AMENDMENT NUMBER THREE
TO MASTER AGREEMENT MA-031-11012699
FOR HARDWARE MAINTENANCE
ON PITNEY BOWES SORTERS, INSERTERS AND SERVER
AND SOFTWARE LICENSING AND MAINTENANCE

This AMENDMENT Number Three to Master Agreement Number MA-031-11012699 (hereinafter "Amendment") is made and entered into on the date approved by the Board of Supervisors or when fully executed by the parties, whichever is later, and is between the County of Orange (hereinafter "County") and Pitney Bowes Inc., with a place of business at 37 Executive Drive, Danbury, CT 06810 (hereinafter referred to as "Contractor").

WHEREAS, Contractor granted County a perpetual license for System software DirectConnect and Olympus II System software under System Licensing and Support Agreement Outbound Solution No. N5000007609, and County and Contractor hereby affirm such agreement to the extent it pertains to the foregoing software;

WHEREAS, Contractor granted County perpetual licenses for Local Image Archiving software and CodeX WABCR software under Master Agreement MA–031–10011679 for Software License Fees and Maintenance for Pitney Bowes Sorters, Inserters and Server and County and Contractor hereby affirm such agreement to the extent it pertains to the foregoing software;

WHEREAS, County and Contractor executed Master Agreement MA-031-10011679 for Software License Fees and Maintenance for Pitney Bowes Sorters, Inserters and Server and Amendment One to said Agreement to extend the agreement for the time period of August 12, 2011 through August 11, 2012;

WHEREAS, County and Contractor executed Master Agreement Number MA-031-11012699 for Hardware Maintenance on Pitney Bowes Sorters, Inserters and Server commencing on August 12, 2011 and expiring on August 11, 2012, renewable for four additional one year terms (hereinafter "Agreement");

WHEREAS, County and Contractor renewed the Agreement by Amendment No. One to Master Agreement MA-031-11012699 and included software licensing and maintenance for an additional one year term commencing on August 12, 2012 and expiring on August 11, 2013; and

WHEREAS, County and Contractor renewed the Agreement by Amendment No. Two to Master Agreement MA-031-11012699 for an additional one year term commencing on August 12, 2013 and expiring on August 11, 2014; and

WHEREAS, County and Contractor now desire to renew the Agreement for an additional one-year term;

NOW THEREFORE, in consideration of the mutual obligations set forth herein, both County and Contractor agree as follows:

1. The Agreement shall be renewed for an additional one-year term commencing on August 12, 2014 and expiring on August 11, 2015.

2. Definitions – (1) System is amended to read as follows:
   "System" means Pitney Bowes 8 pocket Sorter, Pitney Bowes 56 pocket Sorter, two Pitney Bowes DDS iData Print Inkjet Addressers, two Pitney Bowes Olympus II Inserters, and a Pitney Bowes Stratus (Mission Critical) Server, and all of its component parts, including its Hardware and its software.

3. Definitions – (2) Hardware is amended to read as follows:
   "Hardware" means all of the hardware of the System, Pitney Bowes 8 pocket Sorter, Pitney Bowes 56 pocket Sorter, two Pitney Bowes DDS iData Print Inkjet Addressers, Pitney Bowes Stratus (Mission Critical) Server, selective letter opener w/external 30 gal. Receptacle, and Printer and its embedded software.

4. Section 38 – Liquidated Damages is amended to read as follows:
   It is agreed by and between the Contractor and the County that if Contractor fails to timely provide the service levels set forth in Attachments A, B, C, and F hereto, damage will be sustained by the County. Said damage includes any additional costs incurred by the County in order to complete the sample ballot and vote by mail processing operations, resulting from Contractor's delay in meeting required time frames. Since it is and will be impractical and extremely difficult to determine the actual damage which the County will sustain by reason of such delay, it is therefore agreed that the Contractor will pay to the County liquidated damages in the amount of $1,000 for each and every day of delay as set forth herein.

   In the event the liquidated damages as set forth herein are not paid by the Contractor, the County will deduct the amount of liquidated damages from any monies due Contractor under this Agreement.

   This provision may be invoked at the sole option of the County by notification to the Contractor by certified return receipt mail.

   If the Contractor is delayed by reason of changes or extra services ordered by the County or as a result of the County's failure to perform or delays otherwise caused by the County, the time of performance of the Agreement will be extended commensurate with the time required for the extra services, and no liquidated damages will accrue during the period of such extension.

