

NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**  
Led by the **State of Arizona**

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Master Agreement #: **CTR058809**  
Contractor: **QUADIENT, INC.**  
Participating Entity: **STATE OF MONTANA**

This Participating Addendum is entered into by Contractor and Participating Entity (collectively, the "Parties").

**Scope and Participation:**

1. Scope:

☒ This Participating Addendum includes the entire scope of the products and services available through the Master Agreement referenced above.

☐ This Participating Addendum includes the entire scope of the products and services available through the Master Agreement referenced above, except the following:

Any scope exclusions specified herein apply only to this Participating Addendum and shall not amend or affect other participating addendums or the Master Agreement itself.

2. Participation: This Participating Addendum covers participation of Participating Entity in the above-referenced Master Agreement between the State of Arizona and Contractor for Mailing Equipment, Supplies and Maintenance. This Participating Addendum may be used by all state agencies, institutions of higher education, cities, counties, districts, and other political subdivisions of the state, and nonprofit organizations within the state if authorized herein and by law. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. Term:

☒ This Participating Addendum shall become effective as of the date of the last signature below and shall terminate upon the expiration or termination of the Master Agreement, as amended, unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.

☐ This Participating Addendum shall become effective as of the date of the last signature below and shall terminate on, unless terminated sooner or otherwise amended in accordance with the terms set forth herein. Notwithstanding the previous, in no event shall the term of the Participating Addendum exceed the term of the Master Agreement, as amended.

4. Primary Contacts: The following (or their named successors) are the primary contact individuals for this Participating Addendum:

NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

**CONTRACTOR: Quadient, Inc.**

Name:	Larry Waters
Address:	478 Wheelers Farms Rd, Milford, CT 06461
Telephone:	281-216-4596
Fax:	
Email:	l.waters@quadient.com

**PARTICIPATING ENTITY: STATE OF MONTANA**

Name:	Grace Waring
Address:	125 N. Roberts St.
Telephone:	406-444-2516
Fax:	
Email:	Grace.Waring@mt.gov

**5. Participating Entity Modifications and Additions to the Master Agreement**

- ☐ This Participating Addendum incorporates all terms and conditions of the Master Agreement as applied to the Participating Entity and Contractor.
- ☒ This Participating Addendum incorporates all terms and conditions of the Master Agreement as applied to the Participating Entity and Contractor, **subject to the following limitations, modifications, and additions:**

Any limitations, modifications, or additions specified herein apply only to the agreement and relationship between Participating Entity and Contractor and shall not amend or affect other participating addendums or the Master Agreement itself.

- 5.1 PAYMENT TERM:** All payment terms are computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted in the solicitation document, the State is allowed 30 days to pay such invoices. All contractors are required to provide banking information at the time of PA execution in order to facilitate State electronic funds transfer payments.
- 5.2 STATE OF MONTANA ADMINISTRATIVE FEE:** The State of Montana assesses an Administrative Fee of one and one-half percent (1.50%) for all net sales (sales less credits and returns) made under this PA. The prices paid to

NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

Contractor must include the 1.5% Administrative Fee. The Contractor shall remit this Administrative Fee concurrent with the Required Usage Reporting described below. The Administrative Fee must be submitted by ACH along with email notification to the State of Montana Contracts Officer. This Administrative Fee is effective upon execution of this Participating Addendum.

- 5.3 REQUIRED REPORTING:** Contractor **shall** submit quarterly reports to the Contracts Officer (CO) assigned by the State to manage this contract. Contractor shall provide CO with an electronic usage report (Excel), which must list the following information at the minimum: purchasing entity; description of items purchased; date of purchase; contract price; and the extended price for each transaction. These reports are due no more than 30 days after the end of the quarter.

First Quarter:	July 1 through September 30
Second Quarter:	October 1 through December 31
Third Quarter:	January 1 through March 31
Fourth Quarter:	April 1 through June 30

**5.4 TAXES:**

- 5.4.1** Payment. Contractor shall pay all property and sales taxes, if any.
- 5.4.2** Exemption. State of Montana is exempt from Federal Excise Taxes (#81-0302402) except as otherwise provided in the federal Patient Protection and Affordable Care Act [P.L. 111- 148, 124 Stat. 119].

- 5.5 U.S. FUNDS:** All prices and payments must be in U.S. dollars.

- 5.6 REFERENCE TO PA:** The Purchase order number **MUST** appear on all invoices, packing lists, packages, and correspondence pertaining to the PA contract.

**5.7 RECORD ACCESS AND RETENTION:**

- 5.7.1** Access to Records. Contractor shall provide the State, the Montana legislative auditor, or their authorized agents access to any records necessary to audit for agreement compliance. State may terminate this agreement, without incurring liability, for Contractor's refusal to allow access as required by this section. (18-1-118, MCA)
- 5.7.2** Retention Period. Contractor shall retain all records related to this agreement for 5 years following the termination or expiration of this agreement.

- 5.8 ASSIGNMENT, TRANSFER AND SUBCONTRACTING:** Contractor shall not assign, transfer or subcontract any portion of this PA without the express written consent of the State, which shall not be unreasonably withheld. (Section 18-4-141, MCA.)

NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

**5.9 COMPLIANCE WITH LAWS:**

**5.9.1** Compliance. In performing its duties in this Agreement, Contractor shall conduct their efforts under this Agreement with all applicable federal, state, and local laws, rules, ordinances, and executive orders.

**5.9.2** Patient Protection and Affordable Care Act. Contractor is the employer of its employees for the purpose of providing healthcare benefits to its employees and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

**5.9.3** Hiring Practices. In accordance with 49-3-207, MCA, and Executive Order No. 04-2016, Contractor agrees that:

**5.9.3.1** the hiring of persons to fulfill Contractor's duties in this Agreement will be made based on merit and qualifications; and

**5.9.3.2** there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Agreement.

Any subcontracting by Contractor obligates subcontractors to the requirements of this section.

**5.10 NONDISCRIMINATION AGAINST FIREARMS ENTITIES/TRADE**

**ASSOCIATIONS:** Contractor shall not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and Contractor shall not discriminate during the term of the contract against a firearm entity or firearm trade association. This section shall be construed in accordance with HB 356, Ch. 193, Mont. L. 2023.

**5.11 CHOICE OF LAW AND VENUE**

**5.11.1** Choice of Law. Montana law applies to this Agreement without regard for any choice-of-law rules that might direct the application of the laws of any other jurisdiction.

**5.11.2** Venue. Any litigation concerning this Agreement will be brought only in the Montana First Judicial District, Lewis and Clark County.

**5.11.3** Costs and Attorney Fees. Each party shall pay its own costs and attorney fees, except as otherwise stated in this Agreement.

**5.12 DEFENSE/INDEMNIFICATION**

**5.12.1** Duty to Defend. Contractor, at its sole cost and expense, shall defend the

NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

state of Montana and the contracting agency or other instrumentality of the state of Montana, and their employees, officers, officials, and agents(collectively, Indemnitees) from and against all third party claims, demands, lawsuits, or any other action (Claim or Claims) relating to bodily injury, death, damage to property, or other obligation arising or allegedly arising out of or in connection with Contractor's performance of duties under this Agreement.

- 5.12.2** Duty to Indemnify. Contractor shall indemnify the Indemnitees against losses, liabilities, damages, judgments, settlements, penalties, fines, reasonable attorney/expert fees, expenses, and court costs, arising from the Claims.
- 5.12.3** Notice of Claim. State shall give Contractor prompt notice of any Claim, and at Contractor's expense, State shall cooperate in the defense of the Claim. Contractor acknowledges that under Montana law, the Montana Attorney General may participate in an action involving the State of Montana.
- 5.12.4** State Reimbursement. If Contractor fails to comply with its defense obligations under this section, State may undertake its own defense. If State undertakes its own defense, Contractor shall reimburse State for all costs to State resulting from (i) settlements, judgments, losses, damages, liabilities, and penalties, fines, and (ii) defense of the Claim, including but not limited to attorney fees, court costs, and the costs of investigation, discovery, and experts.

- 5.13 AUTHORITY:** The attached bid, request for proposal, limited solicitation, or contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

**COMPLIANCE WITH STATE OF MONTANA IT TERMS AND CONDITIONS.** If, in providing the services and products arising from this PA, Contractor receives and hosts the State of Montana data, then Contractor shall comply with the attached Montana Information Technology Terms and Conditions, attached and incorporated by reference as Exhibit A.

- 5.14 CONFORMANCE WITH CONTRACT:** No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without the State Procurement Bureau's prior written consent. Product or services provided that do not conform to the contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.
- 5.15 CONTRACT OVERSIGHT:**
  - 5.15.1** CIO Oversight. The State of Montana Chief Information Officer (CIO) or designee, may perform PA oversight activities. Such activities may include

NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

the identification, analysis, resolution, and prevention of deficiencies that may occur within the performance of PA obligations. The CIO may require the issuance of a right to assurance or may issue a stop work order as provided below.

- 5.15.2** Right to Assurance. If State, in good faith, has reason to believe that Contractor does not intend to, is unable to, or has refused to perform or continue performing all material obligations under this PA, State may demand in writing that Contractor give a written assurance of its intent to perform. Contractor's failure to provide written assurance within the number of days specified in the demand (in no event less than five business days) State may, at State's option, be the basis for terminating this PA and pursuing the rights and remedies available under this PA or law.
- 5.15.3** Stop Work Order. State may, at any time, by written order to Contractor require Contractor to stop any or all parts of the work required by this Contract for the period of days indicated by State after the order is delivered to Contractor. The order must be specifically identified as a stop work order issued under this clause. Upon receipt of the order, 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 order during the period of work stoppage. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, Contractor shall resume work. The State Project Manager shall make the necessary adjustment in the delivery schedule or contract price, or both, and this PA shall be amended in writing accordingly.
- 5.15.4** Compliance with Policies and Standards. Contractor is notified that, under the provisions of 2-17-514, MCA, the Department retains the right to cancel or modify any contract, project, or activity that is not in compliance with the Agency's Plan for Information Technology, the State Strategic Plan for Information Technology, or any statewide IT policy or standard.

- 5.16 DISABILITY ACCOMMODATIONS:** The State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to the State. Interested parties should provide as much advance notice as possible.

NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

---

**5.17 REDUCTION OF FUNDING:**

- 5.17.1** State must by law terminate this PA if funds are not appropriated or otherwise made available to support State's continuation of performance of this PA in a subsequent fiscal period. (18-4-313(4), MCA) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this PA (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, State shall terminate this PA as required by law. State shall provide Contractor the date State's termination shall take effect.

State shall not be liable to Contractor for any payment that would have been payable had the PA not been terminated under this provision. As stated above, State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

- 5.18 REGISTRATION WITH THE SECRETARY OF STATE:** Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are domiciled in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with sections 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business. If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

- 5.19 SEVERABILITY:** A declaration by any court, or any other binding legal source, that any provision of the PA is illegal, and void shall not affect the legality and enforceability of any other provision of the PA, unless the provisions are mutually dependent.

