other breach of performance of the same or any other provision hereof. If any provision of this Agreement will be or become invalid or unenforceable, such invalidity or unenforceability will not invalidate or render unenforceable the remaining provisions of this Agreement. The provisions of this Agreement which by their meaning and effect are meant to survive the termination or expiration of this Agreement, will so survive. This Agreement will be governed by, construed and interpreted in accordance with, the laws of the State of Connecticut without regard to its conflicts of laws principles.