5. Section 39 – Breach of Contract is added to read as follows:
   The failure of the Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
   a. Terminate the Contract immediately, pursuant to Section 16 herein;
   b. Afford the Contractor written notice of the breach and ten calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
   c. Discontinue payment to the Contactor for and during the period in which the Contractor is in breach; and
   d. Offset against any monies billed by the Contractor but yet unpaid by the County those monies disallowed pursuant to the above.

6. Section 39 Limitation on Liability is renumbered to Section 40.
7. Section 40 Employee Eligibility Verification is renumbered to Section 41
8. Section 41 Notices is renumbered to Section 42

9. Attachment A, Scope: Hardware Maintenance and Support Services is amended as attached hereto.

10. Attachment D, Section II: Cost/Compensation rate table is amended to include the following footnote:
    Contract includes 56 off shift service hours. County may purchase additional off shift service hours as needed at the rate of $142.50 per hour.

11. New Attachment F “Inkjet Addresser Preventative Maintenance Schedule” is attached hereto.

Except as previously amended and as amended herein, the remaining provisions of the Agreement shall remain in full force and effect.

Signature blocks are located on page 9.

ATTACHMENT A
SCOPE OF WORK

BACKGROUND:

The County of Orange Registrar of Voters uses Pitney Bowes Sorters, Inserters, Addressers, and Server (the "System") to process outgoing and incoming vote by mail ballots, as well as other large mailings as needed by the County.

SCOPE:

Hardware Maintenance and Support Services

Service and maintenance for all Pitney Bowes equipment will be provided by Contractor's Customer Service Representative (CSR).

Preventative Maintenance: Contractor shall provide preventative maintenance in accordance with Attachments B, C, and F. Contractor shall inform County of the timing and nature of preventative maintenance required, and the parties shall mutually agree on a scheduled time to perform the preventative maintenance.

Onsite Remedial Maintenance: During each election, the Contractor will provide a Pitney Bowes Customer Service Representative (CSR) onsite at the Registrar of Voters to oversee (1) sample ballot processing and (2) vote by mail ballot processing from start to finish of each sample ballot and vote by mail ballot processing run. The CSR will be responsible for preparing the equipment for processing prior to each election, maintaining the System during elections (including ordering and installing any required parts and supplies) and operating the System. The specific timeline will be set by the County, but at a minimum will include one (1) week prior to the beginning of the first operation to one (1) week after the completion of the final operation related to these two processes.

Service and maintenance for all Pitney Bowes equipment will be provided during normal business hours (Monday through Friday, 8:00 am to 5:00 pm excluding weekends and holidays). The County is entitled to one eight hour shift per day, the number and timing of hours may vary at the County's discretion. The number of elections for which this service is provided is unlimited. Should service be required beyond the eight-hour shift, a 56 hour per year allowance for off shift service is included in the price reflected in Attachment D. If all 56 hours are not used in a single year, the balance will roll to the following year. Off shift service beyond the 56 hour per year allowance, or service hours balance, will be charged at a rate of $142.50 per hour.

Contractor agrees that during each election cycle, commencing with one (1) week prior to the beginning of the first operation of sample ballot or vote by mail ballot processing to one (1) week after completion of the final operation of sample ballot or vote by mail ballot processing, Contractor's response time shall be within two (2) hours of request by County and Contractor shall correct, test, and ensure the System is fully functional within 24 hours of first report by the County of any hardware, software, or system problems. For service calls during non-election cycles, Contractor's response time will be within four (4) hours of County's request, and Contractor shall correct, test, and ensure the System is fully functional within 48 hours of first report by the County.

All parts, material and labor required for any maintenance of the System are included at no additional charge to County, with the exception of consumable items such as printer ink. Parts will be new or "as new." County will not incur service charges for service resulting from a failure of "as new" parts for a period of thirty (30) days following the date of installation.

Telephone support will be available on a 24 hour basis, seven days a week for all equipment maintenance.

Training: For each election, the CSR will provide training and certification for all other System operators for each election. The amount of training or number of participants is not limited. The training will enable operators to operate all components of the System effectively, efficiently and without damage to the ballots or equipment itself.

The CSR will report to the Orange County Registrar of Voters staff when onsite. Contractor will conduct periodic service reviews with the County to evaluate the County's satisfaction with service provided. Contractor will observe County policies and procedures while present on the County's premises.

ATTACHMENT F

Inkjet Addresser Preventative Maintenance Schedule

The frequency of general maintenance and cleaning required is dependent on the amount of running time put on the machines.