- 5.20 WARRANTY FOR SERVICES:** Contractor warrants that it performs all services using reasonable care and skill and according to its current description (including any completion criteria) contained in this PA. State agrees to provide timely written notice of any failure to comply with this warranty so that Contractor can take corrective action.



NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

**5.21 PERFORMANCE AND PAYMENT TIME FRAMES THAT EXCEED CONTRACT DURATION:** All leases or postage meter rental agreements that were entered into during the duration of the Master Agreement or Participating Addendum and whose performance and payment time frames extend beyond the duration of the Master Agreement or this Participating Addendum shall remain in effect for performance and payment purposes (limited to the time frame and services established per each purchase order). No new leases or postage meter rental agreements may be executed after the Master Agreement has expired.

6. Lease Agreements:

**EQUIPMENT LEASING:** The leasing of equipment and software shall be permitted. Participating Entities may lease equipment under this Participating Addendum in accordance with the terms and conditions titled "Montana PA Lease Agreement Terms and Conditions for NASPO CTR058809", incorporated herein, and attached hereto as Exhibit A. Purchase and Meter Rental Agreements are authorized in accordance with the terms of NASPO Master Price Agreement CTR058809 and its associated exhibits, attachments and addendums.

**TERMINATION OF LEASE:** Upon termination of a lease, the State will not be responsible for any further payments upon return of equipment, subject to termination provisions stipulated with such lease.

7. Subcontractors: All contractors, dealers, and resellers authorized to provide sales and service support as listed in Exhibit E, Montana Dealer List, as , may provide sales and service support to users of this Participating Addendum. Participation of Contractor's contractors, dealers, and resellers will be in accordance with the terms and conditions set forth in the Master Agreement and this Participating Addendum.
8. Orders: Any order placed by Participating Entity or a Purchasing Entity for a product or service offered through this Participating Addendum shall be deemed to be a sale under, and subject to the pricing 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 the order.

All purchase orders issued by purchasing entities within the jurisdiction of this Addendum must include the following (1) Mandatory Language "PO is subject to NASPO Contract #CTR 058809" (2) Your Name, Address, Contact, and Phone Number.

9. Order of Precedence:

Any Order placed under this Master Agreement will consist of the following documents:

- 9.1.1 A Participating Entity's Participating Addendum, ("PA");
- 9.1.2 Exhibit A, Montana Information Technology Terms and Conditions



NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

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- 9.1.3 Exhibit B, Quadient Government Product Lease Agreement
  - 9.1.4 Exhibit C, Quadient Postage Meter Rental Agreement
  - 9.1.5 Exhibit D, Quadient Maintenance Terms
  - 9.1.6 Exhibit E, Quadient, Inc. Office Locations and Authorized Dealers (Subcontractors) List;
  - 9.1.7 NASPO ValuePoint Master Agreement, including all attachments thereto;
  - 9.1.6 A Purchase Order or Scope of Work/Specifications issued against the Master Agreement;
  - 9.1.7 The Solicitation or, if separately executed after award, the Lead State's bilateral agreement that integrates applicable provisions;
  - 9.1.8 Contractor's response to the Solicitation, as revised (if permitted) and accepted by the Lead State
10. Software - Software subscription terms and Software license terms and conditions shall be mutually agreed upon in writing by the purchasing entity and Quadient.

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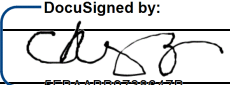
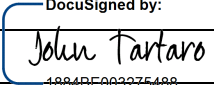
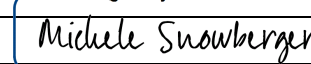
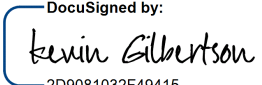
NASPO ValuePoint  
**PARTICIPATING ADDENDUM**



**MAILING EQUIPMENT, SUPPLIES AND MAINTENANCE**

Led by the **State of Arizona**

IN WITNESS WHEREOF, the Parties have executed this Participating Addendum.

<b><u>PARTICIPATING ENTITY</u></b>	<b><u>CONTRACTOR</u></b>
<b>STATE OF MONTANA</b>	<b>QUADIENT, INC.</b>
DocuSigned by: Signature: 	DocuSigned by: Signature: 
Name: Cheryl Grey	Name: John Tartaro
Title: Department of Administration, State Finance Division, Administrator	Title: Deputy, CFO
Date: 11/17/2023	Date: 11/17/2023
Approved as to Legal Content for Montana:	
DocuSigned by: Signature: 	
Name: Michele Snowberger	
Title: DOA-SITSD, Legal Counsel	
Date: 11/16/2023	
Chief Information Officer Approval:	
DocuSigned by: Signature: 	
Name: Kevin Gilbertson	
Title: State CIO	
Date: 11/16/2023	

For questions regarding NASPO ValuePoint Participating Addendums, please contact the Cooperative Contract Coordinator team at [info@naspovaluepoint.org](mailto:info@naspovaluepoint.org).

Fully executed NASPO ValuePoint Participating Addendums must be submitted via email in PDF format to [pa@naspovaluepoint.org](mailto:pa@naspovaluepoint.org).

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

The services provided by the Contractor involve information technology resources.

(Check the box of the highest classification of public and non-public data owned by the State)

- ☐ Public Data – Level 1 mapped to Federal Information Processing Standards (FIPS) 199 LOW
- ☐ Non-public Data – Level 2 mapped to FIPS 199 MODERATE
- ☐ Non-public Data – Level 3 mapped to FIPS 199 HIGH
- ☐ No Data

These services are for:

- ☐ On premise system
- ☐ Cloud system    ☐ SaaS    ☐ PaaS    ☐ IaaS
- Other:  
☐ (describe)

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
√	√	√	<b>1. IT Oversight</b>	<p><b><i>CIO Oversight</i></b> The Chief Information Officer (CIO) for the State of Montana, or designee, may perform oversight activities. Such activities may include the identification, analysis, resolution, and prevention of deficiencies that may occur while performing services. The CIO may require the issuance of a right to assurance or may issue a stop work order.</p> <p><b><i>Right to Assurance</i></b> If State, in good faith, has reason to believe that Contractor does not intend to, is unable to, or has refused to perform or continue performing all material obligations under these Terms and Conditions, State may demand in writing that Contractor give a written assurance of intent to perform. Contractor's failure to provide written assurance within the number of days specified in the demand (in no event less than five business days may, at State's option, be the basis for termination and pursuing the rights and remedies available to the State.</p> <p><b><i>Stop Work Order</i></b> State may, at any time, by written order to Contractor require Contractor to stop any or all parts of the required work for the period of days indicated by State after the order is delivered to Contractor. The order must be specifically identified as a stop work order issued under these terms and conditions.</p>

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				Upon receipt of the order, 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 order during the period of work stoppage. If a stop work order issued under these terms and conditions is canceled or the period of the order or any extension expires, Contractor shall resume work. The State Contract Manager shall make the necessary adjustment in the delivery schedule or price, or both, and the services shall be amended in writing accordingly.
	√	√	<b>2. Data Classification</b>	<p>The following definitions are used to classify State data.</p> <p><b><i>Level 1 Data Mapped to FIPS 199 LOW (Public Data)</i></b>  “Level 1 Data” means information available to the general public and eligible for public access. Data that is classified as State of Montana Level 1 would reside in information systems that are categorized as Low.</p> <p><b><i>Level 2 Data Mapped to FIPS 199 MODERATE (Non-Public Data)</i></b>  “Level 2 Data” means information that disclosure to third parties or the public is governed by specific laws that determine and protect confidentiality. Data that is classified as State of Montana Level 2 would reside in information systems that are categorized as medium.</p> <p><b><i>Level 3 Data Mapped to FIPS 199 HIGH (Non-public Data)</i></b>  “Level 3 Data” means information that, if divulged, could compromise or endanger citizens, employees, or safety assets of the State. Data that is classified as State of Montana Level 3 would reside in information systems that are categorized as high</p>
	√	√	<b>3. Data Ownership</b>	<p><b><i>Data Ownership</i></b>  The State owns all right, title and interest in its data that is related to the services provided. The State data may also include data from a third-party.</p> <p><b><i>Data Access</i></b>  The Contractor shall not access State of Montana user accounts, or State data, except (i) in response</p>

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				to service or technical issues, (ii) as required by the express terms of services engagement document, or (iii) at the State's written request.
	√	√	<b>4. Data Usage</b>	<p><b>Data Disclosure - Prohibition</b> At no time will any information, belonging to or intended for the State of Montana, be copied, disclosed, or retained by Contractor or any party related to Contractor for subsequent use in any transaction.</p> <p><b>Confidential Data - Usage</b> The Contractor will take reasonable steps to limit the use of, or disclosure of, and requests for, confidential State data to the minimum degree necessary to accomplish the services. Protection of personally identifiable information privacy, and sensitive data shall be an integral part of the business activities of the Contractor to ensure that there is no inappropriate or unauthorized use of State information at any time.</p> <p><b>Limitation on Usage to Purpose of Services</b> Contractor may not use any information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service.</p> <p><b>Data Safeguards</b> The Contractor shall safeguard the confidentiality, integrity, and availability of State information.</p> <p><b>Authorized Personnel</b> Only duly authorized personnel will have access to State data and may be required to obtain security clearance from the State.</p> <p><b>Subsequent Use</b> The Contractor shall not use any data for subsequent use that has not been expressly authorized by the State.</p>

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
		√	<b>5. Data Location</b>	<p><b>Data Location</b></p> <p>The Contractor shall not store, process, or transfer any non-public State of Montana data outside of the United States, including for back-up and disaster recovery purposes.</p>
√	√	√	<b>6. Remote Access</b>	<p><b>Remote Access</b></p> <p>Montana information technology resources cannot be accessed by contractors or sub-contractors located outside of the legal jurisdictional boundary of the United States (outside of the United States, its territories, embassies, or military installations).</p>
		√	<b>7. Breach and Notification</b>	<p><b>Notification to State</b></p> <p>The Contractor must notify the State of Montana Chief Information Security Officer immediately of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State of Montana data.</p> <p><b>Notification to Person</b></p> <p>The Contractor shall comply with §2-6-1503, Mont. Code Ann., including if the data is unencrypted, the Contractor shall make reasonable efforts upon discovery or notification of a breach to notify any person whose personal information is reasonably believed to have been acquired by an unauthorized person. This notification may be delayed at the request of law enforcement.</p> <p><b>No Limitation of Liability for Contractor Negligence</b></p> <p>The Contractor cannot limit its liability to relieve the Contractor or its subcontractors from its own negligence, or to the extent that it creates an obligation on the part of the State to indemnify or hold a Contractor harmless.</p>
	√	√	<b>8. Termination and Suspension of Service</b>	<p><b>Suspension of services</b></p> <p>During any period of suspension, negotiation, or disputes, the Contractor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State of Montana data.</p> <p><b>Termination of a portion or of the entire services provided</b></p> <p>In the event of termination of any services or</p>

