



**MAILROOM EQUIPMENT, SUPPLIES &
MAINTENANCE**

Led by the State of Arizona

Master Agreement #: ADSPO16-169897, as amended

Contractor: **PITNEY BOWES INC.**

Participating Entity: **COUNTY OF ORANGE, CALIFORNIA**

The following products or services are included in this contract portfolio:

- *All products, services, and accessories listed on the Contractor page of the NASPO ValuePoint website.*

Master Agreement Terms and Conditions:

1. Scope: This addendum covers the NASPO ValuePoint Master Agreement for Mailroom Equipment, Supplies and Maintenance led by the State of Arizona for use by county agencies and other entities located in the Participating entity of County of Orange, California (County") authorized by the State of California and County's statutes to utilize the County contracts with the prior approval of the State's Chief Procurement Official.
2. Participation: The NASPO ValuePoint Master Agreement referenced above may be used by all County agencies, institutions of higher institution, political subdivisions and other entities authorized by individual County statutes to use state/entity contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.
3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:	Art Adams, Director Government Contract Compliance
Address:	Pitney Bowes, Inc. 3001 Summer Street, Stamford, CT 06926
Telephone:	(203) 351-7866
Fax:	(203) 460-3827
Email:	art.adams@pb.com



MAILROOM EQUIPMENT, SUPPLIES & MAINTENANCE

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Contractor – Government Sales Channel Director – Bill Walter Region

<u>Name</u>	<u>Bill Walter, Director, Government Sales</u>
<u>Address</u>	<u>Pitney Bowes Inc. 3001 Summer Street, MSC 1C-305, Stamford, CT 06926</u>
<u>Telephone</u>	<u>480-206-2984</u>
<u>Fax</u>	<u>203-460-5758</u>
<u>E-mail</u>	<u>Bill.walter@pb.com</u>

Lead State

<u>Name</u>	<u>Christopher Lacey, MBA</u>
<u>Address</u>	<u>Arizona DOA-SPO, 100 N. 15th Ave, Suite 201, Phoenix, AZ 85007</u>
<u>Telephone</u>	<u>602-542-7165</u>
<u>Fax</u>	<u>602-542-5508</u>
<u>E-mail</u>	<u>Christopher.Lacey@azdoa.gov</u>

Participating Entity

Name:	County of Orange, County Procurement Office
Address:	1300 S Grand Avenue, Bldg A 2 nd FL, Santa Ana CA 92705-4434
Telephone:	714-567-5025
Fax:	714-567-7307
Email:	Grace.Scott@ocgov.com

4. MODIFICATIONS OR ADDITIONS TO THE MASTER AGREEMENT

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

No changes to the terms and conditions of the Master Agreement are required.

The following changes are modifying or supplementing the Master Agreement terms and conditions.

**MAILROOM EQUIPMENT, SUPPLIES &
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4.1 Software license terms and conditions shall be mutually agreed upon in writing by the purchasing entity's authorized individual and Pitney Bowes Inc. List of Software Licenses offered under this Addendum are attached hereto as Attachment D.

4.2 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 as provided by the Contractor and attached hereto as Attachment C.

4.3 Lease Agreements:

Equipment Lease and Rental Agreements are authorized in accordance with the terms of NASPO ValuePoint Master Price Agreement number ADSPO16-169897. Attachment B 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.

(a) Pitney Bowes Global Financial Services LLC "GFS" NASPO ValuePoint Fair Market Value Rental – Option B, and NASPO ValuePoint Fair Market Value Lease – Option C pursuant to Sections 3.15 and 3.16, respectively and its terms and conditions are offered for lease transaction for the SMB Product line specifically listed on Attachments C of RCA-017-18010007.

(b) For the Pitney Bowes DMT product line and related services (as described in tabs on the Price Attachments C and C-1 to the Agreement ("Folders-Inserters Production, Inserters-Production, Pre-sorting Equipment Production and Software License and Subscriptions applicable to DMT Production Mail Equipment")) (the "DMT Product Line") leases may be available in an applicable State through three third party lending companies. The preferred lending company is PNC Equipment Finance. The two alternative lending companies are IBM Credit LLC and Municipal Asset Management, Inc. The terms and conditions of the (i) Municipal Master Lease Purchase Agreement or the Muni Short Form FMV lease [PNC], (ii) a Lease/Purchase Master Agreement for State and Local Government, [IBM] and (iii) a Tax Exempt Lease/Purchase Agreement and a Rental Agreement [MAM] lease (together the "DMT Leases"), as such may be available in this State, and have been included with this Participating Addenda. Pricing by third party leasing companies for DMT Leases to be provided.

(c) The DMT Leases may be offered under the Agreement and this State Participating Addenda and, in such cases, if there is a conflict between a DMT Lease, and the State Participating Addenda, the DMT Leases shall govern. Alternatively, the DMT Leases may be offered as a separate contract outside the Participating Addenda and this Agreement. Further, in the event this State wishes to use its own lender, it will be considered a separate contract outside the Participating Addenda and this Agreement. Note that the DMT Product Line is not offered under the GFS lease program described above in Item 1. Further, the DMT Product Line is not available for an Equipment Rental program, as described in Section 3.16 of the Agreement"

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

4.5 Subcontractors:

All Pitney Bowes contractors, subcontractors, Authorized Sales and Services Representatives authorized in the State of California, 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.

4.6 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 ADSPO16-169897" (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

4.7 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: **RCA-017-18010007** and the Lead State price agreement number: ADSPO16-169897.

4.8 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.

4.9 Section 7.2 [State of Arizona Uniform Terms and Conditions], subsection 6 [Risk and Liability], subsection 6.1 [Risk of Loss] is hereby amended by adding the following at the end of said subsection 6.1: "provided, however, that the State shall be deemed to have accepted a Product as to which it doesn't indicate nonconformity within sixty (60) days of the delivery of the product."

5. ENTIRE AGREEMENT

This Participating Addendum and the Master Price Agreement number ADSPO16-169897 (administered by the State of Arizona) together with its 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 Addendum and the Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement 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 Price Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms within the Participating State/Entity.

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

Participating Entity: County of Orange, County Procurement Office	Contractor: Pitney Bowes Inc.
Signature: 	Signatures: 1.  2. 
Name: Grace Scott	Names: 1. Michael Monahan 2. James A. Shapiro
Title: Procurement Contract Specialist	Titles: 1. Executive Vice President 2. Assistant Secretary
Date: 9-25-2017	Dates: 1. 9.22.2017 2. 9.22.2017

[Additional signatures may be added if required by the Participating Entity]

For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:	Ted Fosket
Telephone:	(907) 723-3360
Email:	tfosket@naspovaluepoint.org

***[Please email fully executed PDF copy of this document to
PA@naspovaluepoint.org
to support documentation of participation and posting in appropriate
data bases.]***

ATTACHMENT B

SUMMARY OF LEASING/RENTAL PROGRAMS UNDER ADSP016-169897

Options B and C are offered for lease or rental transactions for the SMB Product line only, and do not cover the DMT Product line. The DMT Product line may be leased through three third party lending companies. The preferred lending company is PNC Equipment Finance. The two alternative lending companies are IBM Credit LLC and Municipal Asset Management, Inc. Separate lease terms apply which are attached as Attachment B.2 and B.3.

Pitney Bowes Global Financial Services offers a variety of equipment leasing and lease/rental programs to enable your agency to acquire the equipment it needs with the innovative financing solution that works best for you. This Agreement cannot be used for Production Equipment Categories (Folders-Inserters Production, Inserters-Production, Pre-sorting Equipment Production and Software License and Subscriptions applicable to DMT Production Mail Equipment) awarded under ADSP016-00006328, as amended- to Pitney Bowes Inc.

FAIR MARKET VALUE/Rental (OPERATING LEASE) - Option B This program provides you with 36, 48 or 60 Month Rental. At the end of the rental period, you may purchase the equipment at the end of the Rental for its then Fair Market Value, or you can enter into a new Rental term or return the equipment. This includes cancellation for convenience with a termination charge of 90 day notice of cancellation and pay one quarterly payment. Sales & Purchase Tax will be charged, if required under Your State Statute.

FAIR MARKET VALUE LEASE - Option C

This program provides you with a 36, 48 or 60 Month lease term with the option to purchase the equipment at the end of the lease for its then Fair Market Value, or you can continue leasing the equipment based on its Fair Market Value, or return the equipment. Sales & Purchase Tax will be charged, if required under Your State Statute.

Example of lease/rental payments based on a \$10,000.00 equipment price:

MONTHLY LEASE RATES			
TERM	OPTION A	OPTION B	OPTION C
36	0.0326	0.0377	0.0342
48	0.0257	0.0309	0.0277
60	0.0216	0.0270	0.0237

MONTHLY LEASE PAYMENT BASED ON \$10,000.00 TRANSACTION*			
TERM	OPTION A	OPTION B	OPTION C
36	\$ 326.00	\$ 377.00	\$ 342.00
48	\$ 257.00	\$ 309.00	\$ 277.00
60	\$ 216.00	\$ 270.00	\$ 237.00

*Monthly payment excludes any Sales and or Purchase Tax. Sales and/or Purchase Tax will be charged, if required under Your State Statute.

OPTION B – NASPO VALUEPOINT FMV RENTAL TERMS AND CONDITIONS:

Pitney Bowes Global Financial Services LLC will serve as a sub-contractor under ADSP016-169897 and will be the Lessor under this Fair Market Value Rental Terms and Condition Agreement. PBGFS does not warrant, service or otherwise support the equipment. Those services are provided by Pitney Bowes Inc. (PBI). Due to federal regulations, only PBI can own a Meter. This Agreement cannot be used for Production Equipment Categories (Production Ink Jet Envelope Addressing System, Production Tabbers, Inserter Production, Production Folder-Inserter, Pre-Sorting Equipment) awarded under ADSP016-00006328- to Pitney Bowes Inc.

The Pricing Plan for the NASPO ValuePoint Fair Market Value Rental Terms and Conditions is as follows:

Monthly Rate Factors:

<u>Term:</u>	<u>Rate:</u>
36	.0377
48	.0309
60	.0270

Total Value of the Order multiplied by the applicable Monthly Rate Factor = Monthly Equipment Payment, plus applicable monthly meter rental and value based service fees, plus the monthly cost of service maintenance for years 2 thru end of initial term, plus any applicable taxes, multiplied by three (3) months = equals the Quarterly Payment.

For further clarification a 36 month rental based on a \$10,000 equipment order would equal a \$377.00 monthly equipment payment multiplied by 3 months equaling a \$1,131 quarterly lease payment. Applicable quarterly cost of service maintenance for years 2 thru end of initial term, quarterly meter rental and value based services fees, plus any taxes, if applicable, would be added to the Quarterly payment.

L1. DEFINITIONS

L1.1 The following terms mean:

"Agreement" - the Order, your Entity's Participating Addendum, the NASPO ValuePoint Master Agreement ADSP016-169897, these terms and conditions, and any attached exhibits.

"Bank" - The Pitney Bowes Bank, Inc.

"Consumable Supplies" - Ink, Ink rollers, printheads, toner and drum cartridges, ribbons and similar items. Product-specific consumable supplies are identified in the product operator guide.

"County" - County of Orange, California

"Covered Equipment" - the equipment rented or sold to you from PBGFS or PBI that is covered by the SLA as stated on the Order. Covered Equipment does not include any Meter, or any standalone software, and SendKit equipment.

"Delivery Date" - the date the Equipment or other item is delivered to your location.

"Effective Date" - the date the Order is received by us.

"Entity Participating Addendum" the bilateral agreement executed by us and your participating County incorporating the Master Agreement.

"Equipment" - the equipment listed on the Order, excluding any Meter, and any standalone software and SendKit equipment.

"Initial Term" - the lease period listed on the Order

"Install Date" - the date the Equipment or other item is installed at your location.

"Meter" - any postage meter supplied by PBI under the Order, including (i) in the case of a Connect+™ or SendPro™ P or C series mailing system, the postal security device, the application platform, the system controller and the print engine and (ii) in the case of all

other mailing systems, the postal security device, the user interface or keyboard and display and the print engine.

"Lease" - the Order and this NASPO ValuePoint Fair Market Value Rental Terms and Conditions.

"Maintenance Service" - the maintenance service for the Covered Equipment selected by you on the Order, excluding software maintenance.

"Master Agreement" - NASPO ValuePoint Master Agreement ADSP016-169897 Mail Room Equipment, Supplies and Maintenance contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.

"NASPO ValuePoint" - NASPO ValuePoint Cooperative Purchasing Organization LLC, a wholly owned subsidiary of National Association of State Procurement Officials (NASPO).

"Order" - the executed agreement between the applicable Pitney Bowes company and you for the Equipment.

"PBGFS" - Pitney Bowes Global Financial Services LLC.

"PBI" - Pitney Bowes Inc.

"Pitney Bowes" - PBGFS and its subsidiaries, and PBI.

"Postage Meter Rental Agreement" - an agreement governing the use and rental of a Meter you enter into with us.

"SLA" - the Service Level Agreement.

"SLMA" - a Software License and Maintenance Agreement you enter into with us

"SOW" - a Statement of Work you enter into with us.

"We," "Our," or "Us" – the Pitney Bowes company with whom you've entered into the Order.

"You," "Your," "Lessee", or "Customer" – the entity identified on the Order.

L2. AGREEMENT

L2.1 You are leasing the Equipment listed on the Order.

