

neopost

N 11/2/12

MailFinance Lease Agreement
For use with all Neopost Products

Dealer Number 939, Dealer Name Neopost New England, Phone Number (860) 276-0276, Date Submitted 12-20-11

Section (A) Billing Information
Town of Canton
Company Name (Full Legal Name)
DBA
Mailing Address PO Box 168
City State Zip+4 Collinsville CT 06022
County
Contact Name JoAnn Martin
Email Address jmartin@townofcanton.org
Phone Number (860) 693-7820
Fax Number
Purchase Order #
Tax Exempt? (Exemption Certificate is required if Yes)

Section (B) Installation Information (if different from billing information)
Town of Canton
Company Name (Full Legal Name)
DBA
Installation Address 4 Market Street
City State Zip+4 Collinsville CT 06022
County
Contact Name JoAnn Martin
Email Address jmartin@townofcanton.org
Phone Number (860) 693-7820
Fax Number
Main Post Office Zip+4 147415
Use my existing POC Account Number

Section (C) Products
Table with 3 columns: Quantity, Model / Part Number, Description
1 IM440BWPS (MS02L) WJ Mid-Volume Upgrades: IM440 w/5 lb W/P. FastFwd Compatible
1 IMWP5DW IM420 & IM440 5lb. Differential Weighing

Section (D) Payment Information
Table with 4 columns: Number of Months, Monthly Payment (Plus applicable taxes), Billing frequency
First 63 \$149.23 Quarterly

Section (E) ACH Direct Debit (for lease payments only)
Bank Name
Bank Contact Name
Bank Routing Number
Bank Account Number

- Section (F) Services (check all that apply)
[checked] Neopost iMeter™ / Postage Meter Rental
[ ] neoFunds Postage Management
[checked] Online Advantage
[checked] Online Postal Rates iMeter™ App
[ ] Online Postal Expense Management iMeter™ App
[ ] Online USPS® E-Services iMeter™ App
[ ] Online E-Services with Electronic Return Receipt iMeter™ App
[ ] Rate Change Protection Contract (for external scales only)
[ ] SoftwareCare/Software Advantage (for shipping & accounting applications)
[checked] Maintenance (Provided by your authorized Neopost dealer)

Please attach a blank voided check. Deposit slips not accepted.

Section (G) Approval
This document consists of a Product Lease ("Lease") with MailFinance Inc.; and/or a Postage Meter Rental Agreement ("Rental Agreement") and an Online Services and Software Agreement with Neopost USA Inc.; and a neoFunds Account Agreement with Mailroom Finance, Inc. Your signature constitutes an offer to enter into the Lease and, if applicable, the other agreements, and acknowledges that you have received, read, and agree to all applicable terms and conditions (versions D-03-11), which are also available at http://www.neopostinc.com/terms/Dealer-Lease-03-11.pdf, and that you are authorized to sign the agreements on behalf of the customer identified above. The applicable agreements will become binding on the companies identified above only after an authorized individual accepts your offer by signing below, or when the equipment is shipped to you.

Authorized Signature [Signature]
Print Name and Title Robert H. Skinner CAO
Date 12-14-11
MailFinance Accepted By & Date Accepted [Signature]

MailFinance, 478 Wheelers Farms Rd, Milford CT 06461

MF-FL-LEASE Agmt-20 (1031) (PF)

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# neopost<sup>®</sup> TERMS & CONDITIONS

## PRODUCT LEASE

In this Product Lease (the "Lease"), the words "You" and "Your" mean the lessee, which is the entity that is identified as the Customer on the order form. "We," "Us" and "Our" mean the lessor, MailFinance Inc. "Supplier" refers to either Neopost USA 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** during the Initial Term (as defined below). You agree to lease from Us the equipment, embedded software, Software, and other products listed on the order form, together with all existing and future accessories, embedded software programs, attachments, replacements, updates, additions and repairs, (collectively the "Products") upon the terms stated herein. For the avoidance of doubt, postage meters for use in mailing machines are excluded from the definition of Products. 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 contained in the Online Services and Software Agreement with 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 on that page, plus all other amounts stated herein. Upon our request, at any time during the term of this Lease, You agree to furnish current financial and other information, including Your tax identification number. This Lease is binding on You as of the date You sign it. This Lease is not binding on Us until We sign it or until the Products are shipped, whichever happens first.