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				<p>Contract in entirety, the Contractor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State of Montana data for a period of 90 days after the effective date of the termination. Within this 90-day timeframe, Contractor will continue to secure and back up State of Montana data covered under the the provided services. After such 90-day period, the Contractor shall have no obligation to maintain or provide any State of Montana data. Thereafter, unless legally prohibited, the Contractor shall dispose securely of all State of Montana data in its systems or otherwise in its possession or control, as specified herein.</p> <p><b>Post-Termination Assistance</b> The State of Montana shall be entitled to any post-termination assistance generally made available with respect to the Services unless a unique data retrieval arrangement has been established as part of the Contract or Service Level Agreement.</p>
		√	<b>9. Data Disposition</b>	<p>The State's data may be disposed at the termination of services using one of the following methods:</p> <p><b>1. State Removal with Contractor's Tools</b> the State may remove or destroy the State's data using the Contractor's tools.</p> <p><b>2. Contractor to Return State Data</b> Contractor will account for and return all State data in all of its forms. The data shall be returned in a format acceptable to the State. At no time shall any data or processes that either belong to or are intended for the use of State of Montana or its officers, agents, or employees, be copied, disclosed, or retained by the Contractor.</p> <p><b>3. Contractor to Destroy State Data</b> When required by the State of Montana, the Contractor shall destroy all requested data in all of its forms Data shall be permanently deleted, and shall not be recoverable, in accordance with National Institute of Standards and Technology (NIST) SP 800-88 'Media Sanitization Guidelines'.</p> <p><b>Certificate of Destruction</b> In all cases, the contractor will certify that all State of Montana processed during the performance of the</p>



**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				services will be completely purged from all physical and electronic data storage with no output to be retained by the contractor at the time the work is completed, the contract is terminated, or upon written request of the State.
√	√	√	<b>10. Subcontract or</b>	The Contractor shall be responsible for ensuring its subcontractors' compliance with these terms and conditions.
	√	√	<b>11. Notification of Legal Requests</b>	<p><b><i>Notification of Requirement to Access State Data</i></b></p> <p>The Contractor shall contact the State of Montana upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State.</p> <p><b><i>Legal Request for State Data</i></b></p> <p>Regarding State of Montana data and processes, the Contractor shall not respond to subpoenas, service of process, and other legal requests without first notifying the State unless prohibited by law from providing such notice.</p>
		√	<b>12. Data Encryption</b>	<p><b><i>In Transit and At Rest</i></b></p> <p>The Contractor shall encrypt all data in transit, regardless of transit mechanism, and at rest.</p> <p><b><i>Encryption Standards</i></b></p> <p>The Contractor's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS 140-2 and subsequent security requirements guidelines. The Contractor and State of Montana will negotiate mutually acceptable key location and key management details.</p>
	√	√	<b>13. System Security</b>	<p><b><i>Contractor Responsibility</i></b></p> <p>Contractor shall ensure systems delivered are adequately secure. Adequate security is defined to require compliance with federal and State of Montana security requirements and to ensure freedom from those conditions that may impair the State's use of its data and information technology or permit unauthorized access to the State's data or information technology.</p> <p><b><i>State Security Policy, Framework, Standards, and</i></b></p>

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				<p><b>Controls</b> The State of Montana has established security policy, framework, standards, and controls that align with the NIST Cybersecurity Framework. The latest revision of NIST SP 800-53 is used for control adherence evaluation established after developing a security categorization utilizing FIPS PUB 199.</p> <p><b>Managerial, Operational, and Technical Controls</b> All computer systems receiving, processing, storing, or transmitting State of Montana data must meet the control requirements for the associated security categorization within NIST SP 800-53 (latest revision). To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to State of Montana data.</p> <p><b>Independent Security Audits</b> Contractor shall provide reasonable proof, through independent audit reports, that the system specified in delivering the services meets or exceeds federal and State of Montana security requirements to ensure adequate security and privacy, confidentiality, integrity, and availability of the State's data and information technology.</p> <p><b>Annual Assurance</b> Annual assurance statements shall be delivered to the Contract Manager. Annual assurance statements must contain a detailed accounting of the security controls implemented.</p>
	√	√	<b>14. Security Standard Compliance Certificate</b>	<p><b>Security Certification</b> The Contractor shall meet, and provide proof of, one or more of the following Security Certifications.</p> <ul style="list-style-type: none"> <li>• StateRAMP – Authorized Product Certification</li> <li>• FedRAMP - Federal Risk and Authorization Management Program</li> <li>• ISO 27001:2013</li> <li>• Or other industry recognized certification, as approved by the State, only if the Contractor cannot provide one of the above certifications.</li> </ul>

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
		√	<b>15. Background Check</b>	<b><i>State-Approved Criminal Background Checks</i></b> The Contractor warrants that they will only assign employees and subcontractors who have passed a state-approved criminal background check.
√	√	√	<b>16. Security Awareness</b>	The Contractor shall demonstrate that the Contractor's officers, employees, agents, subcontractors, and affiliated users, have completed security awareness training within the past 12 months before gaining access to state information technology resources or may complete state-approved annual security awareness training.
√	√	√	<b>17. Physical Activities and Spoofing</b>	<p><b><i>Prohibited Activities</i></b> Contractor and its officers, employees, agents, subcontractors, and affiliated users shall not violate or attempt to violate the security of the State's network or interfere or attempt to interfere with the State's systems, networks, authentication measures, servers or equipment, or with the use of or access to the State's network by any other user.</p> <p>Such prohibited activity includes:</p> <ul style="list-style-type: none"> <li>(i) accessing or logging into a server where access is not authorized;</li> <li>(ii) unauthorized probing, scanning, or testing the security or vulnerability of the State's network or other systems; and</li> <li>(iii) attempting to portray itself as the State or an affiliate of the State or otherwise attempting to gain access, without authorization, via the State's network or systems to any account or information technology resource not belonging to Contractor or its officers, employees, agents, subcontractors, and affiliated users ("Spoofing").</li> </ul> <p>Contractor shall not perform unauthorized Spoofing or scanning of any kind, including user account identity. Systems shall not Spoof the mt.gov domain or engage in Email Spoofing. Email Spoofing is the creation of email messages with a forged sender address. For example, Email Spoofing includes creating or sending emails using the State's domain.</p>

**EXHIBIT A MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS**

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
√	√	√	<b>18. Blind or Visually Impaired</b>	No state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (18-5-603, MCA) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.
√	√	√	<b>19. Sanction</b>	<b><i>Violation of Terms and Conditions</i></b> The violation of these terms and conditions may also be a violation of state and federal law and include both civil and criminal penalties. Depending on the offense, if the offender is an employee of the state, the offender may be dismissed from employment and may not be allowed to hold a public office or public employment in the state for a period of one year from the date of dismissal.
√	√	√	<b>20. Linked Terms and Conditions</b>	The parties specifically agree that any language or provisions contained on either party's website or product schedule, or contained in any "shrinkwrap" or "clickwrap" agreement, shall be of no force and effect and shall not in any way supersede, modify or amend these Terms and Conditions.
√	√	√	<b>21. Indemnification</b>	<b><i>Indemnification</i></b> The State shall not indemnify the contractor or sub-contractors under any circumstance.



## Terms and Conditions

### TERMS AND CONDITIONS ORDER OF PRECEDENCE

**1. National Association of State Procurement Officers ("NASPO").** The Government Product Lease Agreement, the Postage Meter Rental Agreement, the Maintenance Agreement, and the Online Services and Software Agreement are made pursuant to the NASPO Mater Contract CTR058809, the Participating Addendum between Quadient, Inc. and the State of Montana, and all attachments ("NASPO Contract") and the order of precedence in the NASPO Contract apply to the terms and conditions of these agreements.

### GOVERNMENT PRODUCT LEASE AGREEMENT

In this Government Product Lease Agreement (the "Lease"), the words "You" and "Your" mean the lessee, which is the entity that is identified as the Customer on the Government Product Lease Agreement Order Form ("Order Form"). "We," "Us" and "Our" mean the lessor, Quadient Leasing USA, Inc. "Supplier" refers to either Quadient, Inc., or any other third party that has manufactured, or is providing services related to the Products.

**1. Lease of Products. THIS LEASE IS UNCONDITIONAL AND NON-CANCELABLE** (except as provided in Section 24, below) during the Initial Term (as defined below). You agree to lease from Us the equipment, embedded software, Software, services, and other products listed on the Order Form, together with all existing accessories, embedded software programs, attachments, replacements, updates, additions and repairs, (collectively the "Products") upon the terms stated herein. The term "Software" means any software that is subject to this Lease, other than software programs that are embedded in the hardware. Software is subject to the additional terms as may be provided by the Supplier.

**2. Promise to Pay.** You promise to pay to Us the lease payment shown on the Order Form ("Lease Payment") in accordance with the payment schedule set forth thereon, plus all other amounts stated in this Lease.

**3. Initial Term; Renewal.**

**FMV Lease.** The Initial Term of this Lease will begin on the date the Products are installed and will continue for the number of months shown on the applicable Order Form ("Initial Term"). The initial term cannot be automatically renewed and will terminate automatically at the end of the initial term or any mutually agreed renewal terms. However, if you do not renew this Lease Agreement, you must return the postage meter and products in accordance with Section 12 or purchase the equipment in accordance with Section 22.

**3.1** The amount You pay for the Products will remain unchanged during each Renewal Period. We will not notify You that the Initial Term or any Renewal Period is ending.

**3.2 LTOP Lease.** If you have opted for an LTOP Lease as described in Section 23, then the term of this Lease will begin on the date the Products are installed and will continue for the number of months shown on the applicable Order Form ("Initial Term"). At the conclusion of the Initial Term of an LTOP Lease, we shall: (i) transfer title of all hardware Products to You as set forth in Section 23; and (ii) Your license to use any Software Products shall continue without the need to make any further license payments to Us.

**4. Payments.** Lease Payments, and other charges provided for herein, are payable in arrears periodically as stated on the Order Form. You agree to make Lease Payments to Us at the address specified on Our invoices, or at any other place designated by Us within thirty (30)

days of the date of Our invoice.

**5. Delivery and Location of Products.** The Products will be delivered to You at the installation address specified on the Order Form ("Installation Address") or, if no such location is specified, to Your billing address. Your acceptance of the Products occurs upon delivery of the Products. You shall not remove the Products from the Installation Address unless You first get Our written permission to do so.

**6. Ownership, Use, and Maintenance of Products.** We will own and have title to the Products during the Lease. You agree that the Products are and shall remain Our personal property. You authorize Us to record (and amend, if appropriate) a UCC financing statement to protect Our interests. You represent that the Products will be used solely for commercial purposes and not for personal, family, or household purposes. At Your own cost, You agree to maintain the Products in accordance with the applicable operation manuals and to keep the Products in good working order, ordinary wear and tear excepted.

**7. Assignment of Supplier's Warranties and Notice of Reused Components.** The warranties provided in the NASPO Contract apply to this Lease Agreement. In addition, we hereby assign to You any warranties relating to the Products that We may have received from the Supplier. GUIDED BY QUADIENT, INC.'S SUSTAINABLE DESIGN AND RESPONSIBLE MANUFACTURING POLICY, THE PRODUCTS MAY CONTAIN REUSED COMPONENTS. For more information visit <https://www.quadient.com/about-us/sustainable-design-and-manufacturing>.

**8. Relationship of the Parties.** You agree that You, not We, selected the Products and the Supplier, and that We are a separate company from the Supplier and that the Supplier is not Our agent. IF YOU ARE A PARTY TO ANY MAINTENANCE, SERVICE, SOFTWARE LICENSE, SUPPLIES OR OTHER CONTRACT WITH ANY SUPPLIER, WE ARE NOT A PARTY THERETO, AND SUCH CONTRACT IS NOT PART OF THIS LEASE (EVEN THOUGH WE MAY, AS A CONVENIENCE TO YOU AND THE SUPPLIER, BILL AND COLLECT MONIES OWED BY YOU TO THEM).

**9. Default.** You will be in default under this Lease if You fail to pay any amount within ten (10) days of the due date or fail to perform or observe any other obligation in this Lease. If You default, We may, without notice to You, do any one or more of the following, at Our option, concurrently or separately: (A) cancel this Lease; (B) require You to return the Products pursuant to Section 12 below; (C) take possession of and/or render the Products unusable, and for such purposes You hereby authorize Us and Our designees to enter Your premises, with prior reasonable notice or other process of law; and (D) require You to pay to Us, on demand as liquidated damages and not as a penalty, an amount equal to the sum of: (i) all Lease Payments and other amounts then due and past due; (ii) all remaining Lease Payments for the then-current term, together with any taxes due or to become due during such term (which You agree is a reasonable estimate of Our damages); and (iii) in the event that You failed to promptly return the Products to Us, an amount equal to the remaining value of the Products at the end of the then-current term, as reasonably determined by Us. We are not required to re-lease or sell the Products if We repossess them. These remedies shall be cumulative and not exclusive and shall be in addition to any and all other remedies available to Us.

**10. Finance Lease.** You agree that this Lease is a "finance lease" as



defined in Article 2A of the Uniform Commercial Code ("UCC"). To the extent permitted by law, You hereby waive any and all rights and remedies conferred upon You under UCC Sections 2A-303 and 2A- 508 through 2A-522, or any similar laws.

**11. Loss; Damage; Insurance.** You shall: (i) bear the risk of loss and damage to the Product(s) during the Initial Term and any Renewal Period; and (ii) keep the Product(s) insured, at Your expense, against all risks of loss and damage in an amount at least equal to its full replacement cost.

**12. Return of Products.** Unless You take title to the tangible Products pursuant to Section 22 or Section 23, then You are required to return such Products under this Lease. In such a case, at the end of the Lease, You shall, after receiving an Equipment Return Authorization ("ERA") number from Us, promptly send the Products, at Your expense plus shipping and handling costs, to any location(s) that We designate in the contiguous United States. The Products must be properly packed for shipment with the ERA number clearly visible, freight prepaid and fully insured, and must be received in good condition, less normal wear and tear, except for any damage occurring during shipment provided that you have properly insured the equipment and provide any relevant insurance proceeds to us.

**13. Assignment.** NEITHER PARTY SHALL NOT SELL, TRANSFER, ASSIGN, SUBLEASE, PLEDGE OR OTHERWISE ENCUMBER (COLLECTIVELY, "TRANSFER") THE PRODUCTS OR THIS LEASE IN WHOLE OR IN PART.

**14. Disclaimer of Warranties.** EXCEPT FOR THE WARRANTIES IN THE NASPO CONTRACT, WE MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, REGARDING ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE SUITABILITY OF THE PRODUCT(S), ITS CONDITION, ITS MERCHANTABILITY, ITS FITNESS FOR A PARTICULAR PURPOSE, ITS FREEDOM FROM INFRINGEMENT, OR OTHERWISE. WE PROVIDE THE PRODUCTS TO YOU "AS IS," "WHERE IS" AND "WITH ALL FAULTS."

**15. Limitation of Liability.** WE SHALL NOT BE LIABLE TO YOU AND YOU SHALL NOT MAKE A CLAIM AGAINST US FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), OR EXPENSE OF ANY KIND ARISING DIRECTLY OR INDIRECTLY FROM THE DELIVERY, INSTALLATION, USE, RETURN, LOSS OF USE, DEFECT, MALFUNCTION, OR ANY OTHER MATTER RELATING TO THE PRODUCTS (COLLECTIVELY, "PRODUCT MATTERS"). NOTWITHSTANDING ANY OTHER PROVISION OF THIS LEASE, EXCEPT FOR DIRECT DAMAGES RESULTING FROM PERSONAL INJURY OR DAMAGE TO TANGIBLE PROPERTY CAUSED BY OUR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, THE MAXIMUM OUR LIABILITY TO YOU FOR DAMAGES HEREUNDER SHALL NOT EXCEED THE TWICE THE TOTAL OF THE AMOUNTS PAID TO US HEREUNDER BY YOU.

**16. Notice.** All notices, requests and other communications to Us shall be in writing and sent to: Quadient Leasing USA, Inc., 478 Wheelers Farms Road, Milford, CT 06461 ("Notice Address"). Such notices shall be considered given when: (i) delivered personally, (ii) sent by commercial overnight courier with written confirmation of delivery, or (iii) as stated in the NASPO Contract. In the event that We do not accept Your offer to enter this Lease, then You have the right to a written statement that specifies the reasons that Your offer was not accepted. You can request such a statement by writing to Us at the Notice Address.

**17. Integration.** The Lease is in accordance with the NASPO Contract and represents the final and only agreement between You and Us. There are no unwritten oral agreements between You and Us. The Lease can be changed only by a written agreement between You and Us. Any additional terms and conditions referenced on any Purchase Order shall be void and have no effect on this Lease.

**18. Severability.** In the event any provision of this Lease shall be deemed to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties agree to replace any invalid provision with a valid provision, which most closely approximates the intent and economic effect of the invalid provision.

**19. Waiver or Delay.** A waiver of any default hereunder or of any term or condition of this Lease shall not be deemed to be a continuing waiver or a waiver of any other default or any other term or condition but shall apply solely to the instance to which such waiver is directed. We may accept late payments, partial payments, checks, or money orders marked "payment in full," or with a similar notation, without compromising any rights under this Lease.

**20. Survival of Obligations.** Your obligations under this Lease shall survive any expiration or termination of any government procurement contract that may be related to it. Any obligations and duties which by their nature extend beyond the expiration or termination of this Lease shall survive the expiration or termination of this Lease.

**21. Choice of Law; Venue; and Attorney's Fees.** This Lease shall be governed under the laws of the State of Montana, without regard to conflicts of law, and jurisdiction shall lie exclusively in a court of competent jurisdiction in Lewis and Clark County, Montana. In any litigation or other proceeding by which one party either seeks to enforce its rights under this Lease (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Lease, to the extent allowable by law, each party shall pay its own costs and attorney fees, except as otherwise stated in the NASPO Contract.

**22. FMV Leases.** If this Lease is a fair market value lease, as indicated by the lease rate that has been used by Us to calculate Your Lease Payment then, unless You are in default, You may elect to purchase the hardware Products at the end of this Lease on an "as is, where is" basis for their fair market value, as reasonably determined by Us. In the event that You elect to do so, You must give us sixty (60) days prior written notice of Your election to purchase such Products.

**23. LTOP Leases.** If this Lease is a lease to purchase, as indicated by the lease rate that has been used by Us to calculate Your Lease Payments then, at the end of the Initial Term and after You have made all of the Lease Payments, We shall transfer title to all hardware Products that are subject to this Lease to You on an "as is, where is" basis.

**24. Termination.**

#### 24.1 Reduction of Funding

This Rental Agreement must terminate if funds are not appropriated or otherwise made available to support your continuation of performance of this Rental Agreement. You shall provide Us the date the termination shall take effect.

You shall not be liable to US for any payment that would have been payable had the Rental Agreement not been terminated under this provision. As stated above, you shall be liable to Us only for the



payment, or prorated portion of that payment, owed to Us up to the date the termination takes effect. This is Our sole remedy. You shall not be liable to Us for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

**24.2 Convenience.** You may terminate this Lease at any time and for any reason or for no reason ("Termination for Convenience"); provided that You comply with the provisions of this paragraph. In the event of a Termination for Convenience, You shall pay Us a termination charge equal to the net present value of the periodic payments remaining in the Initial Term or, if applicable, the then-current Renewal Term, discounted to the present value at an interest rate equal to six percent (6%) per annum. Such amount must be received by Us within thirty (30) days of the effective date of the termination.

**25. Additional Postage Meter Terms.** If the Products require a postage meter, then You agree that Quadient's Postage Meter Rental Agreement shall govern your rental of such postage meter.

## POSTAGE METER RENTAL AGREEMENT

**1. Incorporation of Certain Terms.** Customer acknowledges that: (i) it has entered a Government Product Lease Agreement with Quadient Leasing USA, Inc. (the "Lease"); and (ii) if the Products that are subject to the Lease includes a mailing machine, then the terms of this Postage Meter Rental Agreement ("Rental Agreement") shall govern its rental of the Postage Meter (as defined below) for such machine. Any defined terms in the Lease shall have the same meanings in this Rental Agreement, except that "We," "Us," and "Our," refers to Quadient, Inc., and any reference to "Products" shall refer to the Postage Meter. Sections 11 through 21, 24, and 25 of the Lease are hereby incorporated into this Rental Agreement, except that any reference in those sections to the "Lease" refer to this Rental Agreement.

**2. Provisions as to Use.** You acknowledge that: (i) as required by United States Postal Service ("USPS") regulations, the postage meter(s) identified on the Order Form (the "Postage Meter") is being rented to You and that it is Our property; (ii) the Postage Meter will be surrendered by You upon demand by Us; (iii) You are responsible for the control and use of the Postage Meter; (iv) You will comply with all applicable laws regarding Your use or possession of the Postage Meter; (v) the use of the Postage Meter is subject to the conditions established from time to time by the United States Postal Service; and (vi) the Postage Meter is to be used only for generating an indicia to evidence the prepayment of postage and to account for postal funds. It is a violation of Federal law to misuse or tamper with the Postage Meter and, if You do so, We may terminate this Rental Agreement upon notice to You.

