

**WHATCOM COUNTY CONTRACT  
INFORMATION SHEET**

Whatcom County Contract No. \_\_\_\_\_

Originating Department:	AS - Information Technology
Division/Program: (i.e. Dept. Division and Program)	IT - Countywide Mail Services
Contract or Grant Administrator:	Perry Rice
Contractor's / Agency Name:	Pitney Bowes

Is this a New Contract? If not, is this an Amendment or Renewal to an Existing Contract? Yes  No    
 Yes  No  If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: \_\_\_\_\_

Does contract require Council Approval? Yes  No  If No, include WCC: \_\_\_\_\_   
 Already approved? Council Approved Date: \_\_\_\_\_ (Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)

Is this a grant agreement? Yes  No  If yes, grantor agency contract number(s): \_\_\_\_\_ CFDA#: \_\_\_\_\_

Is this contract grant funded? Yes  No  If yes, Whatcom County grant contract number(s): \_\_\_\_\_

Is this contract the result of a RFP or Bid process? Yes  No  If yes, RFP and Bid number(s): \_\_\_\_\_ Contract \_\_\_\_\_   
 Cost Center: 507410.6860

Is this agreement excluded from E-Verify? No  Yes  If no, include Attachment D Contractor Declaration form.

If YES, indicate exclusion(s) below:

- Professional services agreement for certified/licensed professional.  Goods and services provided due to an emergency
- Contract work is for less than \$100,000.  Contract for Commercial off the shelf items (COTS).
- Contract work is for less than 120 days.  Work related subcontract less than \$25,000.
- Interlocal Agreement (between Governments).  Public Works - Local Agency/Federally Funded FHWA.

Contract Amount:(sum of original contract amount and any prior amendments):

\$ 848.12 x 12 months = \$10,177.45 per year (\$50,887.25)

This Amendment Amount:

\$ \_\_\_\_\_

Total Amended Amount:

\$ \_\_\_\_\_

Summary of Scope:




Council approval required for; all property leases, contracts or bid awards exceeding \$40,000, and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, **except when:**

1. Exercising an option contained in a contract previously approved by the council.
2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance.
3. Bid or award is for supplies.
4. Equipment is included in Exhibit "B" of the Budget Ordinance.
5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.

Request authorization for the County Executive to enter into a five year lease agreement, using ADSP016-00006328 and Washington State Contract # 05516, between Whatcom County and Pitney Bowes for a new Pitney Bowes Connect+ SendPro mail system, in the amount of \$50,887.25.

Term of Contract: 5 Years

Expiration Date: 12/31/2025

Contract Routing:	1. Prepared by: Tami Gee-Hardy	Date: 8/21/2020
	2. Attorney signoff: 	Date: 9/11/2020
	3. AS Finance reviewed: 	Date: 8/20/2020
	4. IT reviewed (if IT related): 	Date: 8/21/2020
	5. Contractor signed: _____	Date: _____
	6. Submitted to Exec.: _____	Date: _____
	7. Council approved (if necessary): _____	Date: _____
	8. Executive signed: _____	Date: _____
	9. Original to Council: _____	Date: _____

WHATCOM COUNTY:

Recommended for Approval:

R. J. R. 8/21/2020  
IT Manager Date

Approved as to form:

[Signature] 9/1/2020  
Prosecuting Attorney Date



1	M9SS	Mailstream Intellilink Services
1	ME1D	Meter Equipment - P Series, HV
1	MSD2	15" Color Touch Display
1	MSPS	SendPro P Series Power Stacker
1	MT70	Platform Scale 70 LB / 35 KG
1	MW90650	Tape Moistener Asmbly Connect+ 3000 Mono
1	NV10	InView TMR Web Acct Bundle Single only
1	NV90	InView Subscription
1	NVMA	InView Dashboard - Single Meter
1	PTJ1	SendPro Online
1	PTJN	Single User Access
1	PTJR	50 User Access with Hardware or Meter
1	PTK1	Web Browser Integration
1	PTK3	SendPro P Series Meter Integration
1	SBDS	Barcode Scanner
1	SJM3	SoftGuard for SendPro P3000
1	STDSLA	Standard SLA-Equipment Service Agreement (for SendPro P Series)
1	T6CS	Receiving - Standard