L2.2 You may not cancel this Lease for any reason except as expressly set forth in Sections L10 and L11 below, all payment obligations are unconditional.

L2.3 If you do not pay the fees when due or you do not comply with the Agreement and fail to cure the same within thirty (30) days of receipt of written notice thereof, we may disable the Meter, terminate the Agreement, retake the Equipment and Meter, and collect from you all fees due for the remainder of the Initial Term, or if after the Initial Term, all fees then due, plus interest at the lesser of 18% per year or the maximum allowed by law.

L2.4 You authorize us to file a Uniform Commercial Code financing statement naming you as debtor/lessee with respect to the Equipment.

L3. PAYMENT TERMS AND OBLIGATIONS

L3.1 We will invoice you in arrears each quarter for all payments on the Order (each, a "Quarterly Payment"), except as provided in any statement of work attached to the Order. You will make each Quarterly Payment by the due date shown on our invoice.

L3.2 Your Quarterly Payment may include an origination fee, amounts carried over from a previous unexpired lease, SLMA fees and other charges.

L3.3 Any Meter rental fees and SLA fees (collectively "PBI Payments"), will be included with your Quarterly Payment and begin with the start of the Lease Term (as defined below). After the Initial Term, your Quarterly Payment will increase if your PBI Payments increase.

L4. EQUIPMENT OWNERSHIP

We own the Equipment. PBI owns any Meter. Except as stated in Section L6, you will not have the right to become the owner of the Equipment at the end of this Agreement.

L5. LEASE TERM

The Lease term is the number of months stated on the Order ("Lease Term"). The Lease Term will commence on the date the Equipment is delivered, if we do not install the Equipment. If we install the Equipment, the Lease Term will commence on the installation date.

L6. END OF LEASE OPTIONS

L6.1 During the 90 days before your Lease ends, you may, if not in default, select one of the following options:

- (a) enter into a new lease with us;
- (b) purchase the Equipment "as is, where is" for fair market value; or

(c) return the Equipment and Meter in its original condition, reasonable wear and tear excepted and pay us our then applicable processing fee. If you return the Equipment and Meter, you will, as specified by us, either properly pack and return them to us in the return box and with the shipping label provided by us or furnish them to such service carrier as we specify to pick up and ship them to us.

L6.2 If you do not select one of the options in Section L6.1, you will be deemed to have agreed to enter into month to month extensions of the term of this Agreement. You may choose to cancel the automatic extensions by giving us 120 days prior written notice before the Lease expires (unless the law requires the notice period to be shorter). Upon cancellation, you agree to either return all items pursuant to Section L6.1(c) or purchase the Equipment.

L7. WARRANTY AND LIMITATION OF LIABILITY

L7.1 PBGFs AND THE BANK MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT.

L7.2 PBI provides you with the warranty as provided in the Master Agreement and as follows:

- (a) PBI warrants that the Equipment will be free from defects in material and workmanship and will perform according to the equipment user guide for a period of one year (360) days from the date of acceptance (the "Warranty Period").
- (b) PBI warrants that the Maintenance Service provided will be performed in a professional and workmanlike manner.
- (c) Your remedy in the event of any warranty claim is as provided within the Master Agreement.
- (d) A "defect" does not include the failure of rates within a rate update to conform to published rates.
- (e) There is no warranty for Equipment requiring repair or replacement because of your negligence, usage which exceeds PBI's recommendations, damage in transit, virus contamination or loss of data, misuse, external forces, loss or fluctuation of power, fire, flood, or other natural causes, or service by anyone other than PBI. There is no warranty for Equipment arising from the use of third party supplies (such as Ink) that results in: (i) damage to PBI Equipment; (ii) poor indicia, text, or image print quality; (iii) indicia readability failures; or (iv) a failure to print indicia, text, or images.
- (f) The print engine(s), print engine components, structural components and printed circuit board assemblies supplied with the PBI Equipment may be reclaimed, reconditioned or remanufactured. Any such item is warranted to perform according to the same standards as the equivalent new item.
- (g) The warranty does not cover Consumable Supplies.

L7.3 PBGFs AND THE BANK ARE NOT LIABLE FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), OR EXPENSE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT.

L8. EQUIPMENT OBLIGATIONS

- L8.1 Condition and Repairs. You will keep the Equipment free from liens and in good repair, condition, and working order.
- L8.2 Inspection. We may inspect the Equipment and related maintenance records.
- L8.3 Location. You may not move the Equipment from the location specified on the Order without our prior written consent which will not be unreasonably withheld.

L9. RISK OF LOSS AND VALUEMAX® PROGRAM

L9.1 Risk of Loss.

- (a) You bear the entire risk of loss to the Equipment from the date of delivery by PBI until the Equipment is returned to, and received by, us, regardless of cause, ordinary wear and tear excepted ("Loss").
- (b) No Loss will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.
- (c) To protect the equipment from loss, you will either (i) keep the Equipment Insured against Loss for its full replacement value under a comprehensive policy of insurance or other arrangement with an insurer of your choice, provided that it is reasonably satisfactory to us ("insurance") or (ii) be enrolled in PBGFS' ValueMAX program described in Section 9.1(d).
- (d) YOU MUST CALL US AT 1-800-732-7222 AND PROVIDE US WITH EVIDENCE OF INSURANCE. If you do not provide evidence of insurance and have not previously enrolled in our equipment replacement program (ValueMAX), we may include the Equipment in the ValueMAX program and charge you a fee, which we will include as an additional charge on your invoice.
- (e) We will provide written notice reminding you of your insurance obligations described above in Section L9.1(c).
- (f) If you do not respond with evidence of insurance within the time frame specified in the notification we may immediately include the Equipment in the ValueMAX program.
- (g) If the Equipment is included in the ValueMAX program and any damage or destruction to the Equipment occurs (other than from your gross negligence or willful misconduct, which is not covered by ValueMAX), we will (unless you are in default) repair or replace the Equipment.
- (h) We are not liable to you if we terminate the ValueMAX program. By providing the ValueMAX program we are not offering or selling you insurance; accordingly, regulatory agencies have not reviewed this Lease, this program or its associated fees, nor are they overseeing our financial condition.

L10. NON-APPROPRIATION

- L10.1 See Master Agreement -- Section 7.2 State of Arizona Uniform Terms and Conditions, Par 4.4, Availability of Funds for the Next State fiscal year and Par 4.5, Availability of Funds for the current State fiscal year.

L11. EARLY TERMINATION

- L11.1 You further warrant that you intend to enter into this Lease for the nüre Stated Term and you acknowledge that we have relied upon

such represented intention when determining the applicable pricing plan.

Cancelable Lease -- Cancel with three month penalty on rental payment per the Master Agreement.

L12. MISCELLANEOUS

- L12.1 If more than one lessee is named in this Lease, liability is joint and several.

L12.2 YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT

OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH CONSENT WILL NOT BE UNREASONABLY WITHHELD. ANY ASSIGNMENT WITHOUT OUR CONSENT IS VOID.

- L12.3 —The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned or sub-contracted by Contractor without the express written consent of County which shall not be unreasonably withheld, conditioned or delayed. Any attempt by Contractor to assign or sub-contract the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.

- L12.4 All applicable taxes required to be collected by us will be shown on the invoice.

- L12.5 If there is a conflict between any of the terms and conditions in this Agreement, your Entity's Participating Addendum and the Master Agreement ADSP016-169897, this Agreement shall prevail.

- L12.6 Any Meter rented under this Agreement is subject to the applicable USPS regulations and meter terms and conditions as may be provided by PBI.

- L12.7 Our Equipment may contain embedded software. You agree: (i) that PBI and its licensors own the copyrights and other intellectual property in and to the embedded software; (ii) that you do not acquire any right, title or interest in or to the embedded software; (iii) only to use the embedded software with our Equipment in which the embedded software resides; (iv) that you may not copy the embedded software; (v) that you may neither modify nor create derivative works of the embedded software (vi) that you may neither distribute nor disclose the embedded software (or any portion thereof) to any other person; (vii) that you may not translate, de-compile, disassemble, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; and (viii) that you may not export the embedded software in contravention of applicable export control laws. The embedded software contains third party software. Notwithstanding the above, this section does not modify any terms that may accompany such third party software.

- L12.8 The Connect+ or SendPro™ P or C series mailing system may use an Internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+ or SendPro™ P or C series mailing system and the Internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction.

- L12.9 We will provide you with a welcome letter by email.

OPTION C – NASPO VALUEPOINT FAIR MARKET VALUE LEASE TERMS AND CONDITIONS:

Pitney Bowes Global Financial Services LLC will serve as a sub-contractor under ADSP016-169897 and will be the Lessor under this Fair Market Value Lease Terms and Condition Agreement. PBGFS does not warrant, service or otherwise support the equipment. Those services are provided by Pitney Bowes Inc. (PBI). Due to federal regulations, only PBI can own a Meter. This Agreement cannot be used for Production Equipment Categories (Production Ink Jet Envelope Addressing System, Production Tabbers, Inserter Production, Production Folder-Inserter, Pre-Sorting Equipment) awarded under ADSP016-00006328- to Pitney Bowes Inc.

The Pricing Plan for the NASPO ValuePoint Fair Market Value Lease Terms and Conditions is as follows:

Monthly Rate Factors:

<u>Term:</u>	<u>Lease Rate:</u>
36	.0342
48	.0277
60	.0237

Total Value of the Order multiplied by the applicable Monthly Rate Factor = Monthly Equipment Lease Payment, plus applicable monthly meter rental and value based service fees, plus the monthly cost of service maintenance for years 2 thru end of initial term, plus any applicable taxes, multiplied by three (3) months = equals the Quarterly Payment.

For further clarification a 36 month lease based on a \$10,000 equipment order would equal a \$342.00 monthly equipment lease payment multiplied by 3 months equaling a \$1,026 quarterly lease payment. Applicable quarterly cost of service maintenance for years 2 thru end of initial term, quarterly meter rental and value based services fees, plus any taxes, if applicable, would be added to the Quarterly payment.

L1. DEFINITIONS

"Lease" – the Order and this NASPO ValuePoint Fair Market Value Lease Terms and Conditions.

L1. DEFINITIONS

L1.1 The following terms mean:

"Agreement" - the Order, your Entity's Participating Addendum, the NASPO ValuePoint Master Agreement ADSP016-169897, these terms and conditions, and any attached exhibits.

"Bank" - The Pitney Bowes Bank, Inc.

"Consumable Supplies" - ink, ink rollers, printheads, toner and drum cartridges, ribbons and similar items. Product-specific consumable supplies are identified in the product operator guide.

"County" – County of Orange, California

"Covered Equipment" - the equipment rented or sold to you from PBGFS or PBI that is covered by the SLA as stated on the Order. Covered Equipment does not include any Meter, or any standalone software, and SendKit equipment.

"Delivery Date" - the date the Equipment or other item is delivered to your location.

"Effective Date" - the date the Order is received by us.

"Entity Participating Addendum" the bilateral agreement executed by us and your participating County incorporating the Master Agreement.

"Equipment" - the equipment listed on the Order, excluding any Meter, and any standalone software and SendKit equipment.

"Initial Term" - the lease period listed on the Order

"Install Date" - the date the Equipment or other item is installed at your location.

"Meter" - any postage meter supplied by PBI under the Order, including (i) in the case of a Connect+™ or SendPro™ P or C series mailing system, the postal security device, the application platform, the system controller and the print engine and (ii) in the case of all other mailing systems, the postal security device, the user interface or keyboard and display and the print engine.

"Maintenance Service" - the maintenance service for the Covered Equipment selected by you on the Order, excluding software maintenance.

"Master Agreement" – NASPO ValuePoint Master Agreement ADSP016-169897 Mail Room Equipment, Supplies and Maintenance contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.

"NASPO ValuePoint" – NASPO ValuePoint Cooperative Purchasing Organization LLC, a wholly owned subsidiary of National Association of State Procurement Officials (NASPO).

"Order" - the executed agreement between the applicable Pitney Bowes company and you for the Equipment.

"PBGFS" - Pitney Bowes Global Financial Services LLC.

"PBI" - Pitney Bowes Inc.

"Pitney Bowes" – PBGFS and its subsidiaries, and PBI.

"Postage Meter Rental Agreement" – an agreement governing the use and rental of a Meter you enter into with us.

"SLA" - the Service Level Agreement.

"SLMA" – a Software License and Maintenance Agreement you enter into with us

"SOW" – a Statement of Work you enter into with us.

"We," "Our," or "Us" – the Pitney Bowes company with whom you've entered into the Order.

"You," "Your," "Lessee", or "Customer" – the entity identified on the Order.

before the Lease expires (unless the law requires the notice period to be shorter). Upon cancellation, you agree to either return all items pursuant to Section L6.1(c) or purchase the Equipment.

L2. AGREEMENT

- L2.1 You are leasing the Equipment listed on the Order.
- L2.2 You may not cancel this Lease for any reason except as expressly set forth in Sections L10 and L11 below, all payment obligations are unconditional.
- L2.3 If you do not pay the fees when due or you do not comply with the Agreement and fail to cure the same within thirty (30) days of receipt of written notice thereof, we may disable the Meter, terminate the Agreement, retake the Equipment and Meter, and collect from you all fees due for the remainder of the Initial Term, or if after the Initial Term, all fees then due, plus interest at the lesser of 18% per year or the maximum allowed by law.
- L2.4 You authorize us to file a Uniform Commercial Code financing statement naming you as debtor/lessee with respect to the Equipment.