**3. Initial Term; Renewal.** The Initial Term of this Lease will begin on the earlier of either the date the Products are installed or five (5) days after the Products are shipped by the Supplier and will continue for the number of months shown on the order form ("Initial Term"). Unless You notify Us in writing at least ninety (90) days before the end of the Initial Term that You intend to return the Products at the end of the Initial Term, this Lease will automatically renew for periods of one (1) year each (each a "Renewal Period"). 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. You may terminate this Lease at the conclusion of any Renewal Period by giving Us ninety (90) days prior written notice of Your intent to do so. If You notify Us in writing that You intend to terminate the Lease, as set forth above, You shall return the Products pursuant to Section 14 of this Lease.

**4. Payments.** PAYMENTS UNDER THIS LEASE ARE UNCONDITIONAL AND WILL CONTINUE FOR THE ENTIRE TERM OF THIS LEASE, WITHOUT ANY RIGHT TO REDUCTION OR SET-OFF. Lease Payments, plus applicable taxes and other charges provided for herein, are payable in advance periodically as stated on the order form ("Lease Payment"). 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. If We do not receive a payment in full on or before its due date, You shall pay a fee equal to 5% of the amount that is late or the maximum amount allowed by law, whichever is less. In addition, You agree to pay Us Our then-

current fee for checks returned unpaid and for ACH direct debit transactions which are rejected. In addition to the Lease Payment, You agree to pay Us a one-time fee (not to exceed \$100.00) to cover the origination, documentation, processing and certain other costs associated with this Lease. This fee will be included on Your initial invoice from Us.

**5. Buy-Out of Another Obligation.** In the event that We have provided You with money to complete the remaining stream of payments on a lease that You may have with a third party, Your repayment of that amount shall be included as part of Your Lease Payment. You remain solely responsible for the full performance of any commitments that You have made with such third party. You agree that We are not responsible for any difference between the amount that We have provided and any amounts actually due, or claimed to be due, to the third party. In the event that You fail to make all of the Lease Payments set forth on the order form, in addition to any other remedies We may have, You agree to immediately pay Us the unamortized remaining balance of the money given to You to complete the remaining stream of payments on the third party lease.

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

**7. 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 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.

**8. Assignment of Supplier's Warranties.** We hereby assign to You any warranties relating to the Products that We may have received from the Supplier.

**9. 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 POSTAGE METER RENTAL, MAINTENANCE, SERVICE, 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).

**10. 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 14 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

# neopost

## TERMS & CONDITIONS

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. You shall also pay all Our costs in enforcing Our rights under this Lease, including reasonable attorneys' fees and expenses that We incur to take possession, store, repair, or dispose of the Products, as well as any other expenses that We may incur to collect amounts owed to 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.

**11. 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.

**12. Automated Clearinghouse Direct Debit ("ACH").** If You have elected ACH service, You hereby authorize Us to initiate with the depository bank ("Bank") that You have provided to Us a debit of any amounts that become due by You to Us (and/or any of Our affiliates including, but not limited to, Neopost USA Inc., and Mailroom Finance, Inc.) from the specified account. ACH payments shall remain in effect until terminated by the Bank, You, or Us. You must give Us thirty (30) days prior written notice of Your intent to terminate ACH services or any change in Bank account status which would impair Our ability to debit such funds.

**13. Loss; Damage; Insurance.** You shall: (i) bear the risk of loss and damage to the Product(s) for the Initial Term and any Renewal Period; (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, with Us named as sole loss payee thereon ("Insurance"); and (iii) provide Us with evidence of Insurance within thirty (30) days of a request by Us, or a third party acting on our behalf, to do so. You are required to provide Us with sufficient evidence of Insurance within thirty (30) days of the commencement of the Initial Term. If You fail to provide such evidence of Insurance, then We may, at our sole option, protect Our interest in any hardware Product(s) by obtaining insurance on Your behalf via inclusion of such Product(s) in Our MailProtect program. If We obtain such coverage, then You agree that We may charge You the premium for such insurance, as well as our then-current fee for doing so. This charge will be added to Your Lease invoice and You agree to pay this charge according to the terms of this Lease. Refer to Section 13.1 of this Lease for more information regarding Our MailProtect program.

**13.1 MailProtect Program.** If We have included a hardware Product in Our MailProtect program and any covered loss, damage or destruction to such covered Product(s) (a "Loss") occurs and the amount of the Loss is greater than \$100, then We shall (provided You are not in default under this Lease) repair or replace such Product(s) and Your obligations pursuant to this Lease will remain

unchanged. More information regarding Our MailProtect program, including information on Losses that are not covered, is available at [www.neopostinc.com/products/solutions/mailprotect.aspx](http://www.neopostinc.com/products/solutions/mailprotect.aspx). If there is a covered Loss and We fail to repair or replace the affected hardware Product(s) within twenty (20) days of receiving written notice of the covered Loss from You, then You may terminate this Lease; provided that (i) You give us written notice of Your intent to do so; and (ii) We receive such notice within forty-five (45) days of the Loss. The coverage offered through Our MailProtect program may: (i) be more expensive than Insurance that You could obtain on Your own; (ii) be obtained through companies affiliated with Us; and (iii) involve a fee paid to such affiliated companies (which will result in a profit by Us). Once enrolled in the MailProtect program, You may cancel the coverage at any time by providing Us with evidence of Insurance. We reserve the right to discontinue the MailProtect program at anytime.

**14. Return of Products.** You are required to return the Products under this Lease. Upon the termination of this Lease You shall, after receiving an Equipment Return Authorization ("ERA") number from Us, promptly send the Products, at Your expense, to any location(s) that We designate, in addition to paying Us Our then-applicable processing fee. 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.

**15. Indemnification.** You shall indemnify and defend Us against, and hold Us harmless for, any and all claims, actions, damages, liabilities, losses, and costs (including reasonable attorneys' fees) made against or incurred by Us relating to Product Matters (as defined below). Your obligations pursuant to this Section shall survive the termination or expiration of this Lease.

**16. Assignment. YOU SHALL NOT SELL, TRANSFER, ASSIGN, SUBLEASE, PLEDGE OR OTHERWISE ENCUMBER (COLLECTIVELY, "TRANSFER") THE PRODUCTS OR THIS LEASE IN WHOLE OR IN PART.** We may, without notice to You, Transfer Our interests in the Products and/or this Lease, in whole or in part, to a third party. You agree not to assert against the new owner any claim, defense or offset You may have against Us or any predecessor in interest.

**17. Taxes.** You agree to pay for all applicable taxes related to the Products, including taxes related to Your acquisition, possession, and/or use of the Products as well as all property taxes on the Products. Furthermore, You agree to pay the applicable fee to cover Our expenses associated with the administration, billing and tracking of such charges and taxes. In addition, in the event We determine it is reasonable to do so, You hereby authorize Us to pay any such taxes and to include such amount as part of the capitalized amount used to compute Your payment pursuant to this Lease.

**18. Disclaimer of Warranties.** 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

# neopost<sup>®</sup> TERMS & CONDITIONS

PRODUCTS TO YOU "AS IS," "WHERE IS" AND "WITH ALL FAULTS."

**19. 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 TOTAL OF THE AMOUNTS PAID TO US HEREUNDER BY YOU.

**20. Notice.** All notices, requests and other communications hereunder shall be in writing, and shall be addressed to You or Us, as applicable and shall be considered given when (i.) delivered personally, or (ii.) sent by commercial overnight courier with written confirmation of delivery.