**Your Payment Plan**

<b>Initial Term: 60 months</b>	<b>Initial Payment Amount:</b>	
<b>Number of Months</b>	<b>Monthly Amount</b>	<b>Billed Quarterly at*</b>
60	\$ 780.24	\$ 2,340.72

- Tax Exempt Certificate Attached
- Tax Exempt Certificate Not Required
- Purchase Power® transaction fees included
- Purchase Power® transaction fees extra

\*Does not include any applicable sales, use, or property taxes which will be billed separately.

**Your Signature Below**

By signing below, you agree to be bound by your State's/Entity's/Cooperative's contract, which is available at <http://www.pb.com/states> and is incorporated by reference. The terms and conditions of this contract will govern this transaction and be binding on us after we have completed our credit and documentation approval process and have signed below.

NASPO VALUEPOINT ADSP016-169897; 05516  
State/Entity's Contract#

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Lessee Signature

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Print Name

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Title

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Date

---

Email Address

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*Roger Donohue*

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Pitney Bowes Signature  
Roger Donohue

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Print Name  
Operations Manager

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Title  
September 2, 2020

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Date

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**Sales Information**

Doug Macdonald	doug.macdonald@pb.com	
Account Rep Name	Email Address	PBGFS Acceptance

**Pricing Plan for the NASPO ValuePoint Term Rental (Installment Purchase) Lease Terms and Conditions is as follows:**

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

Monthly Rate Factors:

<u>Term:</u>	<u>Lease Rate:</u>
36	.0326
48	.0257
60	.0216

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

For further clarification a 36 month lease based on a \$10,000 equipment order the Quarterly payment would equal a \$326.00 monthly equipment lease payment multiplied by 3 months equaling a \$978 Quarterly lease payment. Applicable quarterly cost of service maintenance for years 2 thru end of initial term, quarterly Equipment rental, Meter Services, and value based services fees, plus any taxes, if applicable, would be added to the Quarterly payment.

**L1. DEFINITIONS**

**L1.1** The following terms mean:

**"Agreement"** - the Order, your State's Participating Addendum, the NASPO ValuePoint Master Agreement ADSP016-169897, these terms and conditions, and any attached exhibits.  
**"Bank"** - The Pitney Bowes Bank, Inc.  
**"Consumable Supplies"** - ink, ink rollers, printheads, toner and drum cartridges, ribbons and similar items. Product-specific consumable supplies are identified in the product operator guide.  
**"Covered Equipment"** - the equipment rented or sold to you from PBGFS or PBI that is covered by the SLA as stated on the Order. Covered Equipment does not include any Meter, Usage-based Equipment, or any standalone software, and SendKit equipment.  
**"Delivery Date"** - the date the Equipment or other item is delivered to your location.  
**"Effective Date"** - the date the Order is received by us.  
**"Equipment"** - the equipment listed on the Order, excluding any Meter, and any standalone software and SendKit equipment.  
**"Initial Term"** - the lease period listed on the Order  
**"Install Date"** - the date the Equipment or other item is installed at your location.  
**"Meter"** - any postage meter supplied by PBI under the Order, including (i) in the case of a Connect+™ or SendPro™ P or C series mailing system, the postal security device that accounts for and enables postage to be purchased and printed ("PSD") and (ii) in the case of all other mailing systems, the PSD, the user interface or keyboard and display and the print engine.  
**"Meter Services"** means access to the PSD to download, account for, and enable printing of postage within a PBI Postage Evidencing System as defined in Title 39, Part 501 of the Code of Federal Regulations ("CFR"); USPS mandated processes associated with the PSD, including registration, usage reporting and withdrawal; repair or replacement of the PSD as described in Section 2.6 of the Equipment Rental and Meter Services Terms and Conditions; and the Softguard Program outlined in Section 2.5 of the Equipment Rental and Meter Services Terms and Conditions.  
**"Lease"** - the Order and this NASPO ValuePoint Term Rental (Installment Purchase) Lease Terms and Conditions.  
**"Maintenance Service"** - the maintenance service for the Covered Equipment selected by you on the Order, excluding software maintenance.  
**"Master Agreement"** - NASPO ValuePoint Master Agreement ADSP016-169897 Mail Room Equipment, Services and Maintenance contract administered by the State of Arizona and shall consist of: the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by