L3. PAYMENT TERMS

- L3.1 We will invoice you in arrears each quarter for all payments on the Order (each, a "Quarterly Payment"), except as provided in any statement of work attached to the Order. You will make each Quarterly Payment by the due date shown on our invoice.
- L3.2 Your Quarterly Payment may include an origination fee, amounts carried over from a previous unexpired lease, SLMA fees and other charges.
- L3.3 Any Meter rental fees and SLA fees (collectively "PBI Payments"), will be included with your Quarterly Payment and begin with the start of the Lease Term (as defined below). After the Initial Term, your Quarterly Payment will increase if your PBI Payments increase.

L4. EQUIPMENT OWNERSHIP

We own the Equipment. PBI owns any Meter. Except as stated in Section L6, you will not have the right to become the owner of the Equipment at the end of this Agreement.

L5. LEASE TERM

The Lease term is the number of months stated on the Order ("Lease Term"). The Lease Term will commence on the date the Equipment is delivered, if we do not install the Equipment. If we install the Equipment, the Lease Term will commence on the Installation date.

L6. END OF LEASE OPTIONS

- L6.1 During the 90 days before your Lease ends, you may, if not in default, select one of the following options:
 - (a) enter into a new lease with us;
 - (b) purchase the Equipment "as is, where is" for fair market value; or
 - (c) return the Equipment and Meter in its original condition, reasonable wear and tear excepted and pay us our then applicable processing fee. If you return the Equipment and Meter, you will, as specified by us, either properly pack and return them to us in the return box and with the shipping label provided by us or furnish them to such service carrier as we specify to pick up and ship them to us.
- L6.2 If you do not select one of the options in Section L6.1, you will be deemed to have agreed to enter into month to month extensions of the term of this Agreement. You may choose to cancel the automatic extensions by giving us 120 days prior written notice

L7. WARRANTY AND LIMITATION OF LIABILITY

- L7.1 PBGFS AND THE BANK MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT.
- L7.2 PBI provides you with the warranty as provided in the Master Agreement and as follows:
 - (a) PBI warrants that the Equipment will be free from defects in material and workmanship and will perform according to the equipment user guide for a period of one year (360) days from the date of acceptance (the "Warranty Period").
 - (b) PBI warrants that the Maintenance Service provided will be performed in a professional and workmanlike manner.
 - (c) Your remedy in the event of any warranty claim is as provided within the Master Agreement.
 - (d) A "defect" does not include the failure of rates within a rate update to conform to published rates.
 - (e) There is no warranty for Equipment requiring repair or replacement because of your negligence, usage which exceeds PBI's recommendations, damage in transit, virus contamination or loss of data, misuse, external forces, loss or fluctuation of power, fire, flood, or other natural causes, or service by anyone other than PBI. There is no warranty for Equipment arising from the use of third party supplies (such as ink) that results in: (i) damage to PBI Equipment; (ii) poor indicia, text, or image print quality; (iii) indicia readability failures; or (iv) a failure to print indicia, text, or images.
 - (f) The print engine(s), print engine components, structural components and printed circuit board assemblies supplied with the PBI Equipment may be reclaimed, reconditioned or remanufactured. Any such item is warranted to perform according to the same standards as the equivalent new item.
 - (g) The warranty does not cover Consumable Supplies.

L7.3 PBGFS AND THE BANK ARE NOT LIABLE FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), OR EXPENSE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT.

L8. EQUIPMENT OBLIGATIONS

- L8.1 Condition and Repairs. You will keep the Equipment free from liens and in good repair, condition, and working order.
- L8.2 Inspection. We may inspect the Equipment and related maintenance records.
- L8.3 Location. You may not move the Equipment from the location specified on the Order without our prior written consent which will not be unreasonably withheld.

L9. RISK OF LOSS AND VALUEMAX® PROGRAM

- L9.1 Risk of Loss.
 - (a) You bear the entire risk of loss to the Equipment from the date of delivery by PBI until the Equipment is returned to, and received by, us, regardless of cause, ordinary wear and tear excepted ("Loss").
 - (b) No Loss will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.
 - (c) To protect the equipment from loss, you will either (i) keep the Equipment insured against Loss for its full replacement value under a comprehensive policy of insurance or other arrangement with an insurer of your choice, provided that it is reasonably satisfactory to us ("Insurance") or (ii) be

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enrolled in PBGFS' ValueMAX program described in Section 9.1(d).

- (d) YOU MUST CALL US AT 1-800-732-7222 AND PROVIDE US WITH EVIDENCE OF INSURANCE. If you do not provide evidence of insurance and have not previously enrolled in our equipment replacement program (ValueMAX), we may include the Equipment in the ValueMAX program and charge you a fee, which we will include as an additional charge on your invoice.
- (e) We will provide written notice reminding you of your insurance obligations described above in Section 9.1(c).
- (f) If you do not respond with evidence of insurance within the time frame specified in the notification we may immediately include the Equipment in the ValueMAX program.
- (g) If the Equipment is included in the ValueMAX program and any damage or destruction to the Equipment occurs (other than from your gross negligence or willful misconduct, which is not covered by ValueMAX), we will (unless you are in default) repair or replace the Equipment.
- (h) We are not liable to you if we terminate the ValueMAX program. By providing the ValueMAX program we are not offering or selling you insurance; accordingly, regulatory agencies have not reviewed this Lease, this program or its associated fees, nor are they overseeing our financial condition.

L10. NON-APPROPRIATION

L10.1 See Master Agreement – Section 7.2 State of Arizona Uniform Terms and Conditions, Par 4.4, Availability of Funds for the Next State fiscal year and Par 4.5, Availability of Funds for the current State fiscal year.

L11. EARLY TERMINATION

L11.1 You further warrant that you intend to enter into this Lease for the entire Stated Term and you acknowledge that we have relied upon such represented intention when determining the applicable pricing plan. If you cancel or terminate this Lease prior to expiration of the Stated Term (other than for non-appropriations), you shall pay a termination charge equal to the net present value of the monthly payments remaining through the completion of the term, discounted to present value at a rate of 6% per year.

L12. MISCELLANEOUS

L12.1 If more than one lessee is named in this Lease, liability is joint and several.

L12.2 YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT

OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH CONSENT WILL NOT BE UNREASONABLY WITHHELD. ANY ASSIGNMENT WITHOUT OUR CONSENT IS VOID.

L12.3 The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned or sub-contracted by Contractor without the express written consent of County which shall not be unreasonably withheld, conditioned or delayed. Any attempt by Contractor to assign or sub-contract the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.

L12.4 All applicable taxes required to be collected by us will be shown on the invoice.

L12.5 If there is a conflict between any of the terms and conditions in this Agreement, your Entity's Participating Addendum and the Master Agreement ADSP016-169897, this Agreement shall prevail.

L12.6 Any Meter rented under this Agreement is subject to the applicable USPS regulations and meter terms and conditions as may be provided by PBI.

L12.7 Our Equipment may contain embedded software. You agree: (i) that PBI and its licensors own the copyrights and

other intellectual property in and to the embedded software; (ii) that you do not acquire any right, title or interest in or to the embedded software; (iii) only to use the embedded software with our Equipment in which the embedded software resides; (iv) that you may not copy the embedded software; (v) that you may neither modify nor create derivative works of the embedded software (vi) that you may neither distribute nor disclose the embedded software (or any portion thereof) to any other person; (vii) that you may not translate, de-compile, disassemble, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; and (viii) that you may not export the embedded software in contravention of applicable export control laws. The embedded software contains third party software. Notwithstanding the above, this section does not modify any terms that may accompany such third party software.

L 12.8 The Connect+ and SendPro P or C Series mailing system may use an internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+ and SendPro P or C Series mailing system and the Internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction.

L 12.9 We will provide you with a welcome letter by email.

ATTACHMENT C

POSTAGE METER RENTAL TERMS AND CONDITIONS

1. DEFINITIONS

As used in this Agreement, the following terms mean:

"Agreement" – the Order, your Entity's Participating Addendum, the NASPO ValuePoint Master Agreement ADSPO16-169897, these terms and conditions, and any attached exhibits.

"Bank" - The Pitney Bowes Bank, Inc.

"County" – County of Orange, California

"Entity Participating Addendum" the bilateral agreement executed by us and your participating County incorporating the Master Agreement.

"Initial Term" - the rental period listed on the Order.

"Meter" - any postage meter supplied by PBI under the Order, including (i) in the case of a Connect+™ or SendPro™ P or C series mailing system, the postal security device, the application platform, the system controller and the print engine and (ii) in the case of all other mailing systems, the postal security device, the user interface or keyboard and display and the print engine.

"Master Agreement" – NASPO ValuePoint Master Agreement ADSPO16-169897 Mail Room Equipment, Services and Maintenance contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by us, our responses to any requests for clarifications and/or our best and final offer.

"NASPO ValuePoint" – NASPO ValuePoint Cooperative Purchasing Organization LLC, a wholly owned subsidiary of National Association of State Procurement Officials (NASPO).

"Order" - the executed order between the applicable Pitney Bowes company and you for the products covered by the order.

"PBGFS" - Pitney Bowes Global Financial Services LLC or a wholly owned subsidiary of Pitney Bowes Inc.

"PBI", "We", "Our", or "Us" - Pitney Bowes Inc.

"Reserve Account" – the Postage By Phone® Reserve Account that you maintain at the Bank.

"USPS" – the United States Postal Service.

"You," or "Your" - the person identified on the Order who is renting a Meter or purchasing services.

2. METER RENTAL

2.1 Fees

- (a) We will invoice you the Meter rental ("rental") fees listed on the Order.
- (b) After the Initial Term, we may increase the rental fees in accordance with the Master Agreement.
- (c) When you receive notice of an increase, you may terminate this Agreement as of the date the increase becomes effective.
- (d) If you do not pay the fees when due or you do not comply with the Agreement, we may disable the Meter, terminate the Agreement, retake the Meter, and collect from you all fees due through the termination date of the Agreement.
- (e) You are responsible for paying any taxes on the Meter and services, including sales and use tax, unless a valid tax exemption certification acceptable to the applicable taxing authority is provided.

2.2 Postage

- (a) You may transfer funds to the Bank for deposit into your Reserve Account or you may transfer funds to the United States Postal Service ("USPS") through a lockbox bank ("Lockbox Bank"). See section U1 for details.

- (b) If you participate in any optional PBI, PBGFS, or Bank postage advance programs (such as Purchase Power), we will advance payment on your behalf to USPS, subject to repayment by you under the terms of the postage advance program and billed separately from your Meter rental fees.
- (c) If you purchase postage through a Lockbox Bank, the USPS is responsible for refunds of unused postage and those refunds will be made in accordance with then current USPS regulations.

2.3 Terms of Use; Federal Regulations

- (a) You may use the Meter solely for the purpose of processing your mail, provided that you are authorized by the USPS to use the Meter, and that you comply with (i) this Agreement, (ii) any operator guide and (iii) all USPS regulations.
- (b) You agree to use only attachments or printing devices authorized by us.
- (c) You must receive our written consent before moving the Meter to a different location.
- (d) Federal regulations require that we own the Meter.
- (e) Tampering with or misusing the Meter is a violation of federal law.
- (f) Activities of the USPS including the payment of refunds for postage by the USPS to clients will be made in accordance with the current Domestic Mail Manual.
- (g) If the Meter is used in any unlawful scheme, or is not used for any consecutive 12 month period, or if you take the Meter or allow the Meter to be taken outside the United States without proper written permission of USPS Headquarters, or if you otherwise fail to abide by the postal regulations and this Agreement regarding care and use of the Meter, then this Agreement and any related Meter rental may be revoked. You acknowledge that any use of this Meter that fraudulently deprives the USPS of revenue can cause you to be subject to civil and criminal penalties applicable to fraud and/or false claims against the United States. The submission of a false or fraudulent statement can result in imprisonment of up to 5 years and fines of up to \$10,000 (18 U.S.C. 1001) and a civil penalty of up to \$5,000 plus an assessment of twice the amount falsely claimed (3 U.S.C. 3802). The mailing of matter bearing a fraudulent postage meter imprint is an example of a violation of these statutes.

- (h) You are responsible for immediately reporting (within 72 hours or less) the theft or loss of the Meter to us. Failure to comply with this notification provision in a timely manner may result in the denial of refund of any funds remaining on the Meter at the time of loss or theft.
- (i) You understand that the rules and regulations regarding the use of this Meter as documented in the Domestic Mail Manual may be updated from time to time by the USPS and it is your obligation to comply with any rules and regulations regarding its use.

2.4 Care and Risk of Loss

- (a) You agree to take proper care of the Meter(s).
- (b) You assume all risk of loss or damage to the Meter while you have possession.

2.5 Rate Updates and Soft-Guard® Program

- (a) Your Meter may require periodic rate information updates that you can obtain under our Soft-Guard® program.
- (b) The Soft-Guard® Subscription, we will provide up to 6 rate updates during each 12 month period following the date of installation.

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- (c) We will provide rate updates only if required due to a postal or carrier change in rate, service, Zip Code or zone change.
- (d) Your Soft-Guard® Subscription does not cover any change in rates due to custom rate changes, new classes of carrier service, or a change in Zip Code or zone due to equipment relocation.
- (e) We will not be responsible for any losses arising out of or resulting from the failure of rating or software downloads to conform to published rates.