Maintenance and Care of the FeedMax conveyor/feeder

General Cleaning of the FeedMax
Blow off the feeder and conveyor using compressed air to fee it of paper dust and debris.
(**Warning:** Wear protective safety eyeglasses or goggles and use a particle mask or similar device when cleaning off the FeedMAX with compressed air. Alert all other persons in the area to stand a minimum of thirty (30) feet from the area where compressed air is put to such use)

The conveyor belts may pick up residual ink off of printed material and may be cleaned with “Simple Green” or “Isopropyl Alcohol”. Both items can be purchased at most local grocery stores. To clean the Conveyor Belts, perform the following:

1. Turn off the conveyor and feeder power switches.
2. Apply a liberal amount of Simple Green or Isopropyl Alcohol to a clean cloth.
3. Wipe down that portion of the conveyor belts visible on the top side of the conveyor bed. (Warning: Do not reach under the conveyor bed to clean belts)
4. Turn the conveyor power switch back on and advance the conveyor until approximately four (4) feet of unclean conveyor belt becomes visible on the top side of the conveyor bed. (Helpful Tip: It may be necessary to position the feeder material height sensor away from the feeder to advance the conveyor) (Note: Repeat steps 1 through 3 until the total length of the conveyor belts have been cleaned.) **(Warning: Do not attempt to clean conveyor belts while the machine is running.)**

The friction belts in the feeder may pick up residual ink off of printed material and may be cleaned with “Simple Green” or “Isopropyl Alcohol”. Both items can be purchased at most local grocery stores. To clean the Feeder Friction Belts, perform the following:

1. Turn off the conveyor and feeder power switches.
2. Apply a liberal amount of Simple Green or Isopropyl Alcohol to a clean cloth.
3. Wipe down that portion of the feeder friction belts visible on the top side of the feeder.
4. Advance the feeder manually. **(Warning: Do not attempt to clean feeder friction belts while the machine is running.)**

Lubrication
The FeedMax conveyor/feeder are assembled with sealed bearings that require no lubrication. Only the adjustment rack and slide shafts that extend and retract the front roller of the in-feed conveyor need to be lubricated with a “Lithium” based multi-purpose grease. This grease can be purchased at most local automotive parts stores. To lubricate these parts, perform the following:

1. Turn the power off to the in-feed conveyor.
2. Retract the front roller of the in-feed conveyor.
3. Apply a liberal amount of “Lithium” based multi-purpose grease to the slide shafts and adjustment rack.

Servo Force Flex Feeder Maintenance

The general maintenance of the FEEDER is limited due to the design and materials used in manufacturing. The frequency of general cleaning required for the FEEDER is dependent on the amount of running time put on the machine.

General Cleaning:
Remove debris from the machine with compressed air:

1. Acquire and use eye protection, safety goggles or safety glasses with side guards. Also use respiratory protection, a simple disposable cloth or paper style particle mask is sufficient.
2. Alert all other people in the area to stand clear of the work area a minimum of 30 feet, (7.7 meters) where compressed air is being used to blow off machines.
3. Turn off the machine and disconnect the power line.
4. Remove any loose items from the surfaces of the machine, i.e. Ballpoint pens, pencils, tape dispensers, paper clips rubber bands etc.
5. Open all service doors located on the front side of the machine and remove any loose items that might have been left inside, i.e.; spare parts, tools, personal effects such as purses car keys etc. (**Note:** After a complete visual inspection has been completed and loose items removed, leave the service doors open.)
6. Hold the air nozzle firmly at arm's length and clean off the machine beginning with the top surfaces then work your way down.

(**Note:** High volume businesses running three (3) shifts five (5) days a week should plan this function once a week. Businesses producing light to moderate volume should plan this function once a month.)

Cleaning Friction Belts:

1. Acquire and use eye protection, safety goggles or safety glasses with side guards.
2. Turn off the machine and disconnect the power lines.
3. Clean the following material belts;
    a. Red Feeder Transport, Elevator and Separator Belts of the Feeder

Apply a liberal amount of "Simple Green" general-purpose cleaner or ("Isopropyl Alcohol", 70% by volume see warning below) to a soft cloth and wipe down the belt you wish to clean. Advance the belt being cleaned by hand until the entire belt surface has been cleaned.

SERVO FEEDER Belt Replacement
Transport Belts

Prepare the work area, clear off the top surface of the FEEDER.