**3. Rental Fee, Term, and Taxes.** The rental fee for the Postage Meter rental during the Initial Term is included in the Lease Payment. For each Renewal Term, You agree to pay Our then-current fee for the Postage Meter rental. The Postage Meter rental fee does not include the cost of consumable supplies. The term of the rental shall be equal to the term of the Lease and is NON-CANCELABLE, except as provided in Section 24 and the NASPO Contract. You agree to pay all applicable taxes related to Your acquisition, possession, and/or use of the Postage Meter including all property taxes on the Postage Meter. Furthermore, You agree to pay the applicable fee to cover Our expenses associated with the administration, billing and tracking of such charges and taxes. Notwithstanding the foregoing, in the event You are tax exempt, upon providing Us a certificate, You will not be required to pay any taxes covered by such certificate. You agree that you will return the Postage Meter at the end of the Lease term and that You will do so in the manner set forth in Section 12 of the Lease. Furthermore, You agree that if you fail to return a postage meter within

thirty (30) days of receipt of the Equipment Return Authorization from Us, then You will pay a postage meter replacement fee of one thousand dollars (\$1,000), except if the postage meter was lost in shipment provided that you have properly insured the equipment and provide any relevant insurance proceeds to Us.

**4. Postage Meter Maintenance, Inspections, and Location.** We will keep the Postage Meter in good working condition during the term of this Rental Agreement. The United States Postal Service regulations may require Us to periodically inspect the Postage Meter. You agree to cooperate with Us regarding such inspections. We may, from time to time, access and download information from Your Postage Meter to provide Us with information about Your postage usage and We may share that information with Our distributors and other third parties and You hereby authorize Us to do so. You agree to promptly update Us whenever there is any change in Your name, address, telephone number, the licensing post office, or the location of the Postage Meter.

**5. Postage Advances.** We do not sell postage. In the event You require an emergency advance for postage, We, at Our sole discretion, may advance You money to reset the Postage Meter. If We do provide such an advance, You agree to repay Us within five (5) days from the time of such advance: (i) the amount of the emergency advance; and (ii) the then-current advance fee.

**6. Default.** In the event You fail to perform in accordance with the terms set forth in this Rental Agreement, or any other Agreement with Us or any of Our affiliates, including, but not limited to, Quadient Leasing USA Inc., and Quadient Finance USA, Inc., then We may, without notice: (i) repossess the Postage Meter(s); (ii) disable the Postage Meter; (iii) immediately terminate this Rental Agreement; and (iv) pursue any remedies available to Us at law or in equity. Furthermore, upon the return of the Postage Meter, You hereby authorize Us to offset any amount of postage remaining in the Postage Meter, prior to any refund to You, against any amount due to Us or any of Our affiliates. Rate Updates.

- A. **Maintenance of Postal Rates.** It is Your sole responsibility to ensure that correct amounts are applied as payment for mailing and shipping services. We shall not be responsible for returns for delivery delays, refusals, or any other problems caused by applying the incorrect rate to mail or packages.
- B. **Rate Updates with Online Services.** If the Order Form indicates that You are enrolled in Our Online Services program, then We will make available periodic updates for Your covered Products and/or Postage Meter, including updates to maintain accurate USPS rates for the USPS services that are compatible with such Products or Postage Meter. **The rate updates that are offered with Our Online Services program are only available for products that are Integrated (as defined below) into Your mailing machine.** For the purposes of this section, "Integrated" means that the covered hardware cannot properly operate on a stand-alone basis and it has been incorporated into the mail machine. Products that are not Integrated including, but not limited to, all Software and scales with "ST-77," or "SE" in the model number will not receive updated rates as part of Our Online Services program (collectively "Excluded Products").
- C. **Rate Updates with Rate Change Protection and Software Advantage.** If You have any of Our Excluded Products, You may have elected to purchase Rate Change Protection ("RCP") from Us for Your hardware products or Software Advantage for Your Software. If the Order Form indicates that You have selected RCP or Software Advantage, We will make available the following updates for Your covered Products or Software: (i) updates to maintain accurate rates for the services offered by the USPS and other couriers that are compatible with Your





covered Products or Software; and

(ii) updates for major zip or zone changes that are compatible with Your covered Products or Software. If any reprogramming is required because You have moved the Products or Postage Meter to a new location, none of the services described in this Section cover the cost to do so. If You have not selected RCP or Software Advantage, You agree that We may send You periodic rate updates as needed and You agree to either: (i) promptly pay the then-current price for such update; or (ii) return the unused, update to Us within ten (10) business days of receiving it. Customers with an outstanding Accounts Receivable balance may not receive a rate update until the open balance is resolved.

**7. United States Postal Service Acknowledgement of Deposit Requirement.** By signing this Postage Meter Rental Agreement, You acknowledge and agree that You have read the United States Postal Service Acknowledgement of Deposit (the "Acknowledgement") and will comply with its terms and conditions, as it may be amended from time to time.

**8. Additional United States Postal Service Terms.**

- A. By signing this Postage Meter Rental Agreement, You acknowledge that You are also entering into an Agreement with the United States Postal Service ("USPS") in accordance with the Domestic Mail Manual ("DMM") 604.4, Postage Payment Methods, Postage Meters and PC Postage Products (collectively, "Postage Evidencing Systems" or "PES") and accept responsibility for control and use of the PES contained therein.
- B. You also acknowledge You have read the DMM 604.4, Postage Payment Methods, Postage Meters and PC Postage Products (Postage Evidencing Systems) and agree to abide by all rules and regulations governing its use.
- C. Failure to comply with the rules and regulations contained in the DMM or use of the PES in any fraudulent or unlawful scheme or enterprise may result in the revocation of this Rental Agreement.
- D. You further acknowledge that any use of this PES 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, fictitious, or fraudulent statement can result in imprisonment of up to five (5) years and fines of up to \$10,000 (18 U.S.C. 1001). In addition, a civil penalty of up to \$5,000 and an additional assessment of twice the amount falsely claimed may be imposed (3 U.S.C. 3802).
- E. You further understand that the rules and regulations regarding use of this PES as documented in the USPS Domestic Mail Manual may be updated from time to time by the USPS and it is Your obligation to comply with any current or future rules and regulations regarding its use.
- F. You are responsible for immediately reporting (within seventy-two hours or less) the theft or loss of the postage meter that is subject to this Rental Agreement. Failure to comply with this notification provision in a timely manner may result in the denial of refund of funds remaining on the postage meter at the time of the loss or theft.

## MAINTENANCE AGREEMENT

**1. Incorporation of Certain Terms.** You acknowledge that You have entered a Government Product Lease Agreement with Quadient USA, Inc. (the "Lease"). Any defined terms in the Lease shall have the same

meanings in this Maintenance Agreement, except that "We," "Us," and "Our," refer to Quadient, Inc. Sections 13 through 24 of the Lease are hereby incorporated into this Maintenance Agreement, except that any reference in those sections to the "Lease" refers to this Maintenance Agreement.

**2. Quadient's Terms and Conditions for Maintenance Services.** If the Order Form indicates that You have purchased maintenance services, then Quadient, Inc., or one of its affiliates, will provide maintenance services for the Products in accordance with Quadient, Inc.'s then-current maintenance terms and pricing for the level of maintenance services that You have purchased. Those services will be provided for the entire term of the Lease and are NON-CANCELABLE, except as provided in Section 24 and the NASPO Contract. The maintenance terms and conditions are attached to this Agreement. You agree that You have access to such terms and that they are incorporated into this Maintenance Agreement by this reference, and that You shall be bound by such terms as if they were fully stated herein. **Notwithstanding the foregoing, maintenance services are not available on HD Office Printer Series products.**

## ONLINE SERVICES AND SOFTWARE AGREEMENT

**1. Incorporation of Certain Terms.** You acknowledge that You have entered a Government Product Lease Agreement with Quadient Leasing USA, Inc. (the "Lease"). Any defined terms in the Lease shall have the same meanings in this Online Services and Software Agreement ("OSS Agreement"), except that "We," "Us," and "Our," refer to Quadient, Inc. Sections 13 through 24 of the Lease are hereby incorporated into this OSS Agreement, except that any reference in those sections to the "Lease" refer to this OSS Agreement.

**2. License Grant and Additional Terms.** In exchange for the license fees that are included in Your Lease Payment, We hereby grant to You a nonexclusive, nontransferable license to use the Software products, including related documentation, described on the Order Form solely for Your own use on or with the Products. You warrant and represent that You will not sell, transfer, disclose or otherwise make available such Software products or copies thereof to third parties; provided, however, that the Software products may be used by Your employees or independent contractors using the Products. No title or ownership of the Software products or any portion thereof is transferred to You. You acknowledge and agree that there may be additional terms and conditions that apply to Your use of any Software provided by Us. Such terms may be provided with the Software, or made available at [www.quadient.com/software-terms](http://www.quadient.com/software-terms) and may be supplemented by Us or third-party licensors, from time to time, by notice to You. You acknowledge and agree that You have access to the appropriate version(s) of the applicable terms provided at the address above and corresponding to Software described on the Order Form at the time you enter this OSS Agreement. Such terms are incorporated herein by this reference, and You agree to be bound by such terms as if they were fully stated herein.

**3. Software Support.** Unless otherwise specified in the applicable Software terms, if You have purchased support for the Software, We will provide the following for a period of one (1) year: (i) software updates and, if applicable, carrier rate updates that keep You current and compliant with supported carrier rates, fees, zone schedules, label, barcode and forms changes; (ii) updates to the Software; (iii) corrective bug fixes as released; and (iv) technical support for the Software (collectively "Software Maintenance"). At the conclusion of



each year of Software Maintenance, the parties may agree to renew the Software Maintenance. You acknowledge that the Software may fail to comply with applicable regulations if you do not have Software Maintenance and that We shall not have any liability in connection with any such failure. If You allow the Software Maintenance to lapse, You may reinstate such services; provided that you pay all fees that would have been due from the expiration of Your last Software Maintenance period through the reinstatement date, plus a 15% administrative surcharge.

**4. Use of Websites.** Quadient, Inc. and/or any of Our affiliates, suppliers, including, but not limited to, Quadient Leasing USA, Inc.

may, from time to time, make certain websites available to You in order to provide You with certain services (“Websites”). If You access any such Websites, You acknowledge and agree that Your use of the Website is subject to the terms of use and/or license terms in effect at the time You use the Website. Such terms are available on the Websites for Your review. You acknowledge and agree that such terms may be supplemented and modified from time to time (“Supplemental Terms”). Your use of a Website after Supplemental Terms have been issued will signify Your acceptance of those terms. In the event of a conflict between the terms of this OSS Agreement and the Supplemental Terms, the Supplemental Terms shall control.