2.6 Repair or Replacement

- (a) If the Meter malfunctions or fails due to reasons other than your negligence or accident, usage which exceeds our recommendations, use of Meter in a manner not authorized by this Agreement or any operator guide, use of equipment in an environment with unsuitable humidity and/or line voltage, damage in transit, virus contamination or loss of data, loss or fluctuation of power, fire, flood or other natural causes, external forces beyond our control, sabotage or service by anyone other than us, failure to use applicable software updates, use of Meter with any system for which we have advised you we will no longer provide support or which we have advised you is no longer compatible, or use of third party supplies (such as Ink), hardware or software that results in (i) damage to Meter (including damage to printheads), (ii) poor indicia, text or image print quality, (iii) indicia readability failures or (iv) a failure to print indicia, text or images

(b) REPAIR OR REPLACEMENT IS YOUR SOLE REMEDY.

2.7 LIMITATION OF LIABILITY

See – Master Agreement

2.8 Collection of Information

- (a) You authorize us to access and download information from your Meter and we may disclose this information to the USPS or other governmental entity.
- (b) We will not share with any third parties (except the USPS or other governmental entity) individually identifiable information that we obtain about you in this manner unless required to by law or court order.
- (c) We may elect to share aggregate data about our customers' postage usage with third parties.

3. VALUE BASED SERVICES

Value Based Services include services such as USPS® e-Return Receipt and USPS® Confirmation Services.

3.1 Fees

- (a) Any fees charged by the USPS for any Value Based Service you purchase is payable by you in the same way that you pay for postage.
- (b) The USPS is solely responsible for its services.
- (c) We are not responsible for any malfunctions of any part of the communication link connecting the IntelliLink® Control Center with the USPS data system.

3.2 THE VALUE BASED SERVICES PROVIDED BY THE USPS ARE PROVIDED WITHOUT ANY WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WE ARE NOT LIABLE FOR ANY DAMAGES YOU MAY INCUR BY REASON OF YOUR USE OF THE VALUE BASED SERVICES PROVIDED BY THE USPS,

INCLUDING INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES.

3.3 Ending the Value Based Services. We have the right to terminate the Value Based Services if the USPS discontinues offering the service or you breach your obligations under this Agreement and fail to cure the breach within thirty (30) days after you have been notified of it in writing.

4. EMBEDDED SOFTWARE AND SUBSCRIPTION SERVICES

4.1 Our Equipment may contain embedded software. You agree that: (i) PB and its licensors own the copyrights and other intellectual property in and to the embedded software; (ii) you are licensed only to use the embedded software with our Equipment in which the embedded software resides; (iii) you will not copy, modify, decompile, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; (iv) you will not distribute or otherwise disclose the embedded software (or any portion thereof) to any other person; and (v) 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.

4.2 Subscription Services. We may offer certain on-demand services to you on a subscription basis as indicated in the applicable Order. Upon payment of any applicable subscription fees, we grant you a non-exclusive, non-transferable license to access and use the subscription services for the term set forth in the Order for your internal business purposes only. You may not provide access to the subscription services to any third party, or use the subscription services on behalf of any third party absent our written consent. You will comply with all applicable laws, rules and regulations governing your use of the subscription services, including any data protection or privacy laws. You will not use the services to send or store infringing, obscene, threatening or unlawful material or disrupt the use by others of the subscription services, network service or network equipment, and you will not reverse engineer, decompile or disassemble the subscription services. If the subscription services you purchased come with their own terms of use, your use of those subscription services will be governed by those terms. Maintenance and technical support for any on-demand services will be provided in accordance with a separate agreement covering the same.

5. INTERNET ACCESS POINT

5.1 The Connect+™ and SendPro P or C series mailing systems may use an internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+™ and SendPro P or C series mailing systems and the internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction.

6. ENDING THIS AGREEMENT.

- 6.1** Your right to use the Meter, or Value Based Services is limited in duration to the Initial Term and to any subsequent extensions of the Initial Term.
- 6.2** After the Initial Term, you or we may cancel this Agreement, in whole or in part, upon 30 days prior written notice.
- 6.3** We reserve the right to recover or disable the Meter and terminate this use at any time if in violation of the terms of use under the Federal Regulations.

6.4 After cancellation or termination of this Agreement, you must return the Meter to us in the same condition as you received it, reasonable wear and tear excepted.

UNITED STATES POSTAL SERVICE ACKNOWLEDGMENT OF DEPOSIT

UI.1 In connection with your use of a Postage Evidencing System as defined in the Code of Federal Regulations ("CFR"), you may transfer funds to the USPS through a Lockbox Bank for the purpose of prepayment of postage on Postage Evidencing Systems, generating evidence of postage, both PC Postage and meters (a "Deposit"), or you may transfer funds to the Bank for deposit into your Reserve Account.

UI.5 The USPS will provide a refund to you for the remaining account balances of Deposits held by the USPS. These refunds are provided in accordance with the rules and regulations governing deposit of funds for evidence of postage, published in the CFR.

UI.2 To the extent you deposit funds in advance of the use of any evidence of postage, you may make Deposits in the Lockbox Bank account identified as "United States Postal Service CMRS-PB" or make deposits in your Reserve Account, in either case through electronic means, including Automated Clearinghouse Transfers. The USPS may, at its discretion, designate itself or a successor as recipient of Deposits made by you to the Lockbox Bank account described above.

UI.6 The Lockbox Bank, which shall collect funds on behalf of the USPS, shall provide PBI, on each business day, information as to the amount of each Deposit made to the USPS by you, so that PBI can update its records.

UI.3 Any deposit made by you in your Reserve Account is subject to the Postage By Phone® Reserve Account – Agreement and Disclosure Statement governing your Reserve Account.

UI.7 PBI may deposit funds on your behalf. The USPS will make no advances of funds to you. Any relationship concerning advances of funds is between you and PBI, PBGFS and/or the Bank.

UI.4 Any Deposit made by you in the Lockbox Bank account shall be credited by the USPS only for the payment of evidence of postage. Such Deposits may be commingled with Deposits of other clients. You shall not receive or be entitled to any interest or other income earned on such Deposits.

UI.8 You acknowledge that the terms of this Acknowledgement may be changed, modified, or revoked by the USPS, with appropriate notice.

UI.9 Postal Regulations governing the deposit of funds are published in the CFR or its successor. You acknowledge that you shall be subject to all applicable rules, regulations, and orders of the USPS, including future changes to such rules, regulations, and orders, and such additional terms and conditions as may be determined in accordance with applicable law. The USPS rules, regulations, and orders shall prevail in the event of any conflict with any other terms and conditions applicable to any Deposit.

The Pitney Bowes Bank, Inc.

PURCHASE POWER TERMS AND CONDITIONS

The following provisions apply to the optional Purchase Power Program (the "Program"). Additionally, you will receive from us a set of more specific provisions within thirty (30) days of the date of this Agreement.

P1.1 General. (a) In order to participate in the Program, you must provide the information described in Section P1.8. (b) The Purchase Power credit line is a product of the Bank and is not available to individuals for personal, family, or household purposes.

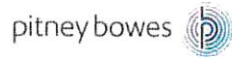
P1.2 Account Charges. (a) Your Purchase Power account (the "Account") will be charged for the amount of postage, products, and services requested and the related fees, if applicable. (b) Unless prohibited by law, you agree to pay the fees and charges of which the Bank has given you notice, including those relating to: (i) transaction fees, if applicable; (ii) if transaction fees are inapplicable, overage fees; (iii) your failure to pay in a timely manner; (iv) your exceeding your credit line; and (v) fees attributable to the return of any checks.

P1.3 Billing, Payments, and Collection. (a) You will receive a billing statement for each billing cycle in which you have activity on the Account. The Bank may deliver any statement electronically to the email address that is then on file for you. (b) Payments are due by the due date shown on your billing statement. (c) You may pay the entire balance due or a portion of the balance, provided that you pay at least the minimum payment shown on the statement. In the event of a partial payment, you will be responsible for the unpaid balance.

P1.4 Deferred Payment Terms. (a) By using the Program, you agree that whenever there is an unpaid balance outstanding on the Account which is not paid in full by the due date shown on your billing statement, the Bank will charge you, and you will pay, interest on the unpaid balance of the Account from time to time, for each day from the date the transaction is posted to the Account until the date the unpaid balance is paid in full, at a variable rate equal to the Annual Percentage Rate applicable to the Account from time to time. (b) (i) The Annual Percentage Rate applicable to the Account will be: the greater of (a) 22% and (b) the sum of the highest "Prime Rate" published in the "Money Rates" section of *The Wall Street Journal* on the last business day of the month and the margin set forth below (the sum of the margin and the Prime Rate is herein called the "Floating Rate"). (ii) The Annual Percentage Rate will be adjusted on a monthly basis based on any fluctuation in the Floating Rate, if applicable. (iii) Any change in the Annual Percentage Rate based on the calculation described in this section will become effective on the first day of your next billing cycle. (iv) The margin which will be added to the Prime Rate to determine the Floating Rate will be 14.75% (using the Prime Rate in effect as of March 31, 2013, the daily periodic rate would be .049315% and the corresponding annual percentage rate would be 18.00%). (v) The Account balance that is subject to a finance charge each day will include (a) outstanding balances, minus any payments and credits received by the Bank on the Account that day, and (b) unpaid interest, fees, and other charges on the Account. (vi) The Bank will charge a minimum finance charge of \$1.00 in any billing cycle if the finance charge as calculated above is less than \$1.00. (vii) Each payment that you make will be applied to reduce the outstanding balance of the Account and replenish your available credit line. (viii) The Bank may refuse to extend further credit if the amount of a requested charge plus your existing balance exceeds your credit limit. Page 3 of 4

P1.5 Account Cancellation and Suspension. (a) The Bank may at any time close or suspend the Account, and may refuse to allow further charges to the Account. (b) Cancellation or suspension will not affect your obligation to pay any amounts you owe.

P1.6 Amendments; Electronic Delivery; Termination. (a) The Bank can amend any of the provisions and terms related to the Program at any time by written notice to you (including by electronic notice via the email address that is then on file for you). You are consenting to electronic delivery of any amendments to the Program terms. (b) Each time you use the Program, you are signifying



your acceptance of the terms then in effect. (c) An amendment becomes effective on the date stated in the notice and will apply to any outstanding balance on the Account. (d) The Bank may terminate the Program at any time and will notify you in the event of any termination. (e) Any outstanding obligation will survive termination of the Program.

P1.7 Governing Law. The Program and any advances are governed by and construed in accordance with the laws of the State of Utah and applicable federal law.

P1.8 USA PATRIOT Act. (a) Federal law requires financial institutions to obtain, verify and record information that identifies each person who opens an account. (b) The Bank asks that you provide identifying information, including your address and taxpayer identification number. (c) The Bank may also ask for additional identifying information, where appropriate, including asking that your representative who is opening the Account provide his/her name, address, date of birth, driver's license and/or other documents and information that will allow the Bank to identify him/her.

PBSMARTPOSTAGE™ TERMS AND CONDITIONS

If you have ordered pbSmartPostage™, your use of that product will be subject to the Terms of Use which are available at <http://www.pitneybowes.com/us/license-terms-of-use/smart-postage-terms-and-conditions.html> and which are incorporated by reference. Your use of pbSmartPostage is entirely governed by the pbSmartPostage Terms of Use and any other provisions of the Pitney Bowes Terms will not apply.

SENDPRO™ TERMS AND CONDITIONS

If you are acquiring a SendPro subscription: (i) without SendKit equipment, your Terms Of Use are available at <http://www.pitneybowes.com/us/license-terms-of-use/sendpro-subscription.html>; and (ii) with SendKit equipment, your Terms Of Use are available at <http://www.pitneybowes.com/us/license-terms-of-use/sendpro-term.html>. Your use of the SendPro application is entirely governed by the SendPro Terms of Use and any other provisions of the Pitney Bowes Terms will not apply.

See www.pb.com/states for additional terms and conditions

List of Software and Maintenance Agreements on Arizona website ("Licensed Products"):

SMB Terms

Business Manager Software License Agreement OCT 2016
Distribution Solutions SLMA Nov 2015-Pathfinder-v092215
EULA ConnectRight Mailer
PlanetPress- End User License Agreement-click wrap
Planet Press Service Link
SendPro U.S. Terms of Use Subscription MAY 2016
SendPro U.S. Terms of Use with Equipment Lease MAY 2016
pbSmartPostage-terms

PB Software Inc. Terms

Master License Agreement 02-2015 NASPO

PB DMT Terms

Direct Connect Software License EXHIBIT NASPO 2016
Sorter (Imbedded) Software License Maintenance Agrmnt and DPV-LACS - NASPO 2016
DMT DirectView License Agreement July 2016 NASPO

To get to the actual agreements on the ProcureAZ website, please follow the link below:

<https://procure.az.gov/bso/external/purchaseorder/poSummary.sdo?docId=ADSP016-169897&releaseNbr=0&parentUrl=contract>



**REGIONAL COOPERATIVE AGREEMENT RCA-017-18010007
BETWEEN
THE COUNTY OF ORANGE
AND
PITNEY BOWES, INC.
FOR MAILROOM EQUIPMENT, SUPPLIES & MAINTENANCE**

This Regional Cooperative Agreement (“RCA”) to provide Mailroom Equipment, Supplies & Maintenance, hereinafter referred to as “Contract” is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California, acting through the County Executive Office/County Procurement Office, hereinafter referred to as “County”, and Pitney Bowes Inc., with a place of business at 3001 Summer St, Stamford, CT 06905-4316, hereinafter referred to as “Contractor”. County and Contractor may be referred to individually as “Party”, or collectively as “Parties”.