us, our responses to any requests for clarifications and/or our best and final offer.

**"NASPO ValuePoint"** - NASPO ValuePoint Cooperative Purchasing Organization LLC, a wholly owned subsidiary of National Association of State Procurement Officials (NASPO).  
**"Order"** - the executed agreement between the applicable Pitney Bowes company and you for the Equipment.  
**"PBGFS"** - Pitney Bowes Global Financial Services LLC or a wholly-owned subsidiary of Pitney Bowes Inc.  
**"PBI"** - Pitney Bowes Inc.  
**"Pitney Bowes"** - PBI, PBGFS and their respective subsidiaries.  
**"Postage Equipment Rental and Meter Services Agreement"** - an agreement governing Equipment rental and Meter Services you enter into with us.  
**"SLA"** - the Service Level Agreement.  
**"SLMA"** - a Software License and Maintenance Agreement you enter into with us  
**"SOW"** - a Statement of Work you enter into with us.  
**"State Participating Addendum"** the bilateral agreement executed by us and your participating state incorporating the Master Agreement.  
**"Usage-based Equipment"** - equipment for which charges are based on volume of use  
**"USPS"** - the United States Postal Service.  
**"We," "Our," or "Us"** - the Pitney Bowes company with whom you've entered into the Order.  
**"You," "Your," "Lessee," or "Customer"** - the entity identified on the Order.

**L2. AGREEMENT**

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



### L3. PAYMENT TERMS

- L3.1 We will invoice you in arrears each month for all payments on the Order (each, a "Quarterly Payment"), except as provided in any SOW attached to this Order. You will make each Quarterly Payment by the due date shown on our invoice.
- L3.2 Your Quarterly Payment may include an origination fee, amounts carried over from a previous unexpired lease, SLMA fees and other charges.
- L3.3 Any Meter Services fees, SLA fees, and subscription fees (collectively "PBI Payments"), will be included with your Quarterly Payment and begin with the start of the Lease Term (as defined below). After the Initial Term, your Quarterly Payment will increase if your PBI Payments increase.
- L3.4 Your obligations, including your obligation to pay the Quarterly Payments due in any fiscal year during the term of this Agreement, shall constitute a current expense for such fiscal year and shall not constitute Indebtedness within the meaning of the constitution and laws of the state in which you are located. Nothing herein shall constitute a pledge by you of any taxes or other moneys (other than moneys lawfully appropriated from time to time by or for your benefit for this Agreement) to the payment of any Total Payment due under this Agreement.

### L4. EQUIPMENT OWNERSHIP

- L4.1 PBI owns any Meter. Title to the Equipment shall pass to you upon installation. However, you and we agree that title shall automatically revert to us in the event of default, or termination due to your non-appropriation under Section L10.

### L5. TERM

- L5.1 This Agreement shall commence on the date of delivery and shall continue until the earlier of (i) termination at our option upon the occurrence of an event of default, or (ii) the occurrence of an event of a non-appropriation under Section L10, or (iii) the expiration of the Term and your payment of all Quarterly Payments and other sums due and your fulfillment of all other obligations under this Agreement.

