

March 28, 2011

LESSEE NUMBER: 9460776 SCHEDULE: 002

CITY OF LITTLETON  
2255 WEST BERRY AVE  
LITTLETON, CO 80165-0001

We at Pitney Bowes Global Financial Services LLC would like to again thank you for the opportunity to provide you with the valuable benefits of leasing Pitney Bowes equipment through us. This letter is to remind you of your lease obligations to protect our equipment against loss, damage, theft or destruction and to provide us with proof of insurance to satisfy that obligation. You can also satisfy your obligation to protect the equipment through a Pitney Bowes Global Financial Services LLC program called ValueMAX®.

ValueMAX was designed specifically to give you maximum flexibility in deciding how to best provide for protection of this leased equipment.

Here are some of the benefits of ValueMAX:

- No Delays! With ValueMAX we replace or repair the equipment if lost, stolen, damaged or destroyed for any reason including fire, flood, theft - even power surges!
- No forms! There is no need to contact your insurance company. That means no claim forms to fill out, no limits, no deductibles and no headaches. All for a low fee of \$45.00 per quarter. For your convenience, we will include the fee on your lease invoice.\*

Although ValueMAX is not insurance, it frees you from your lease obligation to protect the equipment or to provide us with proof of insurance. If you want the ValueMAX advantage, or do not wish to provide evidence of your own insurance coverage for this equipment, there is nothing further you have to do. The above fee will be included on our invoices to you, and ValueMAX will take effect for this lease upon receipt of your first fee payment.

If you would prefer to satisfy your lease obligation by providing Pitney Bowes Global Financial Services LLC with evidence of full property insurance coverage for your leased equipment, which may be available under your own insurance policy, simply fax the information to 1-203-617-3213. You will need to confirm that, (A) coverage for the leased equipment is effective, (B) coverage includes theft, and (C) your Pitney Bowes Global Financial Services LLC lease number is 9460776-002. WE NEED TO RECEIVE VERIFICATION OF YOUR PROPERTY COVERAGE WITHIN 30 DAYS OF THE DATE OF THIS LETTER TO PREVENT THE BILLING OF A VALUEMAX FEE.

We at Pitney Bowes Global Financial Services value your business and appreciate allowing us the privilege of serving you. Please feel free to call us at 1-800-732-7222 if you have any questions.

Sincerely,  
Pitney Bowes Global Financial Services LLC  
P.O.Box 909, Shelton, CT 06484-0949

\*The ValueMax fee is subject to change based on the applicable program fees in effect at the time.

# PITNEY BOWES GLOBAL FINANCIAL SERVICES STATE & LOCAL FAIR MARKET VALUE LEASE AGREEMENT

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Agreement Number

## Your Business Information

CITY OF LITTLETON

Full Legal Name of Lessee <b>2255 WEST BERRY AVE</b>	DBA Name of Lessee <b>LITTLETON</b>	Tax ID # (FEIN/TIN) <b>CO 80165-0001</b>
Billing Address: Street	City	State Zip+4 <b>21311996868</b>
Billing Contact Name <b>2255 WEST BERRY AVE</b>	Billing Contact Phone # <b>LITTLETON</b>	Billing CAN # <b>CO 80165-0001</b>
Installation Address (If different from billing address): Street	City	State Zip+4 <b>21311996868</b>
Installation Contact Name	Installation Contact Phone #	Installation CAN #
Credit Card #	Name on card	Exp date Type of card

Tax exempt #

State tax (if applicable)

Fiscal period (from - to)

## Your Business Needs

Qty	Business Solution Description
1	Mail Stream Solution - 1
1	Connect+ 2000 Series
1	Connect+ Series Meter
1	130/70 LPM Feature
1	10 lb Interfaced Weighing
1	100 Dept Accounting
1	Color Graphics Printing
1	Connect+ 2000 Color Printer
1	e-Return Receipt Feature
1	Standard Apps Center
1	Connect+ Drop Stacker
1	Confirmation Services Training (DM800/900/1000)
	Additional Items on following page

Check items to be included in customer's payment

### Service Level Agreement

- ☐ Tier 1 - Provides repair and maintenance service for equipment ("Standard SLA")
- ☒ Tier 2 - Provides Standard SLA plus Training and printhead replacement
- ☐ Tier 3 - Provides Tier 2 plus Guaranteed 4 Hour Response Time

☒ Connect+™ Advantage (eligible items are indicated by #)

☐ Software Maintenance (additional terms apply) - Provides revision updates & technical assistance

☒ Soft-Guard® Subscription - Provides postal and carrier updates  
If you do not choose Soft-Guard® protection with your lease, you will automatically receive updates at PBI's current rates.