ATTACHMENTS

This Contract is comprised of this document and the following Attachments and Exhibit(s), which are attached hereto and incorporated by reference in this Contract:

- Attachment A – Scope of Services
- Attachment B – Payment/Compensation
- Attachment C – Participating Addendum Pitney Bowes & County of Orange
 - NASPO ValuePoint Attachment E: Offer and Acceptance
 - NASPO ValuePoint Contract Amendment 1
- NASPO ValuePoint ADSP016-169897 (State of Arizona RFP ADSP016-00006328)
- Attachment D - Pitney Bowes Price Book

RECITALS

WHEREAS, the NASPO ValuePoint organization issued Contract ADSP016-169897 with Pitney Bowes Inc. for Mailroom Equipment, Supplies & Maintenance; and

WHEREAS, the County desires to enter into a Contract with Contractor to provide County with Mailroom Equipment, Supplies & Maintenance; and

WHEREAS, the Contractor is willing to provide Mailroom Equipment, Supplies & Maintenance specified in this Contract and Attachment C;

NOW, THEREFORE, the Parties mutually agree as follows:

DEFINITIONS

“State of Arizona” and “State” as used in Attachment C shall mean County, its employees and authorized representatives for purposes of this Contract.

ARTICLES

General

- A. **Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county.
- B. **Entire Contract:** This Contract contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing. Electronic acceptance of any additional terms, conditions or supplemental Contracts by any County employee or agent, including but not limited to installers of software, shall not be valid or binding on County unless accepted in writing by County's Purchasing Agent or designee.
- C. **Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.
- D. **Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax. Out-of-state Contractors shall indicate California Board of Equalization permit number and sales permit number on invoices, or in the alternative attach a copy of the CA registration to the contract. Regardless, sales tax if any will be paid by the Customer not by the Contractor.
- E. **Delivery:** Time of delivery of goods or services is of the essence in this Contract. County reserves the right to refuse any goods or services and to cancel all or any part of the goods or service not conforming to the prescribed statement of work. Acceptance of any part of the order for goods shall not bind County to accept future shipments nor deprive it of the right to return goods already accepted at Contractor's expense. Over shipments and under shipments of goods shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all goods or services have actually been received and accepted in writing by County. For the avoidance of doubt, acceptance of goods and services, if applicable, is governed by NASPO ValuePoint Agreement Number ADSPO16-169897.
- F. **Acceptance/Payment:** Unless otherwise agreed to in writing by County, 1) acceptance shall be deemed complete unless written notice within thirty (30) days after delivery is provided by County and 2) payment shall be made in arrears after satisfactory acceptance.
- G. **Warranty:** Contractor expressly warrants that the goods covered by this Contract are 1) free of liens or encumbrances, 2) merchantable and good for the ordinary purposes for which they are used, and 3) fit for the particular purpose for which they are intended during the warranty period defined in the Master NASPO Agreement. Acceptance of this order shall constitute an agreement upon Contractor's part to indemnify, defend and hold County and its indemnities as identified in paragraph "Z" below, and as more fully described in paragraph "Z," harmless from third-party liability, loss, damage to tangible property and expense, including reasonable counsel fees, incurred or sustained by County by reason of the failure of the goods/services to conform to such warranties, faulty work performance, negligent or unlawful acts, and

non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.

- H. **Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Contractor warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Contractor agrees that, in accordance with the more specific requirement contained in paragraph "Z" below, it shall indemnify, defend and hold County and County Indemnitees harmless from any and all third-party claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, costs and expenses but not including attorney's fees. Contractor will have no obligation to indemnify County or County Indemnitees ("Licensee") under this Section H or Section Z if the infringement or misappropriation results from Licensee's (i) modification of the software listed in the Licensed Products (as defined in the Participating Addendum); (ii) combination, operation or use of the Licensed Products with non-Licensors software products if such claim of infringement or misappropriation would have been avoided had such combination, operation or use not occurred; (iii) use of the Licensed Products in breach of this Contract or an Order; or (iv) use of other than the most current release of the Licensed Products if such claim of infringement or misappropriation could have been avoided by Licensee's use of such current release of the Licensed Products, provided Licensor delivered such superseding version to Licensee and notified Licensee of the need to use such version.
- I. **Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned by Contractor without the express written consent of County which consent shall not be unreasonably withheld, conditioned or delayed. Any attempt by Contractor to assign the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.
- J. **Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to penalties pursuant to Section 1741 of the California Labor Code.
- K. **Termination:** In addition to any other remedies or rights it may have by law, County has the right to immediately terminate this Contract without penalty for cause. Cause shall be defined as any material breach of contract, any misrepresentation or fraud on the part of the Contractor. Notwithstanding the foregoing, Contractor shall have a thirty (30) day period, after receiving notice from County, to cure a Contractor performance issue that is unrelated to fraudulent and/or illegal conduct on the part of the Contractor. Exercise by County of its right to terminate the Contract shall relieve County of all further obligation. In the event that the Contract is terminated, any underlying leases, rentals, maintenance agreements or license/subscription agreements entered into during the term of the Contract will remain in full force and effect for the duration of the respective term subject to the termination provisions within such underlying lease, rental, maintenance, or license/subscription agreement.
- L. **Consent To Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. **Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees, nor anyone working under Contractor shall be considered an agent or an

employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.

N. **Performance:** Contractor shall perform all work under this Contract, taking necessary steps and precautions to perform the work to County's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other goods/services furnished by the Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance of the work. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors.

O. **Insurance Provision:** Prior to the provision of services under this contract, the contractor agrees to purchase all required insurance at contractor's expense, including all endorsements required herein, necessary to satisfy the County that the insurance provisions of this Contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with the County. In addition, all subContractors performing work on behalf of contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

Contractor shall ensure that all subContractors performing work on behalf of Contractor pursuant to this Contract shall be covered under Contractor's insurance as an Additional Insurance or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subContractors to work if subContractors have less than the level of coverage required by County from Contractor under this Contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor, and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the entirety of this Contract for inspection by County representative(s) at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by the County's Risk Manager, or designee, upon review of Contractor's current audited financial report. If Contractor's SIR is approved, Contractor, in addition to, and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

1. In addition to the duty to indemnify and hold the County harmless against any and all liability, claim, demand or suit resulting from Contractor's, its agents, employee's or subContractor's performance of this Contract, Contractor shall defend the County at its sole cost and expense with counsel approved by Board of Supervisors against the same; and
2. Contractor's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
3. The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and the Contractor's SIR provision shall be interpreted as though the Contractor was an insurer and the County was the insured.

If the contractor fails to maintain insurance acceptable to the County for the full term of this contract, the County may terminate this contract.

Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's key Rating Guide/Property-Casualty/United States or ambest.com**. It is preferred, but not mandatory, that the insurer be licensed to do business in the State of California (California Admitted Carrier)

If the insurance carrier does not have an A.M. Best rating of A-/VIII, the CEO/Office of Risk management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the Contractor shall provide the minimum limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Network Security (Cyber) and Privacy Liability	\$1,000,000 per claims made

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing liability coverage as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of insurance:

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the ***County of Orange, its elected and appointed officials, officers, employees, agents*** as Additional Insureds, or provide blanket coverage, which will state ***As Required By Written Contract***.
- 2) A primary non-contributing endorsement using ISO Form CG 20 01 04 13, or a form at least as broad evidencing that the contractor's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the ***County of Orange, its elected and appointed officials, officers, employees and agents***, or provide blanket coverage, which will state ***As Required By Written Contract***.

The Network Security and Privacy Liability policy shall contain the following endorsements, which shall accompany the Certificate of insurance:

1. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the ***County of Orange, its elected and appointed officials, officers, employees, agents*** as Additional Insureds, or provide blanket coverage, which will state ***As Required By Written Contract***.
2. A primary non-contributing endorsement using ISO Form CG 20 01 04 13, or a form at least as broad evidencing that the contractor's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

All insurance policies required by this contract shall waive all rights of subrogation against the County of Orange, its elected and appointed officials, officers, employees and agents when acting within the scope of their appointment or employment.

Contractor shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Contract, upon which the County may suspend or terminate this Contract.

The Commercial General Liability policy shall contain a severability of interests' clause, also known as a "separation of insureds" clause (standard in the ISO CG 001 policy).

Insurance certificates should be forwarded to the department address listed on the solicitation.

If the contractor fails to provide the insurance certificates and endorsements within seven (7) days of notification by CEO/Purchasing or the department purchasing division, award may be made to the next qualified vendor.

County expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect County.

County shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable Certificates of Insurance and endorsements with County incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in breach without further notice to Contractor, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

- P. **Changes:** Contractor shall make no changes in the work or perform any additional work without the County's specific written approval.
- Q. **Change of Ownership:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, and the County agrees to an assignment of the Contract, the new owners shall be required under terms of sale or other transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of the County.

County reserves the right to immediately terminate the Contract in the event the County determines that the assignee is not qualified or is otherwise unacceptable to the County for the provision of services under the Contract.

- R. **Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to County within 36 hours of the start of the delay and Contractor avails himself of any available remedies.
- S. **Confidentiality:** Contractor agrees to maintain the confidentiality of all County and County-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees.
- T. **Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are

provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "Z" below, Contractor agrees that it shall defend, indemnify and hold County and County INDEMNITEES harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.

- U. **Freight:** Prior to the County's express acceptance of delivery of products. Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
- V. **Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- W. **Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.
- X. **Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party had been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the parties and this Contract.
- Y. **Employee Eligibility Verification:** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by the law. The Contractor shall indemnify, defend with counsel approved in writing by County, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.
- Z. **Indemnification Provisions:** Contractor agrees to indemnify, defend with counsel approved in writing by County (such approval not to be unreasonably withheld), and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board ("County Indemnitees") harmless from any claims, demands or liability of any kind or nature asserted by a third party, including but not limited to personal injury or tangible property damage, arising from or related to the services, products or other performance provided by Contractor caused by Contractor's negligence or willful misconduct. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.
- AA. **Audits/Inspections:** Contractor agrees to permit the County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by the County) access during normal working hours to all books, accounts, records, reports, files, financial records,

supporting documentation, not including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of the Contract. The County will provide reasonable notice of such an audit or inspection.

The County reserves the right to audit and verify the Contractor's records before final payment is made.

Contractor agrees to maintain such records for possible audit for a minimum of three years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Under no circumstances will the County be allowed to view Contractor's supplier invoices. All costs of the audit shall be borne by the County.

Should the Contractor cease to exist as a legal entity, the Contractor's records pertaining to this agreement shall be forwarded to the County's project manager.

- BB. **Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to County; and inclusion of sufficient funding for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty, except for existing payment obligations.

ADDITIONAL TERMS AND CONDITIONS

1. **Scope of Contract:** This Contract specifies the contractual terms and conditions by which the County will procure **Mailroom Equipment, Supplies & Maintenance** from Contractor as further detailed in the Scope of Services, identified and incorporated herein by this reference as "Attachment A".
2. **Term of Contract:** This Contract shall be effective for the period *October 1, 2017 through and including May 14, 2019*; unless otherwise terminated by County or terminated early in accordance with the terms and conditions of the NASPO ValuePoint Master Agreement # ADSPO16-169897.
Subordinate agreements executed against this Contract may be subject to approval by the Orange County Board of Supervisors.
3. **Renewable Annually with Concurrence:** This Contract may be renewed, on an annual basis, by mutual written agreement of both Parties for four (4) additional one (1) year terms. The County does not have to give reason if it elects not to renew. Renewal periods may be subject to approval by the County of Orange Board of Supervisors.
4. **Survival of Rights and Obligations after Contract Expiration or Termination:** The underlying leases under RCA-017-18010007 shall remain in full force and effect for the duration of the underlying term, subject to any termination provisions within such underlying lease.
5. **NASPO ValuePoint OPTIONS: Option B – NASPO ValuePoint FMV Rental Terms & Conditions; Option C – NASPO ValuePoint Fair Market Value Lease Terms & Conditions. (See separate Attachment B, Summary of Leasing/Rental Programs.**

Miscellaneous L12.3 shall be replaced in its entirety with the following:

The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned or sub-contracted by Contractor without the express written consent of County which shall not be unreasonably withheld, conditioned or delayed. Any attempt by Contractor to assign or sub-contract the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.