1. Turn the main power switch to the off position.
    a. Disconnect the power cables from their sources by performing the following:
    b. Follow the main power line and all other power cables from the machine back to the receptacle or source of supplied power and disconnect it at the source.
2. Place the plug connecter close to the machine in such a position that will remain in your field of vision while repairs or maintenance is being performed.
3. Notify all other persons in the area where the work is being performed that the machine will be out of service, especially if the work you are performing requires you to be crouched behind or beside the machine or in some other way obscured from the sight of other persons in the area.
4. It may be necessary to move the FEEDER clear of other equipment. Ensure that all interconnect cables (electric power, communication, etc) and any mechanical connecting devices have been removed and protected from damage during this process.

Elevator Belts

Prepare the work area, clear off the top surface of the FEEDER.

1. Turn the main power switch to the off position.
2. Disconnect the power cables from their sources by performing the following:
    a. Follow the main power line and all other power cables from the machine back to the receptacle or source of supplied power and disconnect it at the source.
    b. Place the plug connecter close to the machine in such a position that will remain in your field of vision while repairs or maintenance is being performed.
3. Notify all other persons in the area where the work is being performed that the machine will be out of service, especially if the work you are performing requires you to be crouched behind or beside the machine or in some other way obscured from the sight of other persons in the area.
4. To access the elevator belt assembly, remove the Allen socket head screws attaching the vibrating top plate to the feeder frame.

a. Remove from each side frame, (3) Allen socket head screws. See figure IV-14.
b. Lift top plate up and away from feeder frame. It may be necessary to disconnect electrical wiring from top plate's electrical components.
c. Set top plate aside.

Material Separator Belt-this item is an extremely low wear component due to its low rotational speed.

Prepare the work area, clear off the top surface of the FEEDER base.

1. Turn the main power switch to the off position.
2. Disconnect the power cables from their sources by performing the following:
    a. Follow the main power line and all other power cables from the machine back to the receptacle or source of supplied power and disconnect it at the source.
    b. Place the plug connecter close to the machine in such a position that will remain in your field of vision while repairs or maintenance is being performed.
3. Notify all other persons in the area where the work is being performed that the machine will be out of service, especially if the work you are performing requires you to be crouched behind or beside the machine or in some other way obscured from the sight of other persons in the area.
4. Replace the material separator belts (motor drive or separator wheel) by first detaching material separator assembly from the bridge tram bar. To do this:
    a. Loosen the ratchet handle located at the top of the separator wheel clamp to permit clamp to be pulled straight out away from bridge tram bar. See figure IV-17.
    b. When the separator wheel clamp has cleared the bridge tram bar, then drop assembly down to clear timing belt on bridge tram bar. NOTE: The bridge tram bar should be raised up enough so separator wheel assembly can be removed.

Nip Roller

Prepare the work area, clear off the top surface of the SERVO 1200-P FEEDER.

1. Turn the main power switch to the off position.
2. Disconnect the power cables from their sources by performing the following:
    a. Follow the main power line and all other power cables from the machine back to the receptacle or source of supplied power and disconnect it at the source.
    b. Place the plug connecter close to the machine in such a position that will remain in your field of vision while repairs or maintenance is being performed.
3. Notify all other persons in the area where the work is being performed that the machine will be out of service, especially if the work you are performing requires you to be crouched behind or beside the machine or in some other way obscured from the sight of other persons in the area.
4. It may be necessary to move the SERVO 1200-P FEEDER clear of other equipment. Ensure that all interconnect cables (electric power, communication, etc) and any mechanical connecting devices have been removed and protected from damage during this process.
5. Remove SERVO 1200-P Feeder from its mounting position by performing the following:
    a. Disconnect all electrical wiring from feeder to base and other peripherals.
    b. Lift and position (turn 90o or 180o if necessary) the Feeder so the Transport Belt Carriage overhangs the surface edge.

Signature Page

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year shown opposite their respective signatures below:

Pitney Bowes Inc., a Delaware corporation

By:

Date:

Name:

Title:

(Chairman of the Board, President or Vice President)

Pitney Bowes Inc., a Delaware corporation

By:

Date:

Name:

Title:

(Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer)

County of Orange, a political subdivision of the State o California

Rob Richardson, Purchasing Agent

Date:

By:

Kristin Reed, Deputy Purchasing Agent

APPROVED AS TO CONTENT:

By:

Neal A. Kelley, Registrar of Voters

Date:

APPROVED AS TO FORM:
Office of the County Counsel
Orange County, California

By:

Ann E. Fletcher, Deputy

Date: