

On-Site Service Agreement Terms and Conditions

Monarch® Nationwide Service, PAXAR Americas, Inc. ("PAXAR") agrees to provide and Customer agrees to accept the Maintenance service selected by Customer at the address specified on page one, on the machines/systems listed. The services provided will be billed at the Annual Rates specified on page one. The terms and conditions governing the provision of the services by PAXAR are set forth on page two and three of this Agreement.

The **Vantage Agreement** provides parts and labor maintenance coverage on-site and does not include thermal print heads, nor damage caused by neglect or abuse (see Section A).

The **Preferred and Premier Agreements** are available for all Monarch® Barcode printers in which Monarch® supplies are used exclusively.

The **Preferred and Premier Agreements** provide parts and labor maintenance coverage on-site and include thermal print heads.

The **Premier Agreement** provides for priority service call response and also includes coverage for damage and abuse.

For purposes of this Agreement, PAXAR's normal working hours shall be 8:30 AM to 5:00 PM, Monday through Friday, excluding PAXAR holidays. When Customer specifically requests that service be provided outside of PAXAR's normal weekday business hours or on a Saturday, Service Labor will be charged at one and one-half (1 ½) times normal rates (service subject to availability). When such service is performed on a Sunday or on a PAXAR holiday, Service Labor will be charged at two (2) times normal rates (service subject to availability).

This Agreement will be automatically renewed at the end of each agreement year at the then current annual rates as determined by PAXAR, unless canceled by either party by written notice received at least thirty (30) days prior to the effective date of the termination. Upon cancellation, the prorated portion of any advance payments will be refunded. Any taxes now or hereafter imposed upon the furnishing of the service and/or materials furnished under this Agreement, or on amounts received under this Agreement, shall be paid by Customer. Customer represents that he/she is the owner of the machines/systems under this Agreement, or if not the owner, has the authority from the owner to include such machines/systems under this Agreement.

For the service specified the invoicing will be rendered yearly in advance.

A. Exclusions from Coverage:

Service provided by PAXAR under a Preferred or Vantage Agreement shall not include the following with the exception of Items #3 and #4, which are covered under a Premier Agreement:

1. Repair of damage or increase in service time caused (in PAXAR's sole judgment) by Customer's failure to provide a suitable installation environment for the equipment, including, but not limited to, an adequate power system.
2. Repair of damage or increase in service time caused (in PAXAR's sole judgment) by use of equipment for other than the ordinary purpose for which the equipment is designed.
3. Repair of damage or increase in service time caused (in PAXAR's sole judgment) by accidental damage or Acts of God, including, but not limited to fire, flood, water, wind, lightening or transportation.
4. Repair of damage or increase in service time caused (in PAXAR's sole judgment) by neglect, misuse or abuse of the equipment by Customer or any alteration made to the product by Customer without the prior written consent of PAXAR.

B. Use of Non-Monarch® Supplies:

PAXAR does extensive research to develop supplies that perform optimally with Monarch® equipment. Monarch® supplies are recommended for use in Monarch® equipment. In the event that non-Monarch supplies are used in Monarch® equipment, and such non-Monarch supplies result in a malfunction or damage to the equipment (in PAXAR's sole judgment), charges for parts and labor to return the equipment to operating condition shall be borne by Customer.

C. Warranty

PAXAR warrants that the services provided pursuant to this Agreement shall be performed in a reasonable and workmanlike manner and shall be free from defects in material and workmanship for a period of 30 days for labor and 90 days for parts after acceptance of the work. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PAXAR NEITHER ASSUMES NOR AUTHORIZES THE ASSUMPTION FOR PAXAR OF ANY OBLIGATION NOT SPECIFICALLY SET FORTH HEREIN.

D. Exclusive Remedy/Limitation of Liability

1. PAXAR's total liability to Customer and Customer's exclusive remedy for damages, regardless of injury, property damage or schedule delay shall be limited to the twelve (12) months' service charges for the specific equipment that caused the damages or that is the subject matter or related to the claim or cause of action.
2. IN NO EVENT SHALL PAXAR BE LIABLE TO CUSTOMER FOR ANY CONSEQUENTIAL, INCIDENTAL OR SPECIAL DAMAGES, REGARDLESS OF THE THEORY OF LAW ON WHICH THE CLAIM IS BASED.

E. Miscellaneous

This Agreement is subject to acceptance by PAXAR at Dayton, Ohio. The terms of this Agreement can only be modified or amended by the written mutual agreement of the parties.

This Agreement shall be governed by the laws of the State of Ohio, without resort to its conflict of law rules.

A waiver of any breach of a provision of this Agreement must be by written instrument, specifically referring to the existence of a breach by the other party. A waiver of any breach of a provision of this Agreement by a party shall not constitute a waiver of any other rights that a party may have.

This Agreement constitutes the entire Agreement between the parties and supersedes any previous Agreement or understanding whether oral or written. Any additional or conflicting terms contained in a purchase order or other document submitted by Customer are void and of no effect.

PAXAR is not responsible for any failure to render services due pursuant to this Agreement caused by factors or circumstances beyond PAXAR's control.

Any controversy or claim arising out of or relating to this Agreement or the breach, termination, or validity thereof, shall be settled by arbitration by a sole arbitrator. The selection of the arbitrator and the arbitration procedure shall be in accordance with the current Commercial Rules of the American Arbitration Association. The arbitration will occur in Dayton, Ohio. The decision and award of the arbitrator shall be final and binding, and the award rendered may be entered in any Court having jurisdiction thereof.