6. **Regional Cooperative Agreements (RCA)** issued by the County of Orange are intended to be used as cooperative agreements against which individual subordinate contracts may be executed by participating County departments during the effective dates outlined herein. The RCA terms, conditions, and pricing shall be extended to all subordinate contracts issued in accordance with the RCA. Subordinate contracts shall be in full force and effect through their agreed upon termination date, unless otherwise terminated by the department. County departments shall issue subordinate contracts in their own names, and be solely responsible for all payment requirements.
7. **Adjustments – Scope of Work:** No adjustments made to the Scope of Services set forth in Attachment A attached to this RCA will be authorized without the prior written approval of the County assigned Deputy Purchasing Agent.
8. **Americans With Disabilities Act (ADA):** Section 504 of the Rehabilitation Act of 1973 as amended; Title VI and VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act, 42 USC 12101; California Code of Regulations, Title 2, Title 22: California Government Code, Sections 11135, et seq; and other federal and state laws and executive orders prohibit discrimination. All programs, activities, employment opportunities, and services must be made available to all persons, including persons with disabilities.
9. **Bills and Liens:** Contractor shall pay promptly all indebtedness for labor, materials and equipment used in performance of the work. Contractor shall not permit any lien or charge to attach to the work or the premises, but if any does so attach, Contractor shall promptly procure its release and, in accordance with the requirements of paragraph “Z” above, indemnify, defend, and hold County harmless and be responsible for payment of all costs, damages, penalties and expenses related to or arising from or related thereto.
10. **Breach of Contract:** The failure of the Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
 - a) Terminate the Contract immediately, pursuant to Section K herein;
 - b) Afford the Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
 - c) Discontinue payment to the Contractor for and during the period in which the Contractor is in breach; and
 - d) Offset against any monies billed by the Contractor but yet unpaid by the County those monies disallowed pursuant to the above.
11. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
12. **Compliance with County Information Technology Policies and Procedures:**

Policies and Procedures: Contractor, its subcontractors, the Contractor personnel, and all other agents and representatives of Contractor, will at all times comply with and abide by all Information Technology (IT) policies and procedures of the County that are provided or made available to Contractor that reasonably pertain to Contractor (and of which Contractor has been provided with advance notice) in connection with Contractor’s performance under this Agreement. Contractor shall cooperate with the County in ensuring Contractor’s compliance with the IT policies and procedures described in this Agreement and as adopted by the County from time-to-time, and any material violations or disregard of such IT policies or procedures shall, in addition to all other available rights

and remedies of the County, be cause for termination of this Agreement. In addition to the foregoing, Contractor shall comply with the following:

- a. **Security and Policies:** All performance under this Agreement, shall be in accordance with the County's security requirements, policies, and procedures as set forth above and as modified, supplemented, or replaced by the County from time to time, in its sole discretion, by providing Contractor with a written copy of such revised requirements, policies, or procedures reasonably in advance of the date that they are to be implemented and effective (collectively, the "Security Policies"). Contractor shall at all times use industry best practices and methods with regard to the prevention, detection, and elimination, by all appropriate means, of fraud, abuse, and other inappropriate or unauthorized access to County systems accessed in the performance of services in this Agreement.
- b. **Information Access:** The County may require all Contractor personnel performing services under this Agreement to execute confidentiality and non-disclosure agreement concerning access protection and data security in the form provided by County. The County shall authorize, and Contractor shall issue, any necessary information-access mechanisms, including access IDs and passwords, and in no event shall Contractor permit any such mechanisms to be shared or used by other than the individual Contractor personnel to whom issued. Contractor shall provide each Contractor Person with only such level of access as is required for such individual to perform his or her assigned tasks and functions. All County systems, and all data and software contained therein, including County data, County hardware and County software, used or accessed by Contractor: (a) shall be used and accessed by such Contractor solely and exclusively in the performance of their assigned duties in connection with, and in furtherance of, the performance of Contractor's obligations hereunder; and (b) shall not be used or accessed except as expressly permitted hereunder, or commercially exploited in any manner whatsoever, by Contractor, at any time.
- c. **Enhanced Security Procedures:** The County may, in its discretion, designate certain areas, facilities, or systems as requiring a higher level of security and access control. The County shall notify Contractor in writing reasonably in advance of any such designation becoming effective. Any such notice shall set forth in reasonable detail the enhanced security or access-control procedures, measures, or requirements that Contractor shall be required to implement and enforce, as well as the date on which such procedures and measures shall take effect. Contractor shall fully comply with and abide by all such enhanced security and access measures and procedures as of such date.
- d. **Breach of Security:** Any breach or violation by Contractor of any of the foregoing shall be deemed a material breach of a material obligation of Contractor under this Agreement and may be deemed an incurable and material breach of a material obligation of Contractor under this Agreement resulting in termination.
- e. **Conduct on County Premises:** Contractor shall, at all times, comply with and abide by all reasonable policies and procedures of the County (or that may be established thereby, from time to time) that pertain to conduct on the County's premises, possession or distribution of contraband, or the access to, and security of, the Party's real property or facilities, to the extent that the Contractor has been provided with a copy of each such policy or procedure. Contractor shall exercise due care and diligence to prevent any injury to persons or damage to property while on the other Party's premises. The operation of vehicles by either Party's personnel on the other Party's property shall conform to posted and other applicable regulations and safe-driving practices. Vehicular accidents occurring on a Party's property and involving either Party's personnel shall be reported promptly to the appropriate Party's personnel. Each Party covenants that at all times during the Term, it, and its employees, agents, and Subcontractors shall comply with, and take no action that results in the

other Party being in violation of, any applicable federal, state, and local laws, ordinances, regulations, and rules. Each Party's personnel shall clearly identify themselves as the appropriate Party's personnel and not as employees of the other Party. When on the other Party's premises, each Party's personnel shall wear and clearly display identification badges or tags, as approved by the other Party.

- f. **Security Audits:** Each Agreement Year, County may perform or have performed security reviews and testing based on an IT infrastructure review plan. Such testing shall ensure all pertinent County security standards as well as any customer department requirements, such as federal tax requirements or HIPPA.

13. **Contractor Personnel – Drug-Free Workplace:** The Contractor hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace. The Contractor will:
1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a)(1).
 2. Establish a drug-free awareness program as required by Government Code Section 8355(a)(2) to inform employees about all of the following:
 - a. The dangers of drug abuse in the workplace;
 - b. The organization's policy of maintaining a drug-free workplace;
 - c. Any available counseling, rehabilitation and employee assistance programs; and
 - d. Penalties that may be imposed upon employees for drug abuse violations.
 3. Provide as required by Government Code Section 8355(a)(3) that every employee who works under this Contract:
 - a. Will receive a copy of the company's drug-free policy statement; and
 - b. Will agree to abide by the terms of the company's statement as a condition of employment under this Contract.

Failure to comply with these requirements may result in suspension of payments under the Contract or termination of the Contract or both, and the Contractor may be ineligible for award of any future County contracts if the County determines that any of the following has occurred:

1. The Contractor has made false certification, or
 2. The Contractor violates the certification by failing to carry out the requirements as noted above.
14. **Contractor Personnel-Reference Check:** The Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to adequately perform the work under this Contract. Contractor's employees assigned to this project must meet character standards as demonstrated by the background investigation that was completed upon the employment of the Contractor personnel.
15. **Contractor's Project Manager and Key Personnel:** Contractor shall appoint a Project Manager to direct the Contractor's efforts in fulfilling Contractor's obligations under this Contract. This Project Manager shall be subject to approval by the County and shall not be changed without the written consent of the County's Project Manager, which consent shall not be unreasonably withheld.

The Contractor's Project Manager shall be assigned to this project for the duration of the Contract and shall diligently pursue all work and services to meet the project time lines. The County's Project Manager shall have the right to require the removal and replacement of the Contractor's Project Manager from providing services to the County under this Contract. The County's Project Manager shall notify the Contractor in writing of such action. The Contractor shall accomplish the removal

within three (3) business days after written notice by the County's Project Manager. The County's Project Manager shall review and approve the appointment of the replacement for the Contractor's Project Manager. The County is not required to provide any additional information, reason or rationale in the event it The County is not required to provide any additional information, reason or rationale in the event it requires the removal of Contractor's Project Manager from providing further services under the Contract

16. **Contractor's Records:** The Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by the Contractor in accordance with generally accepted accounting principles. These records shall be stored for a period of three (3) years after final payment is received from the County.
17. **Data-Title To:** All materials, documents, data or information obtained from the County data files or any County medium furnished to the Contractor in the performance of this Contract will at all times remain the property of the County. Such data or information may not be used or copied for direct or indirect use by the Contractor after completion or termination of this Contract without the express written consent of the County. All materials, documents, data or information, including copies, must be returned to the County at the end of this Contract.
18. **Debarment:** Contractor shall certify that neither Contractor nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department. Where Contractor as the recipient of federal funds, is unable to certify to any of the statements in the certification, Contractor must include an explanation with their bid/proposal. Debarment, pending debarment, declared ineligibility or voluntary exclusion from participation by any Federal department may result in the bid/proposal being deemed non-responsible.
19. **Discount Verification:** For Contracts that are based on standard rates or list prices, the Contractor is required to state on the invoice the source and date of the rate/price and, when discounts are quoted, show the list rate/price and the discount.

The department shall certify on the invoice that the prices are per the current price list for all items that have a per unit cost exceeding \$250.00 and that the appropriate discounts were applied.

20. **Discounts – Prompt Payment:** The County of Orange shall process payments and the checks for those payments. If disputes arise over the timeliness of the payment, the date of the postmark shall be the determining factor. The County shall not be held responsible for delays by the US Postal Service, and no additional payment shall be due the Contractor in the event of such delay.
21. **Disputes – Contract:**
 - A. The parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by the Contractor's Project Manager and the County's Project Manager, such matter shall be brought to the attention of the County Deputy Purchasing Agent by way of the following process:
 1. The Contractor shall submit to the department assigned Deputy Purchasing Agent a written demand for a decision regarding the disposition of any dispute between the parties arising under, related to, or involving this Contract, unless the County, on its own initiative, has already rendered such a decision.
 2. The Contractor's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, the Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested

accurately reflects the Contract adjustment for which the Contractor believes the County is liable.

- B. Any final decision of the County shall be expressly identified as such, shall be in writing, and shall be signed by the County Deputy Purchasing Agent or his designee. If the County fails to render a decision within 90 days after receipt of the Contractor's demand, it shall be deemed a final decision of the County adverse to the Contractor's contentions, at which time, the Contractor shall have 30 days to initiate arbitration proceedings described in subsection C below by providing notice to the County. Nothing in this section shall be construed as affecting the County's right to terminate the Contract for cause or termination for convenience as stated in section K herein.
- C. Upon Contractor's notice to the County under subsection B above, a final decision will be determined by binding arbitration in Orange County, California before 1 arbitrator. The arbitration will be administered by the CPR Institute for Dispute Resolution pursuant to its arbitration rules and procedures then in effect. Judgment on the decision may be entered in any court located in Orange County, California. The decision of the arbitrator will be rendered within thirty (30) days following conclusion of the arbitration and will be in writing and will set forth in detail the reasons for such decision. The arbitrator will not award punitive or exemplary damages.

Pending the final resolution of any dispute arising under, related to, or involving this Contract, the Contractor agrees to diligently proceed with the performance of this Contract, including the delivery of goods and/or provision of services. The Contractor's failure to diligently proceed shall be considered a material breach of this Contract.

22. **Equal Employment Opportunity:** The Contractor shall comply with U.S. Executive Order 11246 entitled, "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR, Part 60) and applicable state of California regulations as may now exist or be amended in the future. The Contractor shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, marital status, political affiliation or physical or mental condition.

Regarding handicapped persons, the Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to provide equal opportunity to handicapped persons in employment or in advancement in employment or otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicaps in all employment practices such as the following: employment, upgrading, promotions, transfers, recruitments, advertising, layoffs, terminations, rate of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to comply with the provisions of Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, pertaining to prohibition of discrimination against qualified handicapped persons in all programs and/or activities as detailed in regulations signed by the Secretary of the Department of Health and Human Services effective June 3, 1977, and found in the Federal Register, Volume 42, No. 68 dated May 4, 1977, as may now exist or be amended in the future.

Regarding Americans with disabilities, Contractor agrees to comply with applicable provisions of Title 1 of the Americans with Disabilities Act enacted in 1990 as may now exist or be amended in the future.

23. **Equipment – Acceptance Testing:** Acceptance testing is intended to ensure that the equipment acquired operates in substantial accord with the Contractor's technical specifications, is adequate to perform as warranted by the Contractor, and evidences a satisfactory level of performance reliability prior to its acceptance by the County. Any Orders requiring Acceptance testing shall include such acceptance testing requirements in said Order. Absent specific acceptance testing language in an Order, there shall be no acceptance criteria or testing. If the equipment to be installed includes operating software as listed in the Contract or order, such operating software shall be present for the acceptance

test (as specifically set forth in the Order) unless substitute operating software acceptable to the County is provided. Acceptance testing, if applicable, shall be specified in the Order for any newly installed technology systems, subsystems, and individual equipment, and machines which are added or field modified, i.e. modification of a machine from one model to another, after a successful performance period.

24. **Equipment – Maintenance:** If the Contractor is unable to perform maintenance on equipment purchased under this contract, then, upon mutual agreement by the County and the Contractor, the Contractor will provide, at Contractor's then current rates and fees, adequate and reasonable assistance, including relevant documentation, to allow the County to maintain the equipment based on the Contractor's methodology. The Contractor agrees that the County may, with written approval from Contractor, reproduce such documentation for its own use in maintaining the equipment. If The County agrees to include the Contractor's copyright notice on any such documentation reproduced, in accordance with copyright instruction to be provided by the Contractor.
25. **Gratuities:** The Contractor warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the County with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the County shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the County in procuring on the open market any services which the Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the County provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.
26. **Headings:** The various headings and numbers herein, the grouping of provisions of this Contract into separate clauses and paragraphs, and the organization hereof are for the purpose of convenience only and shall not limit or otherwise affect the meaning hereof.
27. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
28. **Nondiscrimination – Statement of Compliance:** The Contractor's signature affixed hereon and dated shall constitute a certification under penalty of perjury under the laws of the state of California that the Contractor has, unless exempted, complied with the nondiscrimination program requirements of Government Code Section 12900 (a-f) and Title 2, California Code of Regulations, Sections 11102 and 11103.
29. **Ownership of Documents:** All documents, reports and other incidental work or materials furnished hereunder may be used by the County as it may require without additional cost to the County. Contractor has permanent ownership of all documents and materials presented under this Contract. The County shall have no ownership rights to licensed software or other intellectual property owned or developed by Contractor, which are available for use under a license agreement.
30. **Payment Card Industry Data Security Standard (PCS DSS):** Contractor covenants and warrants that it is currently PCI DSS compliant and will remain compliant during the entire duration of this Contract. Contractor agrees to immediately notify County in the event Contractor should ever become non-compliant, and will take all necessary steps to return to compliance and shall be compliant within ten (10) days of the commencement of any such interruption.

Upon demand by County, Contractor shall provide to County written certification of Contractor's PCI/DSS and/or PA DSS compliance.

31. **Precedence:** The Contract documents consist of this Contract and its exhibits and attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the exhibits and attachments.
32. **Remedies Not Exclusive:** The remedies for breach set forth in this Contract are cumulative as to one another and as to any other provided by law, rather than exclusive; and the expression of certain remedies in this Contract does not preclude resort by either party to any other remedies provided by law.
33. **State Funds – Audits:** When and if state funds are used in whole or part to pay for the goods and/or services under this Contract, the Contractor agrees to allow the Contractor's billing records to be audited by auditors from the State of California, the County of Orange, or a private auditing firm hired by the State or the County solely for the purpose of auditing or inspecting Contractor's performance under this Contract. Contractor shall have the right to approve any third party auditor (including an authorized representative or private auditing firm), such approval not be unnecessarily withheld or delayed. The State or County shall provide reasonable notice of such audit.
34. **Stop Work:** The County may, at any time, by written stop work order to the Contractor, require the Contractor to stop all or any part of the work called for by this Contract for a period of 90 days after the stop work order is delivered to the Contractor and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within a period of 90 days after a stop work order is delivered to the Contractor or within any extension of that period to which the parties shall have agreed, the County shall either:
 1. Cancel the stop work order; or
 2. Terminate work covered by the stop work order as provided for in the "Default" or "Termination" clause of this Contract.

If a stop work order issued under this clause is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The County shall make an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified in writing accordingly if:

1. The stop work order results in an increase in the time required or in the Contractor's cost properly allocable to the performance of any part of this Contract; and
2. The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage, provided that if the County decides the facts justify the action, the County may receive and act upon a proposal submitted at any time before final payment under this Contract.

If a stop work order is not canceled and the work covered by the stop work order is terminated in accordance with the provision entitled, "Termination" the County shall allow reasonable costs resulting from the stop work order in arriving at the termination settlement.

If a stop work order is not canceled and the work covered by the stop work order is terminated for default, the County shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.

An appropriate equitable adjustment may be made in any related Contract of the Contractor that provides for adjustment and is affected by any stop work order under this clause. The County shall not be liable to the Contractor for loss of profits because of a stop work order issued under this clause.

35. **Subcontracting:** No performance of this Contract or any portion thereof may be subcontracted by the Contractor without the express written consent of the County. Any attempt by the Contractor to subcontract any performance of this Contract without the express written consent of the County shall be invalid and shall constitute a breach of this Contract.

In the event that the Contractor is authorized by the County to subcontract, this Contract shall take precedence over the terms of the Contract between Contractor and subcontractor, and shall incorporate by reference the terms of this Contract. The County shall look to the Contractor for performance and indemnification and not deal directly with any subcontractor. All work performed by a subcontractor must meet the approval of the County of Orange.

36. **Termination – Orderly:** After receipt of a termination notice from the County of Orange and, to the extent applicable, upon the end of the thirty (30) day cure period referenced in Section K of this Contract, the Contractor may submit to the County a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination, unless one or more extensions in writing are granted by the County upon written request of the Contractor. Upon termination County agrees to pay the Contractor for all services performed prior to termination which meet the requirements of the Contract, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in the Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of the Contract. Notwithstanding the foregoing, a termination fee due under a lease shall not be deemed a termination claim.
37. **Usage:** No guarantee is given by the County to the Contractor regarding usage of this Contract. Usage figures, if provided, are approximations. The Contractor agrees to supply services and/or commodities requested, as needed by the County of Orange, at rates/prices listed in the Contract, regardless of quantity requested.
38. **Waivers – Contract:** The failure of the County in any one or more instances to insist upon strict performance of any of the terms of this Contract or to exercise any option contained herein shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms or option on any future occasion.

39. **Notices:** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the assigned Deputy Purchasing Agent (DPA), except through the course of the parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

CONTRACTOR CONTACT INFORMATION	
Company Name	Pitney Bowes Inc.
Address	3001 Summer Street
	Stamford, CT 06905-4317
Attention	Bill Walters
Email	Bill.walter@pb.com
Phone No	480-206-2984

COUNTY CONTACT INFORMATION	
Gov't Entity Name	County of Orange County Executive Office, County Procurement Office
Address	1300 S Grand Ave Bldg A, 2 nd Floor
	Santa Ana CA 92705-4434
Assigned Deputy Purchasing Agent	Grace Scott
Email	Grace.Scott@ocgov.com
Phone No	714-567-5025

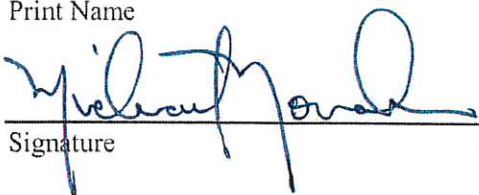
SIGNATURE PAGE

In WITNESS WHEREOF, the Parties hereto have executed this Contract on the dates shown opposite their respective signatures below:

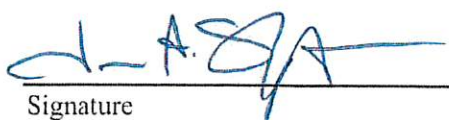
PITNEY BOWES, INC. *

*If the Contractor is a corporation, signatures of two specific corporate officers are required as further set forth. The first corporate officer signature must be one of the following: 1) the Chairman of the Board; 2) the President; 3) any Vice President.

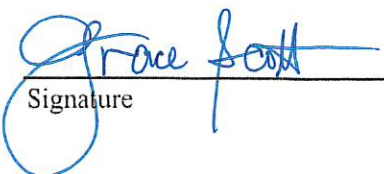
In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signature to bind the company.

Michael Monahan	Executive Vice President
_____ Print Name	_____ Title
	9.22.2017
_____ Signature	_____ Date

*The second corporate officer signature must be one of the following: 1) Secretary; 2) Assistant Secretary; 3) Chief Financial Officer; 4) Assistant Treasurer.

James A. Shapiro	Assistant Secretary
_____ Print Name	_____ Title
	9.22.2017
_____ Signature	_____ Date

COUNTY OF ORANGE, a political subdivision of the State of California

Grace Scott	Deputy Purchasing Agent
_____ Print Name	_____ Title
	9-25-2017
_____ Signature	_____ Date

ATTACHMENT A SCOPE OF SERVICES

MAILROOM EQUIPMENT, SUPPLIES & MAINTENANCE SERVICES

1. PRODUCTS LIST AND PRICING:

- 1.1 Contractor shall provide online service detailing products & pricing. These products list and pricing will stay current and is searchable online.
- 1.2 Upload of current products list and pricing indicated in Exhibit 1 (separate page) will be automatically extended to County as approved for NASPO ValuePoint ADSPO16-169897.

2. WARRANTY:

- 2.1 All equipment supplied under this contract shall be fully guaranteed by the Contractor for a minimum period of 12 months from the date of acceptance by the County. Any defects of design, workmanship, or materials shall be fully corrected by the contractor (including parts and labor) without cost to the County. This warranty shall include all maintenance required in the first 12 months.

3. ORDERING:

- 3.1 Contractor shall provide mailing equipment, maintenance, and related services to various County departments. County departments shall place orders directly with the Contractor. Contractor shall fill all orders/service requests placed by any County department.
- 3.2 Contractor shall not charge the County for the first year maintenance costs with equipment purchased under this Contract.

4. DELIVERY:

- 4.1 All pricing is FOB: DESTINATION. No shipping charges will be authorized for payment for equipment or supplies ordered against this Contract.
- 4.2 County departments are located throughout the County of Orange. Contractor is required to make deliveries throughout the entire geographical area of Orange County.
- 4.3 There will be some emergency requests that require delivery within twenty-four (24) hours. Contractor shall deliver as requested with no additional charge to the County.
- 4.4 Some County locations are located in multi-floor buildings. Contractor is required to make delivery/pick-up of mailing equipment to County locations regardless of obstacles.
- 4.5 County will not provide free parking, parking fees will not be reimbursed, and parking passes will not be issued.
- 4.6 Contractor shall coordinate delivery, set-up, and pick-up with the ordering department.
- 4.7 Delivery locations may not have a loading/receiving dock. Contractor is required to make all necessary arrangements for lift trucks or other means necessary to complete delivery of the Contract items. Inside delivery to secure facilities may be required.
- 4.8 Contractor shall at all times, keep the premises and the areas in which the work is performed free from accumulation of waste materials or rubbish as well as the tools, installation equipment, machinery and surplus materials during the progress of the work and until completion thereof. The Contractor shall remove from the premises all crates, wrappings and other flammable waste materials or trash from the building.

- 4.9 Contractor shall be responsible for any damage to County premises as a result of delivery/installation/pick-up and shall repair and restore such premises to the original condition.

5. **LOST AND DAMAGED SHIPMENTS**

- 5.1 If Contractor fails to deliver, or erroneously deliver products, Contractor is required to take immediate corrective action to make the correct delivery at no cost to County.
- 5.2 Contractor shall have the capability of tracking all orders and deliveries to provide status to County.

6. **USAGE REPORTS**

- 6.1 Annual usage reports showing all participants' activity with the Contractor will be required and made available upon request of individual County department. Reports should give the following information in the category or Contract order:
- 6.1.1 Ordering department (using ship/consignee location may be provided)
- 6.1.2 Order number
- 6.1.3 Date of order
- 6.1.4 Identify options: Rental or Lease
- 6.1.5 Identify item, stock number, description, quantity purchased as it may apply, unit price, and extended price.
- 6.2 Reports may be requested for sort by Contract transaction or other methods of purchase. Contractor shall provide reports in any format requested by the County.
- 6.3 The Contractor shall submit usage reports Annually within thirty days of the end of each calendar year. The usage report shall include all information requested by County, in a format specified by County. Reports are to be forwarded to the assigned DPA:

County Procurement Office
1300 S Grand Ave., Bldg A, 2nd Floor
Santa Ana, CA 92705-4434
Attn: Grace Scott

7. **CONTRACTOR REQUIREMENTS:**

- 7.1 Contractor shall provide Mailroom Equipment, Supplies & Maintenance services to any requesting County department.
- 7.2 Contractor shall be responsible for the professional quality and technical competence of personnel designated to provide services to the County.
- 7.3 Contractor shall comply with all applicable local, state, and federal laws and regulations.
- 7.4 Contractor shall comply with all applicable County department rules of conduct, policies, and procedures while on County premises.
- 7.5 **Leased Equipment – Securing:** The Contractor agrees to brace and secure all leased equipment in a manner which meets seismic regulations. Bracing and securing must be done in a manner that would prevent earthquake damage to the equipment or to the environment to the extent possible. The bracing and securing should, to the extent possible, prevent the equipment from becoming a missile or a non-structural hazard in the event of an earthquake.

8. RENTAL OR LEASE OPTIONS ON EQUIPMENT:

8.1 Department shall have the following options to choose from:

8.1.1.1 Option B - NASPO ValuePoint Fair Market Value (FMV) Rental Terms & Conditions

8.1.1.2 Option C - NASPO ValuePoint Fair Market Value Lease (FMVL) Terms & Conditions

9. SERVICES:

9.1 Contractor shall provide, utilizing Pitney Bowes authorized partners, Mailing Equipment, Services, and Support, to meet the mailing needs of the customer per the services specified in the State of Arizona RFP ADSPO16-00006328, Section 3: Scope of Work, 3.1 to and including 3.20 Line item specifications:

