SERVICE LEVEL AGREEMENT TERMS & CONDITIONS

- 1. **TERMS** These are the only terms & conditions under which Whitaker Brothers Business Machines, Inc. (WBBM hereinafter) will accept to enter into a Maintenance Agreement with a customer. This agreement is effective from the commencement date and shall continue for an initial minimum term of one (1) year. Agreement shall be paid in advance or a Purchase Order shall be submitted for an invoice to be issued payable Net 30 days. Federal Government customers may pay in arrears on a monthly or quarterly basis.
- 2. **COVERAGE** WBBM agrees to provide and the customer agrees to accept the Maintenance Agreement for the equipment listed on the Service Level Agreement. This Agreement covers one maintenance visit including parts, labor & travel.
- 3. MAINTENANCE SERVICES –WBBM agrees to provide a maintenance visit to include adjustments, cleaning, lubricating as deemed necessary by the technician to assure proper and safe operation. One (1) maintenance visit per contract year will be performed upon customer request.
- 4. LIMITATIONS OF COVERAGE Service Level Agreements DO NOT COVER:
 - a. Installation or reinstallation of machines and any re-training of the user after the initial provided introductory training.
 - b. Any failures due to causes beyond our control such as theft, fire, flood, lightning, power failure, power reduction or any other such occurrences.
 - c. Any failures due to abuse, misuse, improper or unauthorized maintenance, entry of foreign matter into machine, paper jams caused by over feeding or machines falling off table.
 - d. The cost of any electrical component which exceeds the total annual cost of the Service Level Agreement.
 - e. This agreement covers all parts except damage to the cutting heads on shredders if found to be physical abuse.
 - f. Consumables, such as ink ribbons on time & date stamps, feed tires or certain feed rollers, brushes, and water reservoirs on folder/sealer machines are covered for one (1) replacement per contract year. For Paper cutters, one knife change with sharpening of dull blade is covered per year (a spare, sharp knife must be on hand!). Replacement knives and cutters, drill bits, cutting sticks, oil and bags etc. are considered supply items and are not covered.
 - g. Any maintenance which is normally construed as operator function, such as periodic cleaning of the machine and oiling the cutters.
 - h. The complete rebuilding of a machine that is caused by excessive or prolonged use.
- 5. ACCEPTANCE/TERMINATION This Maintenance Agreement will become effective when properly signed by both the customer and WBBM and paid in full for the designated coverage period. This agreement may be canceled by either party giving at least thirty (30) days written notice to the other party. The monetary value of any unused portion may be applied as part of the payment toward the coverage on a replacement machine or a refund for the remaining agreement period may be issued if no service has been performed during the covered period. Any service performed constitutes a fulfillment of the agreement terms and no refund is due.
- 6. CHARGES / TAXES The customer agrees to pay WBBM annually and in advance the charges as set forth in this agreement with all applicable taxes. An annual reminder of the new agreement period starting and the payment due will be sent approximately 1-2 months before expiration.
- 7. INITIAL INSPECTION AND REPAIR All equipment outside of the original manufacturer's warranty period considered for the Maintenance Agreement must be approved by WBBM for coverage by way of a pre-inspection visit/service call chargeable to the customer.
- 8. **EQUIPMENT ADDITIONS/DELETIONS** Machines may be added to an active agreement upon written or faxed notification to WBBM when said machines meet the requirements set forth in item 7 above. Contract additions will be prorated to match current contract billing cycle (and be subject to #5).
- 9. **DISCONTINUED MODELS** At the time a machine becomes a discontinued model it may stay covered under the maintenance agreement and WBBM will make the best effort to keep it in proper operating condition. WBBM will not be held to the contract terms if replacement parts can no longer be obtained from the manufacturer, in which case the contract simply may be terminated, see clause #5.
- 10. ACCESS TO EQUIPMENT WBBM will provide service during the hours of 8:00 A.M. and 4:00 P.M. (Monday through Friday). The customer agrees to provide full and free access to the machines covered by this agreement and adequate workspace for our technicians to perform the services required under the terms of the agreement. Any delays or limited access can result in billable time at the standard hourly labor rate. IT IS THE RESPONSIBILITY OF THE CUSTOMER TO LOCATE AND NOTIFY WBBM OF ANY EQUIPMENT LOCATION CHANGES.
- 11. WARRANTY All warranties either limited or implied are as depicted by the manufacturer of the specific equipment. WBBM assumes no other warranty liability for the equipment on contract or serviced.
- 12. LIMITATION OF LIABILITY WBBM will in no event be liable for any losses of revenues or productivity due to equipment failure during the agreement period. WBBM's sole responsibility lies with the repair of the equipment, maintaining said equipment to currently published manufacturer's specifications and normal operating standards. Standard Maintenance Agreement pricing is based on Business Office applications only. Any other application, which can be construed as industrial or multi-shift, or any long distance locations will be priced accordingly. Such price adjustment can be made any time during the agreement period with a 30 day written notice.