### L6. SURRENDER OF EQUIPMENT

- L6.1 If you default, or terminate this Agreement by non-appropriation under Section L10, you, at your expense, shall return all Equipment by delivering it to us in the same condition as when delivered to you, reasonable wear and tear excepted, to such place or on board such carrier, packed for shipping, as we may specify. Until the Equipment is returned as required above, all terms of this Agreement remain in effect including, without limitation, your obligations to make payments relating to your continued use of the Equipment and to insure the Equipment.

### L7. WARRANTY AND LIMITATION OF LIABILITY

- L7.1 PBGFS AND THE BANK MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT.
- L7.2 PBGFS AND THE BANK ARE NOT LIABLE FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), OR EXPENSE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT.
- L7.3 PBI provides you with the warranty as provided in the Master Agreement and as follows:
- (a) PBI warrants that the Equipment will be free from defects in material and workmanship and will perform according to the equipment user guide for a period of one year (360) days from the date of acceptance (the "Warranty Period").
- (b) PBI warrants that the Maintenance Service provided will be performed in a professional and workmanlike manner.
- (c) Your remedy in the event of any warranty claim is as provided within the Master Agreement.
- (d) A "defect" does not include the failure of rates within a rate update to conform to published rates.
- (e) There is no warranty for Equipment requiring repair or replacement because of your negligence, usage which exceeds PBI's recommendations, damage in transit, virus contamination or loss of data, misuse, external forces, loss or fluctuation of power, fire, flood, or other natural causes, or service by anyone other than PBI. There is no warranty for Equipment arising from the use of third party supplies (such as ink) that results in: (i) damage to PBI

Equipment; (ii) poor indicia, text, or image print quality; (iii) indicia readability failures; or (iv) a failure to print indicia, text, or images.

(f) The print engine(s), print engine components, structural components and printed circuit board assemblies supplied with the PBI Equipment may be reclaimed, reconditioned or remanufactured. Any such item is warranted to perform according to the same standards as the equivalent new item.

(g) The warranty does not cover Consumable Supplies.

### L8. EQUIPMENT OBLIGATIONS

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

### L9. RISK OF LOSS

- L9.1 Risk of Loss.
- (a) You bear the entire risk of loss to the Equipment from the date of delivery by PBI until the Equipment is returned to, and received by, us, regardless of cause, ordinary wear and tear excepted ("Loss").
- (b) No Loss will relieve you of any of your obligations under this Lease. You must immediately notify us in writing of any Loss.
- (c) To protect the equipment from loss, you will either (i) keep the Equipment insured against Loss for its full replacement value under a comprehensive policy of insurance or other arrangement with an insurer of your choice, provided that it is reasonably satisfactory to us ("Insurance")
- (d) YOU MUST CALL US AT 1-800-732-7222 AND PROVIDE US WITH EVIDENCE OF INSURANCE.

### L10. NON-APPROPRIATION

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

### L11. REPRESENTATIONS

- L11.1 You hereby represent and warrant that (a) you are a state or political subdivision thereof within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code"); and (b) you have the power and authority under applicable law to enter into this Agreement and you have been duly authorized to execute and deliver this Agreement and carry out your obligations hereunder. You acknowledge that a portion of each Quarterly Payment you shall pay includes interest and that this Agreement is entered into based on the assumption that the interest portion of each Quarterly Payment is not includable in gross income of the owner thereof for Federal income tax purposes under Section 103(a) of the Code. You shall, at all times, do and perform all acts and things necessary and within your control in order to assure that such interest component shall be so excluded. If any interest is determined not to be excludible from gross income, your Quarterly Payment shall be adjusted in an amount sufficient to maintain our original after tax yield utilizing our consolidated marginal tax rate, which adjusted Quarterly Payments you agree to pay as provided in this Agreement, subject to Section L10. The rate at which the interest portion of Quarterly Payments is calculated is not intended to exceed the maximum rate or amount of interest permitted by applicable law. If such interest portion exceeds such maximum, then at our option, if permitted by law, the interest portion will be reduced to the legally permitted maximum amount of interest, and any excess will be used to reduce the principal amount of your obligation or be refunded to you. You shall not do (or cause to be done) any act which will cause, or by omission of any act allow, this Agreement to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or a "private activity bond" within the meaning of Section 141(a) of the Code. At the time of your execution of this Agreement, you shall provide us with a properly prepared and executed copy of the appropriate US Treasury Form 8038-G or 8038-GC and you appoint us as your agent for the purpose of maintaining a registration system as required by Section 149(a) of the Code. This Section shall survive the termination of this Agreement.

**L12. MISCELLANEOUS**

- L12.1 If more than one lessee is named in this Lease, liability is joint and several.
- L12.2 YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT, THE METER OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH WILL NOT BE UNREASONABLY WITHHELD.
- L12.3 We may sell, or assign all or any part of this Lease or the Equipment. Any sale or assignment will not affect your rights or obligations under this Agreement.
- L12.4 All applicable taxes required to be collected by us will be shown on the invoice.
- L12.5 Any Meter used by you under this Agreement is subject to the applicable USPS regulations and meter terms and conditions as may be provided by PBI
- L12.6 Our Equipment may contain embedded software. You agree: (i) that PBI and its licensors own the copyrights and other intellectual property in and to the embedded software; (ii) that you do not acquire any right, title or interest in or to the embedded software; (iii) only to use the embedded software with our Equipment in which the embedded software resides; (iv) that you may not copy the embedded software; (v) that you may neither modify nor create derivative works of the embedded software (vi) that you may neither distribute nor disclose the embedded software (or

any portion thereof) to any other person; (vii) that you may not translate, de-compile, disassemble, or otherwise attempt to unbundle, reverse engineer or create derivative works of the embedded software, except as permitted by applicable law; and (viii) that you may not export the embedded software in contravention of applicable export control laws. The embedded software contains third party software. Notwithstanding the above, this section does not modify any terms that may accompany such third party software.

- L12.7 If there is a conflict between any of the terms and conditions in this Agreement, your State's Participating Addendum and the Master Agreement ADSP016-169897, this Agreement shall prevail.
- L 12.8 The Connect+ and SendPro P or C Series mailing system may use an internet access point (e.g., wireless router) provided by us. You may only use this access point for connectivity between the Connect+ and SendPro P or C Series mailing system and the internet and for no other purpose. You agree to pay all costs associated with use of the access point in violation of this restriction
- L12.9 We will provide you with a welcome letter by email.



**PARTICIPATING ADDENDUM  
NASPO ValuePoint**

**MAILROOM EQUIPMENT, SUPPLIES AND MAINTENANCE**

Administered by the State of Arizona (hereinafter "Lead State")

**MASTER AGREEMENT**

**Master Agreement No: ADSP016-169897**

**Pitney Bowes Inc.**  
(hereinafter "Contractor")

and

**State of Washington**  
(hereinafter "Participating State")

**Washington Master Contract No.: 05516**

This Participating Addendum for the above referenced NASPO ValuePoint Master Agreement ("Participating Addendum") is made and entered into by and between the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency ("Enterprise Services") and Pitney Bowes Inc., a Delaware Corporation ("Contractor") and is dated and effective as of October 12, 2017.