9.1.1 Postage Meter Rental (to include Legacy Postage Meter)

9.1.2 Mailing Systems, Ultra Low Volume

9.1.3 Mailing Equipment, Mailing Systems, Low Volume

9.1.4 Mailing Equipment, Mailing Systems, Medium Volume

9.1.5 Mailing Systems, High Volume

9.1.6 Mailing System, Production

9.1.7 Integrated Postal Scales

9.1.8 Letter Openers, Low Volume

9.1.9 Letter Openers, High Volume

9.1.10 Letter Folders, Low Volume

9.1.11 Letter Folders, High Volume

9.1.12 Inserters, Production

9.1.13 Folder/Inserters, Low volume

9.1.14 Folders/Inserters, Medium Volume

9.1.15 Folders/Inserters, High Volume

9.1.16 Folders/Inserters, Production

9.1.17 Envelope Mail Labeler, Low Volume

9.1.18 Envelope Mail Labeler, Medium Volume

9.1.19 Envelope Mail Labeler, High Volume

9.1.20 Envelope Mail Labeler, Production

9.1.21 Envelope Addressing System, Ink Jet, Low Volume

9.1.22 Envelope Addressing System, Ink Jet, Medium Volume

9.1.23 Envelope Addressing System, Ink Jet, High Volume

9.1.24 Envelope Addressing System, Ink Jet, Production

9.1.25 Tabbers, Low Volume

9.1.26 Tabbers, Medium Volume

9.1.27 Tabbers, High Volume

9.1.28 Tabbers, Production

9.1.29 Check Imprinting/Endorsing

9.1.30 Pressure Sealing, Production

9.1.31 Bursting Equipment, Production

9.1.32 Pre-sorting Equipment, Production

9.1.33 Extractors

9.1.34 Mailing Furniture (specific to a category)

9.1.35 Mailing Furniture (general)

9.1.36 Accessories

9.1.37 Software, License and Subscription

9.1.38 Software Consulting Services

9.1.39 Software Integration

- 9.1.40 Training
 - 9.1.41 Supplies /Consumables
 - 9.1.42 Design, Production Only
 - 9.1.43 Assembly/Installation, Production Only
 - 9.1.44 Equipment Leasing
 - 9.1.45 Equipment Rental
 - 9.1.46 Equipment Relocations Services
- 9.2 The applicable range of services above will include software license, accessories, supplies, and maintenance. All equipment and services must meet the approval of the USPS®.
 - 9.3 Contractor shall have sufficient management and qualified manufacturer trained and certified technicians to service all mailing equipment provided under the Contract.
 - 9.4 Contractor shall assign an Account Manager to handle all requests from the County.
 - 9.5 Contractor shall provide service support for equipment during normal business hours (working days, 8:00a.m. - 5:00 p.m.).
 - 9.6 Contractor must provide local phone, facsimile, e-mail, internet and any electronic automated method for County to place service calls during normal business hours (Working Days, 8:00a.m.- 5:00p.m.). Contractor shall provide confirmation to the requestor that the request has been received.
 - 9.7 Equipment installation, pick-ups, training must be provided within the time frame as requested by the County.
 - 9.8 Contractor shall move equipment within the same building at County's request according to the relocation services chart provided within the NASPO Master Agreement
 - 9.9 **New Orders** – Orders for new equipment and related services and items must be installed by the Contractor within 30 calendar days of order placement unless otherwise specified by County. Excess installation time may be afforded by the County. Software related to the equipment must be installed within three (3) working days of the equipment installation unless otherwise specified by County.
 - 9.10 All **Software** terms and conditions shall be negotiated and agreed to by the County department and Contractor.
 - 9.11 **Installation/Integration** – for special installation/integration requirement, County and Contractor shall agree in writing, to the total cost based on the hourly rates provided within the NASPO ValuePoint #ADSP016-169897 Contract.
 - 9.12 **Maintenance** pricing shall include all maintenance, but not limited to, all parts, labor and time, and preventative maintenance services at the levels specified for each piece of equipment offered.
 - 9.12.1 Contractor shall offer full service maintenance contract for all equipment placed.
 - 9.12.2 Contractor shall offer annual maintenance agreements or time and materials options.
 - 9.12.3 Legacy maintenance shall be provided on legacy devices already sold to County. Pricing shall be provided through a quote bases.
 - 9.12.4 Cleaning, inspecting, replacing all worn parts, lubricating, testing, and adjusting will be provided as required to maintain the equipment in satisfactory operating condition. The Contractor inspections will be completed during County work hours and will be coordinated with the department having control of the equipment. Emergency service required and performed during normal business hours is included at no extra charge.

The Contractor shall list any parts that are not considered part of this equipment maintenance Contract.

- 9.13 Equipment Maintenance Service – Shop Work:** Shop work is included in this price agreement at no extra charge when a maintenance agreement is in place after the initial warranty period. A comparable piece of equipment will be loaned, when required, at no extra charge when a maintenance agreement is in place after the initial warranty period. When the equipment needs to be taken from the premises for repair or maintenance, the department supervisor or other authorized person in charge of equipment maintenance must be notified in writing and a receipt must be left for the equipment prior to removal.
- 9.14 Response Time –** Contractor must acknowledge service calls via phone, on-site service call or e-mail within two (2) hour of the placement of a service call.
- 9.15 Service repairs -** Contractor shall provide service repairs within four (4) hours on-site after a call is placed unless County agreed for later than four (4) hours, during normal business hours between 8:00 AM. to 5:00 PM., Monday through Friday. Contractor shall maintain service records on all mailing equipment lease, rental or purchases covered under this contract.
- 9.16 Service Parts -** Contractor must use all OEM parts. Used parts will not be accepted except as an emergency repair to maintain uptime.
- 9.16.1** Contractor shall provide all parts necessary for equipment to function properly with all maintenance contracts at no additional cost to County. Consumable supplies (ink cartridges, tapes, sealing solution, etc.) are not included with maintenance contracts.
- 9.16.2 Training –** Contractor shall provide training to County staff on all aspects of mailing equipment use, as requested by County. Training shall generally be provided in two categories:
- 9.16.3** End User -- small group demonstrations to County end-users on general mailing functions and features.
- 9.16.4** IT Staff – Specialized network connectivity, configuration and other information technology training as requested by County.

10. COUNTY DEPARTMENT RESPONSIBILITIES:

- 10.1** County departments shall schedule and coordinate necessary services with Contractor.
- 10.2** Departments shall notify the Contractor of any pick-up/delivery schedule changes/cancellations at least two (2) working days in advance.

11. SECURITY REQUIREMENTS:

- 11.1** The County operates several secured facilities: most notable are several Probation, Sheriff and Airport operated sites. Contractors and their employees who perform services in these facilities will be required to strict operation policies and may be required to pass a background check prior to their employment due to security requirements for certain facilities covered under this Contract. During performance of the work, especially at detention facilities, workers shall closely monitor all tools, equipment and other materials at all times. Workers shall have no contact verbal or physical, with any inmate of these facilities. These policies have been designed with the primary purpose of ensuring a safe and secure environment for all involved.
- 11.2** The Contractor will provide a list of all personnel/employees who will be directly performing tasks associated with the Contract. Contractor's personnel/employees providing service in a secured detention facility, a Probation facility or a Sheriff's facility, will be expected to pass two (2) separate background checks performed by the Orange County Sheriff's Department and the Orange County Probation Department. No changes shall be authorized to the approved list

without a request in writing submitted by the Contractor and approved by the County Site Coordinator. At no time will unauthorized Contractor employees perform any task associated with this Contract. If this occurs, the Contractor will be notified that they have not complied with the terms of this Contract and are subject to Contract termination. The list of all Personnel/Employees working on County projects shall be submitted prior to award of this Contract.

- 11.3 Contractor shall prepare and submit a Security Clearance form to the County Site Coordinator for all persons who will be working on or who will need access to secured facilities.
- 11.4 Security Clearance forms shall be submitted at least five (5) working days prior to the start of work or prior to the use of any person subsequent to the start of work.
- 11.5 Said Security Clearance forms shall be thoroughly and accurately complete. Omissions or false statements, regardless of the nature or magnitude, may be grounds for denying clearance.
- 11.6 No person shall be employed on this work who has not received prior clearance from the Probation Department, Sheriff's Department or John Wayne Airport.
- 11.7 The County, John Wayne Airport, the Probation Department and the Sheriff's Department are not under any obligation to give a reason clearance is denied.
- 11.8 The Contractor shall be responsible to sign in with the County Site Coordinator or designee, as required. Upon arrival at any secure facility (e.g., JWA, Probation) the Contractor shall report to the Central Control Center (Control). Contractor personnel shall have no contact, either verbal or physical, with internees in secured detention facilities.

Specifically:

- 11.8.1.1 Do not give names or addresses to internees.
- 11.8.1.2 Do not receive any names or addresses from internees.
- 11.8.1.3 Do not disclose the identity of any internee to anyone outside the facility.
- 11.8.1.4 Do not give any materials to internees.
- 11.8.1.5 Do not receive any materials from internees (including materials to be passed to another individual or internee).

**Failure to comply with these requirements is a criminal act and can result in prosecution.*

- 11.9 Any Contractor personnel/employee(s) engaged in the performance of work under this Contract shall be expected to pass the screening requirements and abide by all of the security requirements set forth by the Federal Aviation Administration (FAA) and the County of Orange.

"The Federal Aviation Administration (FAA) approved security program for John Wayne Airport requires that each person issued a John Wayne Airport security badge is made aware of his/her responsibilities regarding the privilege of access to restricted areas of the airport".

All persons within the restricted air operation areas of the airport are required to display, on their person, a John Wayne Airport security badge, unless they are specifically exempted for reasons or they are under escort by a properly badge individual. Each airport employee or airport tenant employee who has been issued a John Wayne Airport security badge is responsible for challenging any individual who is not properly displaying an airport issued or approved and valid identification badge. Any person who is not properly displaying or who cannot produce a valid John Wayne Airport security badge must immediately be referred to the Sheriff's Department Airport Detail Office for proper handling.

The John Wayne Airport security badge is the property of the County of Orange and must be returned upon termination of employment at John Wayne Airport. The loss of a badge shall be reported within twenty-four (24) hours to the Sheriff's Department Airport Dispatch Center (949) 252-5000. A report shall be made before a replacement badge will be issued.

- 11.10** All vehicles parked on-site shall be locked and thoroughly secured at all times.
- 11.11** All equipment and materials shall remain in the Contractor possession at all times and shall never be left unattended. All lost or misplaced equipment or materials shall be reported immediately to the (a) security staff or Control in secured detention facilities or (b) the escort or Control in Sheriff's facilities.
- 11.12** Personnel shall not smoke or use profanity or other inappropriate language while on-site.
- 11.13** Personnel shall not enter the facility while under the influence of alcohol, drugs or other intoxicants and shall not have such materials in their possession.
- 11.14** Personnel shall plan their activities to minimize the number of times they must enter and exit a facility, i.e., transport all equipment and materials needed for the day at the start of work and restrict all breaks to the absolute minimum.

Contractor employee(s) shall be well-disposed to the public and county staff utilizing the facilities but shall be responsive only to the requests of the county site coordinator unless otherwise directed and shall direct all inquiries or requests to the county site Coordinator.

ATTACHMENT B PAYMENT/COMPENSATION

A. PAYMENT AND COMPENSATION

Contractor shall reference Contract number on invoice. Payment shall be net 30 days after receipt of an invoice in a format acceptable to County and verified and approved by the department and subject to routine processing requirements. The responsibility for providing an acceptable invoice to County for payment rests with the Contractor. Incomplete or incorrect invoices are not acceptable and will be returned to Contractor for correction. County's project manager, or designee, is responsible for approval of invoices and subsequent submittal of invoices to the Auditor-Controller for processing of payment.

1. Billing shall cover services and/or goods not previously invoiced. The Contractor shall reimburse the County of Orange for any monies paid to the Contractor for goods or services not provided or when goods or services do not meet the Contract requirements.
2. Payments made by the County shall not preclude the right of the County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the goods or services.
3. Compensation: The Contractor agrees to accept the specified compensation as set forth in this Contract as full remuneration for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Contractor of all its duties and obligations hereunder. The County shall have no obligation to pay any sum in excess of Contract price specified below unless authorized by amendment.

The Contractor shall provide an invoice on Contractor's letterhead for services rendered. Each invoice shall have a number and shall include the following information:

1. Contractor's name and address;
2. Contractor's remittance address;
3. Contractor's Federal Tax I.D. Number;
4. Name of County Department;
5. Service address;
6. Subordinate Agreement MA-DO, PO or CT Number
7. Service description: Rate, service date(s), quantity, and extension amount per line item
8. Total Amount Due

Invoices and support documentation are to be forwarded to:

Name of Department: TBD

Contact Information: TBD

B. ELECTRONIC FUNDS TRANSFER (EFT)

The County of Orange offers Contractors the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive an Electronic Remittance Advice with the payment details via e-mail. An e-mail address will need to be provided to the County of Orange via an EFT Authorization Form. To request a form, please contact the department representative listed in the Contract.

C. **PAYMENT TERMS:**

The Invoice is to be submitted in arrears to the user department to the bill-to address, unless otherwise directed in this Contract. Contractor shall reference Contract number on invoice. Payment will be net 30 days after receipt of the invoice or net thirty (30) days after receipt of an E-billing file, in a format acceptable to the County and verified and approved by the department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.

Billing shall cover goods not previously invoiced. Contractor shall reimburse the County for any monies paid to the Contractor for goods not provided or when goods do not meet the Contract requirements.

Payments made by the County shall not preclude the right of the County from thereafter disputing any goods involved or billed under this Contract and shall not be construed as acceptance of any part of the goods.

D. **TAX PAYER ID NUMBER:** The Contractor shall include its taxpayer ID number on all invoices submitted to the County for payment to ensure compliance with IRS requirements and to expedite payment processing.

40. **PRICE INCREASES/DECREASES:** No price increases will be permitted outside of the NASPO ValuePoint approval. A minimum of 30-days advance notice in writing is required to secure such adjustment after such request is approved by ValuePoint. No retroactive price adjustments will be considered. The County may enforce, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit.

E. **CONTRACTOR'S EXPENSE:** The Contractor will be responsible for all costs related to photo copying, telephone communications and fax communications while on County sites during the performance of work and services under this Contract.

ATTACHMENT C

NASPO VALUEPOINT ADSPO16-169897

Attachment C includes the following documents:

- Participating Addendum Pitney Bowes & County of Orange
- NASPO ValuePoint Attachment E: Offer and Acceptance
- NASPO ValuePoint Contract Amendment 1
- NASPO ValuePoint ADSPO16-169897 (State of Arizona RFP ADSPO16-00006328)
- Attachment D - Pitney Bowes Price Book

ATTCHMENT D
PITNEY BOWES PRICE BOOK

You may download directly from Universal Resource Locator (URL) below

<http://www.pitneybowes.com/us/state-and-local-government-solutions/states/california.html>