**21. Integration.** The Lease 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.

**22. 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.

**23. 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.

**24. Survival of Obligations.** 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.

**25. Arbitration; Choice of Law; Venue; and Attorney's Fees.** Any controversy or claim arising out of or relating to this Lease, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration rules and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. There shall be no class arbitration. The place of arbitration shall be in Hartford County in the State of Connecticut. This Lease shall be governed by and interpreted in accordance with the laws of the State of Connecticut, excluding its conflict of law principles. All fees and expenses shall be borne by the parties equally. However, each party shall bear the expense of its own counsel, experts, witnesses, and preparation of proofs. The prevailing party shall be entitled to an award of reasonable

attorney's fees and costs and the arbitrator(s) shall be authorized to award such amounts.

## POSTAGE METER RENTAL AGREEMENT

**1. Incorporation of Certain Terms.** Customer acknowledges that: (i) it has entered a Product Lease with MailFinance 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 Neopost USA Inc. Sections 13, 14 and 17 through 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. 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. 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 14 of the Lease.

**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.

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**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, MailFinance Inc., and Mailroom Finance, 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. You shall also pay all of Our costs in enforcing Our rights under this Rental Agreement, including reasonable attorneys' fees and expenses that We incur to take possession, store, or repair, the Postage Meter, as well as any other expenses that We may incur to collect amounts owed to Us. These remedies shall be cumulative and not exclusive, and shall be in addition to any and all other remedies available to Us.

## **7. 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 You will receive 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, You will receive 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 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.

## **8. UNITED STATES POSTAL SERVICE ACKNOWLEDGEMENT OF DEPOSIT REQUIREMENT.**

You acknowledge and agree that You have read the United States Postal Service Acknowledgement of Deposit (the "Acknowledgement") and will comply with its terms. The Acknowledgment reads as follows:

### **UNITED STATES POSTAL SERVICE ACKNOWLEDGEMENT OF DEPOSIT.**

1. The meter licensee ("Customer"), hereby acknowledges that it must transfer funds to the United States Postal Service ("Postal Service"), through a lockbox bank ("Lockbox Bank"), for the purpose of pre-payment of postage on computerized meter resetting system ("CMRS")-equipped meters ("Deposit").
2. The Customer may, from time to time, make Deposits in the Lockbox Bank account, identified as: "USPS (Neopost POC)" or "USPS (Hasler TMS)." The Postal Service may, at its discretion, designate itself or a successor as recipient of Deposits by the Customer.
3. Any Deposit made by the Customer shall be credited by the Postal Service only for the payment of postage through CMRS-equipped meters. Such Deposits may be commingled with Deposits of other customers. The Customer shall not be entitled to any interest or other income earned on such Deposits.
4. The Postal Service will provide a refund to the upon its return. The Lockbox Bank will provide a refund to the Customer for Deposits otherwise held by the Postal Service; provided, however, that no refunds will be made for funds remaining in any postage meter that is reported lost or stolen, if it is not recovered within thirty (30) days from the date or such report. Refunds are provided in accordance with the rules and regulations governing deposit of funds for CMRS, published in the Domestic Mail Manual Transition Book or its successor.
5. The Lockbox Bank, which shall collect funds on behalf of the Postal Service, shall provide Us, on each business day, information as to the amount of each deposit made to the Postal Service by Customer.
6. The Meter Company may deposit funds on behalf of the Customer. The Postal Service will make no such advances. Any relationship concerning advances is between the Customer and the Meter Company.

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7. The Customer acknowledges that the terms and conditions of this Acknowledgement may be changed, modified, or revoked by the Postal Service with appropriate notice.
8. Postal Service regulations governing the deposit of funds for CMRS are published in the Domestic Mail Manual Transition Book or its successor. Customer acknowledges that it shall be subject to applicable rules, regulations, and orders, and such additional terms and conditions as may be determined in accordance with applicable law. The Postal Service rules, regulations, and orders shall prevail in the event of any conflict with any other terms and conditions applicable to any Deposit.