## Terms and Conditions

### TERMS AND CONDITIONS ORDER OF PRECEDENCE

**1. National Association of State Procurement Officers ("NASPO").** These terms and conditions are made pursuant to the NASPO Master Contract CTR058809, the Participating Addendum between Quadient, Inc. and the State of Montana, and all attachments ("NASPO Contract"). In this Postage Meter Rental Agreement (the "Rental Agreement"), the words "You" and "Your" mean the customer named on the Postage Meter Rental Agreement order form ("Order Form"). "We," "Us" and "Our" mean Quadient, Inc. You agree to rent from Us the postage meter identified on the Order Form, as well as any other products listed on the Order Form, together with all existing accessories, embedded software programs, attachments, replacements, additions and repairs, (the "Postage Meter") upon the terms stated herein.

### POSTAGE METER RENTAL AGREEMENT

**2. Postage Meter Rental.** In this Postage Meter Rental Agreement (the "Rental Agreement"), the words "You" and "Your" mean the customer named on the Postage Meter Rental Agreement order form ("Order Form"). "We," "Us" and "Our" mean Quadient, Inc. You agree to rent from Us the postage meter identified on the Order Form, as well as any other products listed on the Order Form, together with all existing accessories, embedded software programs, attachments, replacements, additions and repairs, (the "Postage Meter") upon the terms stated herein.

**3. Provisions as to Use and Notice of Reused Components.** You acknowledge that: (i) as required by United States Postal Service regulations, the Postage Meter(s) is being rented to You and that it is Our property; (ii) the Postage Meter will be surrendered by You upon demand by Us; (iii) You are responsible for the control and use of the Postage Meter; (iv) You will comply with all applicable laws regarding Your use or possession of the Postage Meter; (v) the use of the Postage Meter is subject to the conditions established from time to time by the United States Postal Service; and (vi) the Postage Meter is to be used only for generating an indicia to evidence the prepayment of postage and to account for postal funds. It is a violation of Federal law to misuse or tamper with the Postage Meter and, if You do so, We may terminate this Rental Agreement upon notice to You. GUIDED BY QUADIENT, INC.'S SUSTAINABLE DESIGN AND RESPONSIBLE MANUFACTURING POLICY, THE PRODUCTS MAY CONTAIN REUSED COMPONENTS. For more information visit <https://www.quadient.com/about-us/sustainable-design-and-manufacturing>.

**4. Rental Fee, Payment and Term.** The initial rental term for the Postage Meter is set forth on the Order Form ("Initial Term"). The rental fee for the Initial Term is also set forth on the Order Form. The Initial Term of this Rental Agreement will begin on the earlier of either the date the Postage Meter is installed or five (5) days after the Postage Meter is shipped by Us. You promise to pay to Us the amounts shown on the Order Form in accordance with the payment schedule set forth thereon, plus all other amounts stated on the Order Form or in this Rental Agreement. You shall make all payments to the address indicated on Our invoice within thirty (30) days of the date of Our invoice. The Postage Meter rental fee does not include the cost of consumable supplies. This Rental Agreement is NON-CANCELABLE during the initial Term, except as follows:

This Rental Agreement must terminate if funds are not appropriated or otherwise made available to support your continuation of performance of this Rental Agreement. You shall provide Us the date the termination shall take effect.

You shall not be liable to US for any payment that would have been payable had the Rental Agreement not been terminated under this provision. As stated above, you shall be liable to Us only for the payment, or prorated portion of that payment, owed to Us up to the date the termination takes effect. This is Our sole remedy. You shall not be liable to Us for any other payments or damages arising from

termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

The initial term cannot be automatically renewed and will terminate automatically at the end of the initial term or any mutually agreed renewal terms. However, if you do not renew this Rental Agreement, you must return the postage meter and products in accordance with Section 5.

**5. Return of Postage Meter and Products.** Upon the termination of this Rental Agreement, unless directed otherwise by Us, You shall, after receiving an Equipment Return Authorization ("ERA") number from Us, promptly send the Postage Meter and any other products, at Your expense plus shipping and handling costs, to any location(s) that We designate in the contiguous United States. The Postage Meter must be properly packed for shipment with the ERA number clearly visible, freight prepaid and fully insured, and must be received in good

condition, less normal wear and tear, except for any damage occurring during shipment provided that you have properly insured the equipment and provide any relevant insurance proceeds to Us.

Furthermore, You agree that if you fail to return a postage meter within thirty (30) days of receipt of the ERA from Us, then You will pay a postage meter replacement fee of one thousand dollars (\$1,000), except if the postage meter was lost during shipment.

**6. Postage Meter Maintenance, Inspections, and Location.** We will keep the Postage Meter in good working condition during the term of this Rental Agreement. The United States Postal Service regulations may require Us to periodically inspect the Postage Meter. You agree to cooperate with Us regarding such inspections. We may, from time to time, access and download information from Your Postage Meter to provide Us with information about Your postage usage and We may share that information with the entities as listed in the NASPO Contract, and You hereby authorize Us to do so. You agree to promptly update Us whenever there is any change in Your name, address, telephone number, the licensing post office, or the location of the Postage Meter.

**7. Loss; Damage; Insurance.** You shall: (i) bear the risk of loss and damage to the Postage Meter and shall continue performing all of Your other obligations hereunder even if the Postage Meter becomes damaged or there is a loss, (ii) keep the Postage Meter insured against all risks of loss and damage in an amount at least equal to its full replacement cost.

**8. Postage Advances.** We do not sell postage. In the event You require an emergency advance for postage, We, at Our sole discretion, may advance You money to reset the Postage Meter. If We do provide such an advance, You agree to repay Us within five (5) days from the time of such advance: (i) the amount of the emergency advance; and (ii) the then-current advance fee.

**9. Default.** In the event You fail to perform in accordance with the terms set forth in this Rental Agreement, or any other Agreement with Us or any of Our affiliates, including, but not limited to Quadient Finance USA, Inc., then We may, without notice: (i) repossess the Postage Meter(s); (ii) disable the Postage Meter; (iii) immediately terminate this Rental Agreement; and (iv) pursue any remedies available to Us at law or in equity. Furthermore, upon the return of the Postage Meter, You hereby authorize Us to offset any amount of postage remaining in the Postage Meter, prior to any refund to You, against any amount due to Us or any of Our affiliates.

#### 10. Rate Updates.

- Maintenance of Postal Rates.** It is Your sole responsibility to ensure that correct amounts are applied as payment for mailing and shipping services. We shall not be responsible for returns for delivery delays, refusals, or any other problems caused by applying the incorrect rate to mail or packages.
- Rate Updates with Online Services.** If the Order Form indicates that You are enrolled in Our Online Services program, then We will make available periodic updates for Your covered products and/or Postage Meter, including updates to maintain accurate USPS rates



for the USPS services that are compatible with such products or Postage Meter. **The rate updates that are offered with Our Online Services program are only available for products that are Integrated (as defined below) into Your mailing machine.**

For the purposes of this section, "Integrated" means that the covered hardware cannot properly operate on a stand-alone basis and it has been incorporated into the mail machine. Products that are not Integrated including, but not limited to, all Software and scales with "ST-77," or "SE" in the model number will not receive updated rates as part of Our Online Services program (collectively "Excluded Products").

- c. Rate Updates with Rate Change Protection and Software Advantage. If You have any of Our Excluded Products, You may have elected to purchase Rate Change Protection ("RCP") from Us for Your hardware products or Software Advantage for Your Software. If the Order Form indicates that You have selected RCP or Software Advantage, We will make available the following updates for Your covered products or Software: (i) updates to maintain accurate rates for the services offered by the USPS and other couriers that are compatible with Your covered product or Software; and (ii) updates for major zip or zone changes that are compatible with Your covered product or Software. If any reprogramming is required because You have moved the products or Postage Meter to a new location, none of the services described in this Section cover the cost to do so. Customers with an outstanding Accounts Receivable balance may not receive a rate update until the open balance is resolved.

**11. United States Postal Service Acknowledgement of Deposit Requirement.** By signing this Postage Meter Rental Agreement, You acknowledge and agree that You have read the United States Postal Service Acknowledgement of Deposit (the "Acknowledgement") and will comply with its terms and conditions, as it may be amended from time to time.

**12. Additional United States Postal Service Terms.**

- a. By signing this Postage Meter Rental Agreement, You acknowledge that You are also entering into an Agreement with the United States Postal Service ("USPS") in accordance with the Domestic Mail Manual ("DMM") 604.4, Postage Payment Methods, Postage Meters and PC Postage Products (collectively, "Postage Evidencing Systems" or "PES") and accept responsibility for control and use of the PES contained therein.
- b. You also acknowledge You have read the DMM 604.4, Postage Payment Methods, Postage Meters, and PC Postage Products (Postage Evidencing Systems) and agree to abide by all rules and regulations governing its use.
- c. Failure to comply with the rules and regulations contained in the DMM or use of the PES in any fraudulent or unlawful scheme or enterprise may result in the revocation of this Rental Agreement.
- d. You further acknowledge that any use of this PES 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, fictitious or fraudulent statement can result in imprisonment of up to five (5) years and fines of up to \$10,000 (18 U.S.C. 1001). In addition, a civil penalty of up to \$5,000 and an additional assessment of twice the amount falsely claimed may be imposed (3 U.S.C. 3802).
- e. You further understand that the rules and regulations regarding use of this PES as documented in the USPS Domestic Mail Manual may be updated from time to time by the USPS and it is Your obligation to comply with any current or future rules and regulations regarding its use.
- f. You are responsible for immediately reporting (within seventy-two hours or less) the theft or loss of the postage meter that is subject

to this Rental Agreement. Failure to comply with this notification provision in a timely manner may result in the denial of refund of funds remaining on the postage meter at the time of the loss or theft.

**13. Taxes.** You agree to pay for all applicable taxes related to the sale or rental of any products or Postage Meter to You, as well as any taxes applicable to Your possession, and/or use of the products and/or Postage Meter. Furthermore, You agree to pay the applicable fee to cover Our expenses associated with the administration, billing, and tracking of such charges and taxes.

**14. Disclaimer of Warranties.** EXCEPT AS EXPRESSLY STATED HEREIN OR AS STATED IN THE NASPO AGREEMENT, WE MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, REGARDING ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE SUITABILITY OF ANY PRODUCTS OR POSTAGE METER, ITS CONDITION, ITS MERCHANTABILITY, ITS FITNESS FOR A PARTICULAR PURPOSE, ITS FREEDOM FROM INFRINGEMENT, OR OTHERWISE.

**15. Limitation of Liability.** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT, WHETHER OR NOT SUCH PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. NOTWITHSTANDING ANY OTHER PROVISION OF THIS RENTAL AGREEMENT, EXCEPT FOR DIRECT DAMAGES RESULTING FROM PERSONAL INJURY OR DAMAGE TO TANGIBLE PROPERTY CAUSED BY OUR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, THE MAXIMUM OUR LIABILITY TO YOU FOR DAMAGES HEREUNDER SHALL NOT EXCEED THE TOTAL OF TWICETHE AMOUNTS PAID TO US HEREUNDER BY YOU.

**16. Assignment.** No right or interest in this Rental Agreement may be assigned by either party, without prior written consent.

**17. Notice.** All notices related to this Rental Agreement to Us shall be made by You, or an attorney representing You. All notices, requests and other communications hereunder shall be in writing, and shall be considered given when: (i) delivered personally, (ii) sent by commercial overnight courier with written confirmation of delivery. Written notices to Us shall be sent to: Quadient, Inc., 478 Wheelers Farms Road, Milford, CT 06461 ("Notice Address") or 3) As stated in the NASPO Agreement.

**18. Integration.** This Rental Agreement is made in accordance with the NASPO Agreement and. represents the final and only agreement between You and Us regarding Your acquisition of the Postage Meter and any other products or services. There are no unwritten oral agreements between You and Us. This Rental Agreement can be changed only by a signed, written agreement between You and Us.

**19. Severability.** In the event any provision of this Rental Agreement shall be deemed to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties agree to replace any invalid provision with a valid provision, which most closely approximates the intent and economic effect of the invalid provision.

**20. Waiver or Delay.** A waiver of any default hereunder or of any term or condition of this Rental Agreement shall not be deemed to be a continuing waiver or a waiver of any other default or any other term or condition but shall apply solely to the instance to which such waiver is directed. We may accept late payments, partial payments, checks or money orders marked "payment in full," or with a similar notation, without compromising any rights under this Rental Agreement.

**21. Choice of Law; Venue; and Attorney's Fees.** This Rental Agreement shall be governed under the laws of the State of Montana, without regard to conflicts of law, and jurisdiction shall lie exclusively in a court of competent jurisdiction in Lewis and Clark County, Montana. In any litigation or other proceeding by which one party either seeks to enforce its rights under this Rental Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Rental Agreement, each party shall pay its own costs and attorney fees, except





as otherwise stated in the NASPO Agreement.

## POSTAGE FUNDING ACCOUNT AGREEMENT

**1 State Agencies.** State Agencies cannot enter into a postage funding account agreement.

**2 Incorporation of Certain Terms.** You acknowledge that You have entered a Postage Meter Rental Agreement with Quadient, Inc. (the "Rental Agreement"). If you have an eligible Postage Meter, then you will have access to a postage funding account and this Postage Funding Account Agreement ("Account Agreement") shall govern Your use of such account. Any defined terms in the Rental Agreement shall have the same meanings in this Account Agreement, except that "We," "Us," and "Our," refer to Quadient Finance USA, Inc., an affiliate of Quadient, Inc. Sections 10 through 19 of the Rental Agreement are hereby incorporated into this Account Agreement except that any reference in those sections to the "Rental Agreement" refers to this Account Agreement.

**3 Establishment and Activation of Account.** You hereby authorize Us, to establish an account in Your name ("Account") for funding the purchase of postage from the United State Postal Service ("USPS") for use in the Postage Meter. Your Account may also be used to purchase supplies, pay for the Postage Meter rental, and obtain certain other products and services from Quadient Inc. The establishment of Your Account shall be subject to Our approval of Your creditworthiness. Any use of the Account shall constitute Your acceptance of all the terms and conditions of this Account Agreement and all other documents executed or provided in connection with the Account. The Account may not be used for personal, family, or household purposes.

**4 Operation of Account.** Each time an employee or agent of Yours with the express, implied, or apparent authority to do so (each an "Authorized User") uses the Account to receive a postage meter reset or obtain other products or services that Quadient, Inc. is authorized to provide, Quadient, Inc. will notify Us of the amount to be applied to Your Account balance. If the Account is used to obtain postage, then We will transfer the requested amount of postage to the USPS on Your behalf and Your Account will be charged for the amount of postage requested and any related fees, if applicable. You can continue to pre-pay the USPS for postage and understand that pre-paid postage funds will be used first to pay for my postage meter resets. You further understand that the Account will provide additional available postage funds when Your pre-paid account balance is zero (\$0). When You request a Postage Meter reset, if You have the funds on account with the USPS, those funds automatically will be withdrawn first to pay for postage, and any additional amounts due for postage and related fees will be billed through the Account under the terms and conditions of this Account Agreement. If the Account is used to acquire products or services that Quadient Inc. is authorized to provide, then We shall pay the applicable amount to Quadient, Inc. and add such amount to Your Account balance.

**5 Payment Terms.** You will receive a billing statement for each billing cycle in which You have any activity on Your Account. Payments are due on the due date shown on Your billing statement. You may pay the entire balance due or a portion of the balance, provided that You pay at least the minimum payment amount shown on Your statement. However, if You have exceeded the Account Limit, then You must pay the entire amount of any overage, as well as the minimum payment amount shown on Your statement. Whenever there is an unpaid balance outstanding on Your Account which is not paid in full by the due date shown on Your billing statement, We will charge You, and You agree to pay, interest on the unpaid balance of the Account for each day from the date the transaction is posted to Your Account until the date the unpaid balance is paid in full, at the Annual Percentage Rate (as defined below). The Account balance that is subject to a finance charge each day will include outstanding balances, minus any payments and credits received by Us on Your Account that day. The Annual Percentage Rate applicable to Your Account will be equal to the lesser of eighteen percent (18.00%) per

annum or the maximum permitted by law. Each payment will be applied to reduce the outstanding balance of Your Account and replenish the amount available to You. We may refuse to extend further credit if the amount of a requested charge plus Your existing balance exceeds Your Account Limit.

**6 Account Limit and Account Fees.** You agree that We will establish a credit limit on Your Account (the "Account Limit"). The exact amount of the Account Limit will be indicated on Your invoice. We may, in Our sole discretion, allow Your balance to exceed the Account Limit. In the event We do so, You agree to pay Us an additional fee equal to one percent (1%) of the amount by which the Account Limit is exceeded for each transaction that You initiate after Your Account has reached the Account Limit. Such amount will be charged to Your Account on the date that the relevant transaction(s) occurs. Unless prohibited by applicable law, You agree to pay the amounts set forth in this Account Agreement, which may include, without limitation, the amounts specified above, a fee for a late payment, a fee for any checks that are returned as a result of insufficient funds, a fee for any ACH direct debit transactions which are rejected, and an annual account fee. All such fees shall be added to Your Account balance.

**7 Cancellation and Suspension.** We may at any time close or suspend Your Account or temporarily refuse to allow further charges to Your Account. You can cancel Your Account at any time by notifying Us in writing at the address provided on Your Account statement of Your desire to do so. No cancellation or suspension will affect Your obligation to pay any amounts You then owe under this Account Agreement. We will notify You of the Account balance in the event of any termination and all outstanding obligations will survive the termination of this Account Agreement by either party.

**8 Default.** We may declare You in default if You: (i) have made any misrepresentations to Us; (ii) at any time, have done or allowed anything that indicates to Us that You may be unable or unwilling to repay the balance of Your Account as required under this Account Agreement; or (iii) are in default under this Account Agreement or any lease, rental, or other agreement with Us, Quadient, Inc., or their affiliates. If You are in default, or upon any cancellation of Your Account, We shall not be obligated to continue to provide the Account service or extend further credit under this Account Agreement. If We are required to take collection action or any other legal action under this Account Agreement, You shall pay upon demand by Us all court and collection costs, along with reasonable attorney's fees. These remedies shall be cumulative and not exclusive, and shall be in addition to any and all other remedies available to Us.

**9 Remedies.** If We have declared that You are in default under this Account Agreement, then We may: (i) declare all agreements You have with Us in default and due and payable at once without notice or demand; (ii) refuse to make further advances on Your behalf to reset Your Postage Meter; and (iii) exercise any other rights that We may have. In addition, You agree that any default under this Account Agreement shall constitute a default under any agreement You may have with any of Our affiliates, including, but not limited to, Quadient, Inc., Quadient Leasing USA, Inc.

**10 Amendments.** We may amend this Account Agreement, or any of its provisions, with regards to any fees and charges and/or the Annual Percentage Rate, at any time by at least thirty (30) days written notice to You, and such written notice may be included in Your billing statement. Any such amendment will become effective on the date stated in the notice and will apply to any transactions after such date, as well as to any outstanding balance on Your Account.

**11 Notice:** Any notice required to be given under this Account Agreement by either party hereto shall be given if to You, at the address shown on Your Order Form, and if to Us at 478 Wheelers Farms Road, Milford, CT 06461.

**12 Miscellaneous.** You understand that We may obtain credit reports in connection with Your Account now and in the future. This Account



Agreement shall be governed by and construed in accordance with the laws of the State of Montana, without reference to its conflict-of-laws rules, and any applicable federal laws. The sole jurisdiction and venue for actions related to the subject matter hereof, shall be governed under the laws of the State of Montana, without regard to conflicts of law, and jurisdiction shall lie exclusively in a court of competent jurisdiction in Lewis and Clark County, Montana. In any litigation or other proceeding by which one party either seeks to enforce its rights under this Rental Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Rental Agreement, each party shall pay its own costs and attorney fees, except as otherwise stated in the NASPO Agreement.

## ONLINE SERVICES AND SOFTWARE AGREEMENT

**1. Incorporation of Certain Terms.** You acknowledge that You have entered a Postage Meter Rental Agreement with Quadient, Inc. (the "Rental Agreement"). Any defined terms in the Rental Agreement shall have the same meanings in this Online Services and Software Agreement ("OSS Agreement"). This OSS Agreement is made in accordance with the NASPO Agreement. Sections 12 through 21 of the Rental Agreement are hereby incorporated into this OSS Agreement, except that any reference in those sections to the "Rental Agreement" refers to this OSS Agreement.

**2. License Grant and Additional Terms.** In exchange for the license fees that are included in Your Rental Payment, We hereby grant to You a nonexclusive, nontransferable license to use the Software products, including related documentation, described on the Order Form solely for Your own use on or with the Postage Meter and other products. You warrant and represent that You will not sell, transfer, disclose or otherwise make available such Software products or copies thereof to third parties; provided, however, that the Software products may be used by Your employees or independent contractors using the Postage Meter and other products. No title or ownership of the Software products or any portion thereof is transferred to You. All software terms and conditions are first governed by the NASPO Agreement. You acknowledge and agree that there may be additional terms and conditions that apply to Your use of any Software provided by Us. Such terms may be provided with the Software, or made available at [www.quadient.com/software-terms](http://www.quadient.com/software-terms) and may be supplemented by Us or third party licensors, from time to time, by notice to You. You acknowledge and agree that You have access to the appropriate version(s) of the applicable terms provided at the address above and corresponding to Software described on the Order Form at the time you enter this OSS Agreement. Such terms are incorporated herein by this reference and You agree to be bound by such terms as if they were fully stated herein.