1. **SCOPE:** This Participating Addendum covers the NASPO ValuePoint Mailroom Equipment, Supplies and Maintenance led by the State of Arizona for use by state agencies and other entities located in the Participating State authorized by that state's statutes to utilize state contracts with the prior approval of the State's chief procurement official.
2. **PARTICIPATION:** Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state contracts are subject to the prior approval of the respective State chief procurement official. Issues of interpretation and eligibility for participation are solely within the authority of the State chief procurement official. Pursuant to this Participating Addendum, the Master Agreement may be utilized by the following ("Purchasing Entities"):
  - (a) **WASHINGTON STATE AGENCIES.** Washington state agencies, departments, offices, divisions, boards, and commission; and any the following institutions of higher education in Washington: state universities, regional universities, state college, community colleges, and technical colleges.
  - (b) **MCUA PARTIES.** The Participating Addendum also may be utilized by any of the following types of entities that have executed a Master Contract Usage Agreement (MCUA) with Enterprise Services:
    - Political subdivisions (e.g., counties, cities, school districts, public utility districts);
    - Federal governmental agencies or entities;

- Public-benefit nonprofit corporations (i.e., § 501(c) (3) nonprofit corporations that receive federal, state, or local funding) with vendor's commercial lease agreement; and
- Federally-recognized Indian Tribes located in the State of Washington.

**3. PARTICIPATING STATE MODIFICATIONS OR ADDITIONS TO MASTER AGREEMENT:**

**3.1. WASHINGTON'S ELECTRONIC BUSINESS SOLUTIONS (WEBS) SYSTEM:** Within seven (7) days of execution of this Participating Addendum, Contractor shall register in the Washington State Department of Enterprise Services' Electronic Business Solutions (WEBS) System at <https://fortress.wa.gov/ea/webcus/home.html>. Contractor shall ensure that all of its information therein is current and accurate and that, throughout the term of the Master Agreement, Contractor shall maintain an accurate profile in WEBS.

**3.2. WASHINGTON'S STATEWIDE PAYEE DESK:** To be paid for contract sales, Contractors must register with Washington's Statewide Payee Desk. Washington state agencies cannot make payments to a contractor until it is registered. Registration materials are available here: [Receiving Payment from the State](#).

**3.3. CONTRACT SALES REPORTING.** Contractor shall report total contract sales quarterly to Enterprise Services, as set forth below.

(a) **REPORTING.** Contractor shall report quarterly Contract sales in Enterprise Services' [Contract Sales Reporting System](#). Enterprise Services will provide Contractor with a login password and a vendor number.

(b) **DATA.** Each sales report must identify every authorized Purchasing Entity by name as it is known to Enterprise Services and its total combined sales amount invoiced during the reporting period (i.e., sales of an entire agency or political subdivision, not its individual subsections). The "Miscellaneous" option may be used only with prior approval by Enterprise Services. Upon request, Contractor shall provide contact information for all authorized Purchasing Entities specified herein during the term of this Participating Addendum. Refer sales reporting questions to the Primary Contact set forth below. If there are no contract sales during the reporting period, Contractor must report zero sales.

(c) **DUE DATES FOR CONTRACT SALES REPORTING.** Quarterly Contract Sales Reports must be submitted electronically by the following deadlines for all sales invoiced during the applicable calendar quarter:

For Calendar Quarter Ending	Contract Sales Report Due
March 31	April 30
June 30	July 31
September 30	October 31
December 31	January 31

**3.4. VENDOR MANAGEMENT FEE:** Contractor shall pay to Enterprise Services a vendor management fee ("VMF") of 1.5 percent on the purchase price for all contract sales (the purchase price less any returns, credits or adjustments and applicable sales tax).

(a) The sum owed by Contractor to Enterprise Services as a result of the VMF is calculated

as follows:

Amount owed to Enterprise Services = Total contract sales invoiced (not including sales tax, returns, credits or adjustments) x .0150.

- (b) The Contractor's pricing to the State shall be adjusted to offset for the equivalent fee amount. The VMF must not be shown as a separate line item on any invoice unless specifically requested and approved by Enterprise Services.
- (c) Enterprise Services will invoice Contractor quarterly based on net contract sales reported by Contractor. Contractor shall not remit payment until it receives an invoice from Enterprise Services. Contractor's VMF payment to Enterprise Services must reference the following:
  - This Washington Master Contract No.: 05516
  - The NASPO Master Agreement No.: ADSP016-169897
  - The year and quarter for which the VMF is being remitted, and
  - Contractor's name as set forth in this Contract, if not already included on the face of the check.
- (d) Contractor's failure accurately and timely to report total net sales, to submit usage reports, or remit payment of the VMF to Enterprise Services, may be cause for suspension or termination of this Participating Addendum or the exercise of any other remedies as provided by law.
- (e) Enterprise Services reserves the right, upon thirty (30) days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases.
- (f) Any increase or reduction of the management fee must be reflected in contract pricing commensurate with the adjustment.

3.5. **CONTRACTOR REPRESENTATIONS AND WARRANTIES.** Contractor makes each of the following representations and warranties as of the effective date of this Participating Addendum and at the time any order is placed pursuant to the Participating Addendum. If, at the time of any such order, Contractor cannot make such representations and warranties, Contractor shall not process any orders and shall, within three (3) business days notify Enterprise Services, in writing, of such breach.

- (a) **WAGE VIOLATIONS.** Contractor represents and warrants that, during the term of this Participating Addendum and the three (3) year period immediately preceding the award of the Participating Addendum, it is not determined, by a final and binding citation and notice of assessment issued by the Washington Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction, to be in willful violation of any provision of Washington state wage laws set forth in RCW chapters 49.46, 49.48, or 49.52.
- (b) **PAY EQUALITY.** Contractor represents and warrants that, as required by Washington state law (Laws of 2017, Chap. 1, § 147), during the term of the Participating Addendum for the time period of July 1, 2017 through June 30, 2019, it agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals. For purposes of this provision, employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether

employees are similarly employed. Contractor may allow differentials in compensation for its workers based in good faith on any of the following: a seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels. A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential. A bona fide regional difference in compensation level must be consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential. Notwithstanding any provision to the contrary, upon breach of warranty and Contractor's failure to provide satisfactory evidence of compliance within thirty (30) days, Enterprise Services may suspend or terminate this Participating Addendum and Master Contract and any Purchaser hereunder similarly may suspend or terminate its use of the Participating Addendum and/or any agreement entered into pursuant to this Participating Addendum.

- 3.6. **COMPLIANCE WITH LAW; TAXES, LICENSES, & REGISTRATION:** Contractor shall comply with all applicable law. Contractor shall register to conduct business in the State of Washington and promptly acquire and maintain all necessary licenses and registrations and pay all applicable taxes and fees. In addition, for all sales to purchasers in the State of Washington, Contractor shall calculate, collect, and remit, as appropriate, the applicable state and local sales tax on all invoices.

#### 4. MODIFICATIONS OR ADDITIONS TO THE MASTER AGREEMENT

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

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

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

- 4.1 **SOFTWARE LICENSE TERMS AND CONDITIONS:** Software license terms and conditions shall be mutually agreed upon in writing by the purchasing entity's authorized individual and Pitney Bowes Inc. List of Software Licenses offered may be found on the Contractor's page on the the NASPO ValuePoint website.
- 4.2 **POSTAGE METER:** All purchasing entities requiring the use of a Postage Meter will comply with all United States Postal Service regulations and meter terms and conditions applicable to the rental and use of postage meters supplied under this participating addendum as provided by the Contractor and available on the Contractor's page on the NASPO ValuePoint website.
- 4.3 **LEASE AGREEMENTS:** Equipment Lease and Rental Agreements are authorized in accordance with the terms of NASPO ValuePoint Master Price Agreement number ADSP016-169897. Master Price Agreement number ADSP016-169897 reflects the lease and/or rental options Participating State/Entity has agreed to use. Any underlying leases to this agreement will remain in full force and effect throughout the stated lease term of such lease agreement, subject to termination provisions stipulated with such lease.

(a) Pitney Bowes Global Financial Services LLC "GFS" Term Rental (Installment Purchase) – Option A, State & Local Rental – Option B, and State & Local Fair Market Value Lease – Option C pursuant to Sections 3.15 and 3.16, respectively and its terms and conditions are offered for lease transaction for the SMB Product line specifically listed on the NASPO ValuePoint website.