☒ IntelliLink® Subscription/ Meter Rental - Provides simplified billing and includes postage resets  
(x) Value Based Services  
( ) Purchase Power® credit line

☐ Permit Mail Payment Service - Allows you to consolidate permit postage with metered postage under one account. As a permit mail user, we need USPS forms 6001, 6002, and 6003, along with the Permit Enrollment form, to activate your Permit Mail Payment service.

## Your Payment Plan

Number of months	Monthly amount	Billed Quarterly at*
First 51	\$ 499	\$1,497

\*Does not include any applicable taxes.

- ( ) Required advance check of \$( ) received
- ( ) Tax exempt certificate attached

## Your Signature

You agree to be bound by all the terms and conditions of this Agreement, including those contained on page 2 and those located in the Pitney Bowes Terms (Version 11/10), which are available at [www.pb.com/terms](http://www.pb.com/terms) and are incorporated by reference. The Lease will be binding on PBGFS only after PBGFS has completed its credit and documentation approval process and an authorized PBGFS employee signs below.

Signature: Wendy Neffner Date: 3/28/2011

Print Name: Wendy Neffner Title: City Clerk Email Address: wneffner@littletongov.org

Account Rep: William R. Walter District Office: 030

PBGFS Acceptance

District Office

Agreement Number

CITY OF LITTLETON

Full Legal Name of Lessee	DBA Name of Lessee	Tax ID # (FEIN/TIN)	
2255 WEST BERRY AVE	LITTLETON	CO	80165-0001
Billing Address: Street	City	State	Zip+4
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Billing Contact Name	Billing Contact Phone #	Billing CAN #	
2255 WEST BERRY AVE	LITTLETON	CO	80165-0001
Installation Address (If different from billing address): Street	City	State	Zip+4
		21311996868	
Installation Contact Name	Installation Contact Phone #	Installation CAN #	
Credit Card #	Name on card	Exp date	Type of card
Tax exempt #	State tax (if applicable)	Fiscal period (from - to)	
Your Business Name			

## Your Business Needs

1	Connect+ VBS Training
1	Connect+ VBS Welcome Kit
1	IntelliLink Subscription
1	Differential Weighing for 2 lb, 5 lb, or 10 lb Scale
1	15lb Scale Platform/Stand

## LEASE TERMS AND CONDITIONS

This is a lease with Pitney Bowes Global Financial Services LLC (PBGFS), Pitney Bowes' leasing company. PBGFS provides leasing options to our customers. PBGFS does not warrant, service or otherwise support the equipment. Those services are provided by Pitney Bowes Inc. (PBI) as stated in the Pitney Bowes Terms. Due to federal regulations, only PBI can own an IntelliLink Control Center or Meter. Therefore, those items are rented to you, rather than leased. Unlike the other equipment you may lease from us, you cannot purchase an IntelliLink Control Center or Meter at the end of the Agreement.

### L1. DEFINITIONS

L1.1 All capitalized terms that are not defined in this document are defined in the "Definitions" section of the Pitney Bowes Terms.

### L2. AGREEMENT

L2.1 You are leasing the Equipment listed on the Order. You will make each Monthly Payment by the due date shown on our invoice.

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

L2.3 Our remedies for your failure to pay on time or other defaults are set forth in the "Default and Remedies" section of the Pitney Bowes Terms.

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

### L3. PAYMENT TERMS AND OBLIGATIONS

L3.1 We will invoice you in arrears each month for all payments on the Order (each, a "Monthly Payment"), except as provided in any SOW attached to this Agreement.

L3.2 Your Monthly Payment may include a one-time origination fee, amounts carried over from a previous unexpired lease, and other costs.

L3.3 If you request, your IntelliLink® Control Center/Meter Rental fees, Service Level Agreement fees, and Soft-Guard® payments ("PBI Payments") will be included with your Monthly Payment and begin with the start of the Lease Term. Your Monthly Payment will increase if your PBI Payments increase.

### L4. EQUIPMENT OWNERSHIP

L4.1 We own the Equipment. PBI owns any IntelliLink® Control Center or Meter. Except as stated in Section L6.1, you will not have the right to become the owner at the end of this Agreement.

### L5. LEASE TERM

L5.1 The Lease term is the number of months stated on the Order ("Lease Term").

### L6. END OF LEASE OPTIONS

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

- enter into a new lease with us;
- purchase the Equipment "as is, where is" for fair market value; or
- return the Equipment, IntelliLink Control Center and/or Meter in its original condition, reasonable wear and tear excepted. If you return the Equipment, IntelliLink Control Center and/or Meter, at our option you will either (i) properly pack them and insure them for their full replacement value (unless you are enrolled in the ValueMAX® program) and deliver them aboard a common carrier, freight prepaid, to a destination within the United States that we specify, or (ii) properly pack and return them in the return box and with the shipping label provided by us and, in either case, pay us our then applicable processing fee.

L6.2 If you do not select one of the options in Section L6.1, you shall be deemed to have agreed to enter into successive 12-month annual extensions of the term of this Agreement. You may opt to cease the automatic extensions by providing us with written notice within 120 days (but no less than 30 days or such shorter period as may be contemplated by law) prior to the expiration of the then-current term of this Agreement. Upon cancellation, you agree to either return all items pursuant to Section L6.1(c) or purchase the Equipment.

### L7. WARRANTY AND LIMITATION OF LIABILITY

L7.1 WE (PBGFS) MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR FREEDOM FROM INTERFERENCE OR INFRINGEMENT.

L7.2 PBI provides you with (and we assign to you our rights in) the limited warranty in the Pitney Bowes Terms.

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

### L8. EQUIPMENT OBLIGATIONS

L8.1 Condition and Repairs. You will keep the Equipment free from liens and encumbrances and in good repair, condition, and working order.

L8.2 Inspection. We may inspect the Equipment and any related maintenance records.

L8.3 Location. You may not move the Equipment from the location specified on the Order without our prior written consent.

### L9. RISK OF LOSS AND VALUEMAX® PROGRAM

Because we own the equipment while you lease it from us, we need to make sure it is protected while it is in your possession. You can demonstrate to us that the equipment will be protected either by showing us that your insurance will cover the equipment or by enrolling in our fee-based ValueMAX program. The terms of that program are listed in Section L9.2.

#### L9.1 Risk of Loss.

(a) You bear the entire risk of loss to the Equipment from the date of shipment by PBI until the end of the Lease Term (including any extensions), 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 the occurrence of any Loss.

(c) You will 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"). YOU MUST CALL US AT 1-800-243-9506 AND PROVIDE US WITH EVIDENCE OF INSURANCE.

#### L9.2 ValueMAX Program.

(a) If you do not provide evidence of insurance and have not enrolled in our own program (ValueMAX), we may include the Equipment in the ValueMAX program and charge you a fee, which we will include as an additional charge on your invoice.

(b) We will provide written notification reminding you of your insurance obligations described above in Section L9.1(c).

(c) If you do not respond with evidence of insurance within the time frame specified in the notification we may immediately include the Equipment in the ValueMAX program.

(d) If the Equipment is included in the ValueMAX program and any damage or destruction to the Equipment occurs (other than from your gross negligence or willful misconduct, which is not covered by ValueMAX), we will (unless you are in default) repair or replace the Equipment.

(e) If we are required to repair or replace the Equipment under the ValueMAX program and we fail to do so within 20 days of receiving your written notice of loss or damage, you may terminate this Lease.

(f) We are not liable to you if we terminate the ValueMAX program. By providing the ValueMAX program we are not offering or selling you insurance; accordingly, regulatory agencies have not reviewed this Lease, this program or its associated fees, nor are they overseeing our financial condition.

### L10. NON-APPROPRIATION

L10.1 You warrant that you have funds available to pay all payments until the end of your current fiscal period, and shall use your best efforts to obtain funds to pay all payments in each subsequent fiscal period through the end of your Lease Term. If your appropriation request to your legislative body, or funding authority ("Governing Body") for funds to pay the payments is denied, you may terminate this Lease on the last day of the fiscal period for which funds have been appropriated, upon (i) submission of documentation reasonably satisfactory to us evidencing the Governing Body's denial of an appropriation sufficient to continue this Lease for the next succeeding fiscal period, and (ii) satisfaction of all charges and obligations under this Lease incurred through the end of the fiscal period for which funds have been appropriated, including the return of the Equipment at your expense.

### L11. EARLY TERMINATION

L11.1 You further warrant that you intend to enter into this Lease for the entire Stated Term and you acknowledge that we have relied upon such represented intention when determining the applicable pricing plan. If you cancel or terminate this Lease prior to expiration of the Stated Term (other than for non-appropriations), you shall pay a termination charge equal to the net present value of the monthly payments remaining through the completion of the term, discounted to present value at a rate of 6% per year. The foregoing paragraph shall supercede Section G5.2(b) of the Pitney Bowes Terms.

### L12. MISCELLANEOUS

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

L12.2 YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH CONSENT WILL NOT BE UNREASONABLY WITHHELD.

L12.3 We may sell, assign, or transfer all or any part of this Lease or the Equipment. Any sale, assignment, or transfer will not affect your rights or obligations under this Agreement.