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Agreement Number

Full Legal Name of Customer	DBA Name of Customer	Tax ID # (FEIN/TIN)	
PO BOX 1750	FOLEY	AL	36536-1750
Billing Address: Street	City	State	Zip+4
		15854097886	
Billing Contact Name	Billing Contact Phone #	Billing CAN #	
407 EAST LAUREL AVE	FOLEY	AL	36535-2619
Installation Address (if different from billing address) : Street	City	State	Zip+4
		15854103882	
Installation Contact Name	Installation Contact Phone #	Installation CAN #	
Fiscal Period (from - to)	Customer PO #	Delivery CAN #	

Qty	Business Solution Description
1	Mail Stream Solution - 1
1	SmartMailer 7
1	VeriMove Net for 36,000
1	SmartMailer Basic Training
1	3 Station DI425 without OMR
1	Operator Training for DI380/DI425, 1 hour

☒ **Service Level Agreement**
Tier 1 - Provides repair and maintenance service for equipment ("Standard SLA")

☒ **Software Maintenance (additional terms apply) - Provides revision updates & technical assistance**
Tier 1 - Basic Software Maintenance

☐ **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 FBI's current rates.

☐ **IntelliLink® Subscription/ Meter Rental - Provides simplified billing and includes postage resets**
() 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.

Number Of Months	Monthly Amount	Billed Quarterly At*
First 60	\$457	\$1,371

() Required advance check of \$() received
Tax Exempt# State Tax (If applicable)
() Tax Exempt Certificate Attached
() Tax Exempt Certificate Not Required

Non-Appropriations. 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.

By signing below, 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 2/13), which are available at 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.

Customer Signature		Date
Print Name	Title	Email Address

Account Rep Name	Jamie Forrester	044
District Office		
PBGFS Acceptance		

Form 8038-GC

(Rev. May 2009)

Department of the Treasury
Internal Revenue ServiceInformation Return for Small Tax-Exempt
Government Bond Issues, Leases, and Installment Sales

OMB NO. 1545-0720

► Under Internal Revenue Code section 149(e)

Caution: If the issue price of the issue \$100,000 or more, use Form 8038-G

Part I Reporting AuthorityCheck box if Amended ☐

1. Issuer's name
CITY OF FOLEY
2. Issuer's employer identification number
3. Number and street (or P.O. Box if mail is not delivered to street address)
407 EAST LAUREL AVE
- Room/Suite
4. City, town, or post office, state, and ZIP code
FOLEY AL 36535-2619
5. Report number (For IRS Use Only)
6. Name and title of officer or legal representative whom the IRS may call for more information
7. Telephone number of officer or legal representative

Part II Description of Obligations Check if reporting: a single issue ☒ or a consolidated return ☐

- 8a. Issue price of obligation(s) (see instructions) 8a
- b. Issue date (single issue) or calendar year (consolidated) Enter date in mm/dd/yyyy format
(for example, 01/01/2009) (see instructions) ►
9. Amount of the reported obligation(s) on line 8a that is:
- | | | |
|--|----|--|
| a. For leases for Vehicles | 9a | |
| b. For leases for office equipment | 9b | |
| c. For leases for real property | 9c | |
| d. For leases for other (see instructions) | 9d | |
| e. For bank loans for vehicles | 9e | |
| f. For bank loans for office equipment | 9f | |
| g. For bank loans for real property | 9g | |
| h. For Bank loans for other (see instructions) | 9h | |
| i. Used to refund prior issue(s) | 9i | |
| j. Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank) | 9j | |
| k. Other | 9k | |
10. If the issuer has designated any issue under section 265(b)(3)(B)(i)(III), (small issuer exceptions), check this box ☐
11. If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ☐
12. Vendor's or bank's name PITNEY BOWES INC ☐
13. Vendor's or bank's employer identification number: .06-0495050 ☐

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Issuer's authorized representative

Date

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

Check if Self-employed ☐

Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address and ZIP code

EIN

Phone no. ()

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 8038-GC is used by issuers of tax-exempt government obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of tax exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that

an election was made to pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues.

For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To FileTo file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under Section 3 of Rev.

Proc. 2002-48, 2002-2 C.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Requested for Relief under Section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form is not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* below.**Where To File**

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

Form 8038-GC Receipt**Acknowledgement**

If you wish to request an acknowledgement receipt of this return by the IRS you must provide the following:

TERM RENTAL TERMS AND CONDITIONS

This is a term rental agreement with Pitney Bowes Global Financial Services LLC (PBGFS), Pitney Bowes' financing company. PBGFS provides financing 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 or sold.

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 will make each Monthly Payment by the due date shown on our invoice.

L2.2 You may not cancel this Agreement for any reason except as expressly set forth in Section L10 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 Term. Your Monthly Payment will increase if your PBI Payments increase.

L3.4 Your obligations, including your obligation to pay the Monthly 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 IntelliLink Control Center or 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 Monthly 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 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

L9.1 You bear the entire risk of loss to the Equipment from the date of shipment by PBI until the end of the Term (including any extensions), regardless of cause, ordinary wear and tear excepted ("Loss").

L9.2 No Loss will relieve you of any of your obligations under this Agreement. You must immediately notify us in writing of the occurrence of any Loss.

L9.3 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 1-800-732-7222 AND PROVIDE US WITH EVIDENCE OF INSURANCE.

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 the 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 Agreement 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 Agreement for the next succeeding fiscal period, and (ii) satisfaction of all charges and obligations under this Agreement incurred through the end of the fiscal period for which funds have been appropriated, including the return of the Equipment at your expense.

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 Monthly Payment you shall pay includes interest and that this Agreement is entered into based on the assumption that the interest portion of each Monthly Payment is not includible 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 Monthly Payment shall be adjusted in an amount sufficient to maintain our original after tax yield utilizing our consolidated marginal tax rate, which adjusted Monthly Payments you agree to pay as provided in this Agreement, subject to Section L10. The rate at which the interest portion of Monthly 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 customer is named in this Agreement, liability is joint and several.

L12.2 YOU MAY NOT ASSIGN OR SUBLET THE EQUIPMENT OR THIS AGREEMENT 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 Agreement or the Equipment. Any sale, assignment, or transfer will not affect your rights or obligations under this Agreement.