(b) For the Pitney Bowes DMT product line and related services (as described in tabs on the Price Attachments C-1 and C-2 to the Agreement ("Folders-Inserters Production, Inserters-Production, Pre-sorting Equipment Production and Software License and Subscriptions applicable to DMT Production Mail Equipment")) (the "DMT Product Line") leases may be available in an applicable State through three third party lending companies, . The preferred lending company is PNC Equipment Finance. The two alternative lending companies are IBM Credit LLC and Municipal Asset Management, Inc. The terms and conditions of the (i) Municipal Master Lease Purchase Agreement or the Muni Short Form FMV lease [PNC], (ii) a Lease/Purchase Master Agreement for State and Local Government, [IBM] and (iii) a Tax Exempt Lease/Purchase Agreement and a Rental Agreement [MAM] lease (together the "DMT Leases"), as such may be available in this State, and have been included with this Participating Addenda. Pricing by third party leasing companies for DMT Leases to be provided.

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

(d) Sales and Purchase Tax will be charged, if required by law.

5. **PRIMARY CONTACTS:** The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor	Participating State
Pitney Bowes Inc. 3001 Summer Street Stamford, CT 06926	State of Washington Department of Enterprise Services Contracts, Procurement and Risk Mgmt. P.O. Box 41411 Olympia, WA 98504-1411
Attn: Bill Walter Tel: (480) 206-2984 Email: <a href="mailto:Bill.walter@pb.com">Bill.walter@pb.com</a>	Attn: Breann Aggers Tel: (360) 407-9416 Email: <a href="mailto:Breann.aggers@des.wa.gov">Breann.aggers@des.wa.gov</a>

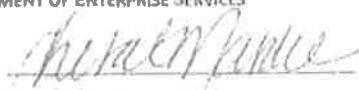
6. **SUBCONTRACTORS:** All Contractor's Dealer's and Reseller's authorized in the State of Washington, as shown on the dedicated Contractor NASPO ValuePoint website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The Contractor's Dealer's and Reseller's participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
7. **ORDERS:** Unless the parties to the Order agree in writing that another contract or agreement applies to such order, any Order placed by a Participating Entity or Purchasing Entity for a Product and/or Service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions of) the Master Agreement as conditioned by this Participating Addendum. All purchase orders issued by Purchasing Entities within the jurisdiction of this Participating Addendum shall include the Participating State/Entity's contract number: 05516 and the Lead State price agreement number: ADSP016-169897.
8. **RISK OF LOSS:** The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt provided, however, that the State shall be deemed to have accepted a product as to which it doesn't indicate nonconformity within sixty (60) days of the delivery of the product.
9. **GENERAL:**
- (a) **INTEGRATED AGREEMENT; MODIFICATION.** This Participating Addendum and Master Agreement, together with its exhibits, set forth the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations and representations. This Participating Addendum may not be modified except in writing signed by the Parties. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Participating Addendum and the Price Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms within the Participating State/Entity.



- (b) **AUTHORITY.** Each party to this Participating Addendum, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Participating Addendum and that its execution, delivery, and performance of this Participating Addendum has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- (c) **ELECTRONIC SIGNATURES.** A signed copy of this Participating Addendum or any other ancillary agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Participating Addendum or such other ancillary agreement for all purposes.
- (d) **COUNTERPARTS.** This Participating Addendum may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Participating Addendum at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Participating Addendum.

EXECUTED as of the date and year first above written.

STATE OF WASHINGTON  
DEPARTMENT OF ENTERPRISE SERVICES

By:   
Cheral Manke

Its: 

PITNEY BOWES INC.,  
A DELAWARE CORPORATION

By:   
Arthur F. Adams, Jr

Its: Director, Government Contract  
Compliance