**3. Software Support.** Unless otherwise specified in the applicable Software terms, if You have purchased support for the Software, We will provide the following for a period of one (1) year: (i) software updates and, if applicable, carrier rate updates that keep You current and compliant with supported carrier rates, fees, zone schedules, label, barcode and forms changes; (ii) updates to the Software; (iii) corrective bug fixes as released; and (iv) technical support for the Software (collectively "Software Maintenance"). At the conclusion of each year of Software Maintenance, the Software Maintenance will automatically renew for additional one-year periods at Our then- current fee for such services unless you give us at least sixty (60) days prior written notice that you wish to cancel the Software Maintenance. You acknowledge that the Software may fail to comply with applicable regulations if you do not have Software Maintenance and that We shall not have any liability in connection with any such failure. If You allow the Software

Maintenance to lapse, You may reinstate such services; provided that you pay all fees that would have been due from the expiration of Your last Software Maintenance period through the reinstatement date, plus a 15% administrative surcharge.

**4. Use of Websites and SaaS Services.** Quadient, Inc. and/or any of Our affiliates, or suppliers, including, but not limited to, Quadient Leasing USA, Inc. may, from time to time, make certain content and/or services available to You via the Internet ("Websites") in order to provide You with certain services, including, but not limited to, software as a service solutions. If You access any such Websites, You acknowledge and agree that Your use of the Website is subject to the terms of use and/or subscription terms in effect at the time You use the Website. Such terms are available on the Websites for Your review. You acknowledge and agree that such terms may be supplemented and modified from time to time ("Supplemental Terms"). Your use of a Website after Supplemental Terms have been issued will signify Your acceptance of those terms. In the event of a conflict between the terms of this OSS Agreement and the Supplemental Terms, the Supplemental Terms shall control.



## Terms and Conditions

### Exhibit D: Quadient Maintenance

Thank you for purchasing Maintenance Services from Quadient, Inc., or its affiliate, ("Quadient"). This document is a part of your Agreement with Quadient and it provides additional details regarding Quadient's Maintenance Program.

#### WHAT'S COVERED?

Maintenance services, as described herein, will be provided for the Products at the Delivery Location. Quadient agrees to provide the parts and labor associated with the ordinary maintenance of the Products as required due to normal wear and tear ("Maintenance Services"). Maintenance Services do not include consumable parts and/or wearable parts as defined by Quadient. Supplies (i.e. ink, roll tape, labels, etc.) are not included in Maintenance Services. Maintenance Services may also include preventative maintenance and inspections from time to time, as determined by Quadient. Quadient may, at its option, designate a third party to provide Maintenance Services. Quadient, in its sole discretion, may service the Products by replacing it with new, or like-new Products; provided that such replacement products are substantially similar to the Products. Maintenance Services will be provided during normal business hours. Any parts that are replaced by Quadient while performing Maintenance Services become the property of Quadient.

#### WHAT ARE THE FEES AND WHEN ARE THEY DUE?

- **For Purchased Products:**  
Customer shall commence paying for the Maintenance Services on upon delivery of the Products. All fees for Maintenance Services ("Maintenance Fees") on purchased Products are invoiced annually, in advance.
- **For Leased Products:**  
If the Products are being leased from Quadient Leasing USA, Inc. and the Maintenance Fee has been included in the lease payment amount ("Leased Products"), then Maintenance Services will be provided at no extra cost, except for the Additional Charges (as defined below), for the Initial Term of the lease. Customer shall commence paying for the Maintenance Services on Leased Products, where Maintenance Fees are included in the lease payment, on the date the lease commences. During any Renewal Term, Customer agrees to pay the then-current fee for Maintenance Services.
- **Other Fees:**  
In addition to the Maintenance Fees, Customer agrees to pay : (a) for labor, parts, and expenses for maintenance or repair that is part of an Excluded Service (as defined below); (b) for travel expenses for any on-site maintenance services that in the opinion of Quadient is not deemed necessary; and (c) an increased Maintenance Fee for Products that are regularly used by more than one shift of personnel per business day (collectively "Additional Charges"). All Additional Charges shall be at Quadient's then-current published rates for time and materials. Charges for labor shall include travel expenses (including travel time, gas, tolls, mileage, etc.).

All payments for Maintenance Services and Additional Charges are nonrefundable. Quadient may adjust the Maintenance Fees at the end of the Initial Maintenance Term (as defined below) and any renewal term.

#### WHAT IS THE TERM OF THE MAINTENANCE SERVICES?

- **For Purchased Products:**  
Unless otherwise specified in the Agreement, the initial term of these Maintenance Services is one (1) year (the "Initial Maintenance Term"). Unless Customer provides ninety (90) days written notice to Quadient prior to the end of the Initial Maintenance Term, or any renewal term), the Maintenance Services shall automatically renew for an additional one (1) year term at Quadient's then-current rate for such service.





- **For Leased Products:**

The term of the Maintenance Services for Leased Products will be equal to the term of the lease as specified in the Agreement.

#### **HOW DO I REQUEST MAINTENANCE SERVICE?**

In order to receive Maintenance Services on the Products, the Customer must notify Quadient of a need for service by contacting Quadient in the manner directed by Quadient. Quadient may, at its sole discretion, attempt to resolve Products performance issues over the telephone. If Quadient determines that on-site service is necessary, Quadient shall provide such on-site service in accordance with the terms set forth herein.

#### **WHAT'S NOT COVERED BY THE QUADIENT MAINTENANCE PROGRAM?**

Maintenance Services do not include:

- De-installation of the Products, or moving the Products (however these services are available for an additional fee);
- Services provided before 8:00 a.m. or after 5:00 p.m. local time based on the location of the Products (however service is available outside of those hours for an additional fee);
- Maintenance or repairs made necessary by the failure of Customer maintain or use the Products in conformance with Quadient's specifications;
- Maintenance or repairs made necessary by changes in the design of the Products made by Customer or mechanical, electrical, or electronic interconnections, or the attachment of other parts or components to the Products by Customer;
- Maintenance or repairs made necessary by accidents or natural disasters;
- Maintenance or repairs made necessary by the negligence of Customer;
- Maintenance or repairs made necessary by the unauthorized maintenance by Customer or any third party other than Quadient or its authorized service representatives;
- Damage or repair necessitated by relocation of the Products not conducted by Quadient;
- Maintenance or repairs made necessary because Customer has exceeded the published performance specifications or recommended monthly volume limits\*\* for the Products;
- Maintenance or repairs made necessary by Customer's use of parts, consumables, or other supplies that do not comply with Quadient's specifications;
- Recovery of any customer data stored within Quadient Products or the maintaining of any back-up data;
- Rebuilding or major overhauls which Quadient determines are necessary ("Reconditioning").

All of the foregoing are "Excluded Services." Excluded Services also include operator training beyond the initial training provided by Quadient and application configuration and set-up. In the event Customer requests Quadient to perform an Excluded Service, Customer shall pay Quadient its then-current hourly rate for those services (including travel time), as well as Quadient's then-current price for any parts required in connection with such services.

#### **WHAT OTHER RESPONSIBILITIES DO I HAVE?**

**CUSTOMER'S MAINTENANCE OBLIGATIONS:** Customer agrees to maintain the Products in accordance with Quadient's published specifications. Except as specified and approved by Quadient, Customer shall not perform, or permit third parties



to perform maintenance or repair on the Products.

**COPIES OF DATA:** Customer is solely responsible for all data stored on the Products and making copies of all such data prior to Quadiant performing Maintenance Services.

**USE OF QUADIANTSUPPLIES:** If the Customer uses other than Quadiant supplies, and if such supplies are defective or unacceptable for use in Quadiant machines and cause abnormally frequent service calls or service problems, then Quadiant may, at its option, assess a surcharge or terminate the Maintenance Services. In this event, the Customer may be offered service on a "Per Call" basis based upon published rates. It is not a condition of this Agreement, however, that the Customer uses only Quadiant authorized supplies.

**ENVIRONMENT/ELECTRICAL:** Customer shall provide a suitable environment for Products as specified by the manufacturer. In order to insure optimum performance by the Quadiant Products, it is mandatory that specific models be plugged into a dedicated line and that they comply with manufacturer electrical specifications.

**COMPLETE SYSTEM COVERAGE:** All Quadiant components (hardware and software) used in a system must be covered under Maintenance Services ("Complete System Coverage"). For example, a customer may not obtain Maintenance Services only for a mailing machine if it is used with a separate scale. In that case, the Customer would also need to purchase Maintenance Services for the scale. If a customer refuses to obtain Complete System Coverage, Quadiant may terminate the Maintenance Services on any Product that is otherwise covered by such Maintenance Services.

**ACCESS TO PRODUCTS:** Customer shall allow Quadiant full and free access to the Products and the use of necessary data communications facilities and equipment at no charge to Quadiant.

**PRODUCT MODIFICATIONS:** Customer shall not cause modifications or interconnections to be made, or accessories, attachments, or features to be added to the Products without Quadiant's prior written approval.

#### **WHAT ELSE DO I NEED TO KNOW?**

**Quadiant may terminate the Maintenance Services, upon written notice to Customer, if:**

- **Customer defaults on any payment due under this Agreement;**
- **The Products exceed the maximum monthly or lifetime cycle counts for such Products;**
- **The Products are modified, damaged, altered or serviced by personnel other than the Quadiant Authorized Personnel;**
- **Parts, accessories, consumables, supplies, or components not meeting machine specifications are used with the Products;**
- **Customer refuses to obtain Complete System Coverage;**
- **Any services are necessary because Customer has done (or failed to do) something that requires the performance of an Excluded Service;**
- **Customer decides not to proceed with any Reconditioning that is deemed necessary by Quadiant.**

**Furthermore, if the Products are being leased, this Agreement shall automatically terminate as to any Products covered by the lease on the date such lease expires or is terminated.**

**\*\*Click [HERE](#) for recommended monthly volume limits.**



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Because connections matter.

## **Exhibit E**

### **Quadient, Inc. Office Locations**

District Name: Quadient Inc. - Corporate Office  
District Address: 478 Wheelers Farms Rd., Milford, CT 06461

District Name: Quadient Leasing USA, Inc.  
District Address: 478 Wheelers Farms Rd., Milford, CT 06461

District Name: Quadient Finance USA, Inc.  
District Address: 478 Wheelers Farms Rd., Milford, CT 06461

### **Quadient, Authorized Dealers (Subcontractors)**

Dealer Name: Addco Office Systems, Inc.  
Dealer Address: 2621 Overland Ave., Ste. B, Billings, Montana 59102 Single Point of  
Contact: Kent Nauman  
Phone Number: (406) 651-9454  
Fax Number: (406) 651-0026  
Email address: kent@addcomt.com

Dealer Name: Mailing Systems Plus More  
Dealer Address: 219 12th Ave., Helena, MT 59601  
Single Point of Contact: Bill Kearney  
Phone Number: (866) 866-8751  
Email address: maspmbk@aol.com