## 9. ADDITIONAL UNITED STATES POSTAL SERVICE TERMS.

- A. To the extent that the activities for which the Postal Service is obligated to perform particular functions, those functions will be governed by the USPS Domestic Mail Manual, as may be amended from time to time, or its successor, in effect at the time of the obligation. Specifically, to the extent that the Postal Service provides refunds to customers using postage evidencing devices, the policy and procedure governing the payment of refunds will be conducted in accordance with the Domestic Mail Manual, as amended, in effect at that time.
- B. If the meter is used in any fraudulent or unlawful scheme or enterprise, or is not used for any consecutive 12 month period, or if the Customer takes the meter or allows the meter to be taken outside the United States without proper written permission of the U.S. Postal Service, Washington, DC 20260-6807, or if the Customer otherwise fails to abide by the signs of postal regulations and this Rental Agreement regarding care and use of the meter, that this Agreement and any related postage meter rental may be revoked. The Customer further acknowledges that any use of this meter that fraudulently deprives the U.S. Postal Service of revenue can cause the Customer 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). A false statement in this application or the mailing of matter bearing a fraudulent postage meter imprints are examples of violations of these statutes.
- C. The Customer is 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.
- D. The Customer understands that the rules and regulations regarding use of this postage meter as documented in the USPS Domestic Mail Manual may be updated from time to time by the United States

Postal Service and it is the Customer's obligation to comply with any current or future rules and regulations regarding its use.

## neoFunds/TotalFunds ACCOUNT AGREEMENT

1. **Incorporation of Certain Terms.** You acknowledge that You have entered a Product Lease Agreement with MailFinance Inc. (the "Lease") and a Postage Meter Rental Agreement with Neopost USA Inc. (the "Rental Agreement"). If you have an eligible postage meter, then you will have access to a neoFunds® postage funding account (for Neopost POC accounts) or a TotalFunds® postage funding account (for Hasler TMS accounts) and this neoFunds/TotalFunds Account Agreement ("Account Agreement") shall govern Your use of such account. Any defined terms in the Lease or Rental Agreement shall have the same meanings in this neoFunds Agreement, except that "We," "Us," and "Our," refer to Mailroom Finance, Inc., an affiliate of Neopost USA Inc. Sections 17 through 24 of the Lease are hereby incorporated into this Account Agreement except that any reference in those sections to the "Lease" refers to this Account Agreement.
2. **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. 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.
3. **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") requests a postage meter reset from Neopost USA Inc. using the neoFunds/TotalFunds account, Neopost USA Inc. will notify Us of the amount requested. We will transfer the requested amount 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 neoFunds/TotalFunds 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 neoFunds/TotalFunds Account under the terms and conditions of this Account Agreement. At Our discretion, We may allow You to use the neoFunds/TotalFunds account to pay for office supplies, and other products and services payable by You to Neopost USA. Such charges and applicable fees, if any, are subject to the terms of this Account Agreement.
4. **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

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## TERMS & CONDITIONS

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.

**5. 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, and a fee for any checks that are returned as a result of insufficient funds. Unless prohibited by applicable law, We may charge You and You agree to pay Our fees then in effect for copies of Your monthly statements. All such fees shall be added to Your Account balance.

**6. 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.

**7. 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, Neopost USA 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.

**8. 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, Neopost USA Inc., MailFinance Inc.

**9. Amendments.** We may amend this Account Agreement, or any of its provisions, including without limitation 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.

**10. 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 P.O. Box 30193, Tampa, Florida 33630-3193.

**11. 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 Florida, 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 in a State or Federal Court within the State of Florida.

### ONLINE SERVICES AND SOFTWARE AGREEMENT

**1. Incorporation of Certain Terms.** You acknowledge that You have entered a Product Lease Agreement with MailFinance 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 Neopost USA Inc. Sections 17 through 25 of the Lease are hereby incorporated into this OSS Agreement, except that any reference in those sections to the "Lease" refers 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 will be provided with the Software and may be supplemented by Us or third party licensors, from time to time, by notice to You.

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3. **Use of Websites.** Neopost USA Inc. and/or any of Our affiliates, including, but not limited to, MailFinance Inc. (collectively "Affiliates") 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 in effect at the time You use the Website. Those terms of use 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.