Videojet Technologies Inc. 1500 Mittel Boulevard Wood Dale, IL 60191-1043 USA

Phone: 630-860-7300 Fax: 630-616-3657 www.videojet.com



# TERMS AND CONDITIONS OF FULL CARE PACKAGE

1. Acceptance. These Terms and Conditions of Full Care Package ("Terms") supplement the Full Care Package Order Form signed by the parties (these Terms, the Full Care Package Order Form and any other documents provided by Company in connection with the Full Care Package purchased by Customer hereinafter referred to as "FCP Agreement"). CUSTOMER'S SIGNATURE ON THE FULL CARE PACKAGE ORDER FORM ACKNOWLEDGES CUSTOMER HAS READ AND UNDERSTANDS THE FCP AGREEMENT AND CONSTITUTES ITS ACCEPTANCE OF THE FCP AGREEMENT. Any Purchase Order(s) provided by Customer after Customer signs the Full Care Package Order Form shall be for administrative and informational purposes only. For the avoidance of doubt, Company shall continue invoicing Customer pursuant to the FCP Agreement notwithstanding any expiry date(s) that may be indicated on Customer's purchase order.

# 2. Services and Equipment.

- (a) Company shall provide the maintenance services in the FCP Agreement, if any, for the equipment identified in the FCP Agreement ("Equipment"), repair services included in the FCP Agreement, if any, for the Equipment if the Equipment fails to conform to Company's specifications, and any other services included in the FCP Agreement ("Services").
- (b) The pricing in the FCP Agreement is based on Company performing Services at the Customer Site provided in the FCP Agreement. If Customer relocates Equipment, Company may increase pricing if such relocation affects Company's cost of performing its obligations.
- (c) Company shall provide Services during Company's standard local business hours, which excludes weekends and Company holidays. Company will provide Services on Customer's premises unless it is necessary to remove Equipment for Service to the Company's repair depot for maintenance. (d) The following services are not included in the FCP Agreement and Customer will be charged separately for any such service: (i) maintenance of Equipment if Customer's modification of Equipment has materially increased cost of maintenance; (ii) overhauling or rebuilding of Equipment; (iii) replacement of thermal transfer printheads if Customer uses supplies and other consumables not approved by Company with Equipment; and (iv) de-installation or reinstallation of Equipment or any part thereof at Customer's request. The FCP Agreement does not cover repairs or maintenance resulting from: (i) Customer misconduct, accident, neglect or misuse; (ii) failure of installation site to conform to Company's applicable specifications; (iii) failure or inadequacy of electric power, humidity or air control; (iv) Customer's use of supplies and other consumables not approved by Company for use with Equipment;(v) Customer's failure to follow operating procedures provided by Company; (vi) service or maintenance performed by a third party or unauthorized representative of Company; (vii) Force Majeure; or (viii) Customers' breach of the FCP Agreement.
- (e) For Customers using direct thermal application, 9550 printhead replacements under any FCP Agreement shall not exceed three (3) times the number of units covered within a one (1) year period, commencing at the start of the FCP Agreement and ending at the conclusion of the contract year ("Printhead Replacement Limit"). Unless otherwise agreed in writing, Customer may elect to utilize the replacement printheads on any of the units covered under the applicable FCP Agreement. This Printhead Replacement Limit shall automatically renew annually during the FCP Agreement's term, provided however, in the event of termination or cancellation of any applicable FCP Agreement, Customer must pay for any printhead replacements received. For clarity, termination for convenience is not permitted under a FCP Agreement.
- (f) Company will lease the Equipment to Customer during the term of the FCP Agreement. Title and all other rights to Equipment shall remain with Company at all times and Customer shall take no action that interferes with or impairs such rights.

### 3. Billing and Payment.

- (a) Payment is due within 30 days from Customer's receipt of invoice. Company shall issue invoices at commencement of each Payment Period identified in the FCP Agreement.
- (b) Payments are not subject to setoff or recoupment for any present or future claim Customer may have.
- 4. <u>Hazardous Materials.</u> Customer acknowledges that certain materials covered by this Agreement may currently or later be considered hazardous materials under various laws and regulations. Customer agrees to familiarize itself (without reliance on Company except as to the accuracy of special safety information furnished by Company), with any hazards of such materials, their applications and the containers in which such materials are shipped, and to inform and train its employees and customers as to such hazards. Customer shall hold Company harmless against any claims by its agents, employees or customers relating to any such hazards except to the extent such claims arise solely and directly from Company's failure to meet written specifications or the inaccuracy of specific safety information furnished by Company. Moreover. Customer acknowledges that hazardous materials may be generated as a result of Customer's use or cleaning of the Equipment or as a result of Services provided by Company. Company is not responsible for the disposal and/or removal of such hazardous materials from Customer's site. Company shall, however, contain such hazardous materials in receptacles that are provided by Customer. Customer shall ensure that the receptacles meet all relevant legal requirements. Subject to the foregoing restrictions, if Customer requires Company's compliance with any site-specific policies and/or procedures related to hazardous materials management, handling, and/or storage, it is Customer's responsibility to provide such policies and/or procedures to Company in writing for Company to be held responsible for compliance with same (to the extent applicable to Company).
- 5. <u>Customer's Obligations</u>. Customer shall: (i) exercise reasonable care in operation and normal maintenance of Equipment; (ii) operate Equipment within Company's published specifications (including, without limitation, all environmental specifications); (iii) maintain Equipment in conformance with Company's maintenance standards, which shall include following and performing Company's recommended customer care and cleaning program between calls of Company's service representative; (iv) properly maintain installation site and operating environment; (v) provide necessary utility services for use of Equipment in accordance with Company's specifications; and (vi) not remove Equipment from the Customer Site location without Company's prior written consent. Moreover, Customer will use only Videojet branded consumables and fluids with the Equipment, in the event of Customer's breach of the foregoing, Company will no longer be required to provide any Services pursuant to the FCP Agreement. Certain printing applications may be regulated by law. These may include applications where ink may come into contact with medical devices, pharmaceuticals, cosmetics, food or other substances intended for consumption, or veterinary health products. It is the responsibility of Customer to ensure compliance with any such regulations.
- **6.** <u>Limited Warranty.</u> Company warrants all of its products and services in accordance with its standard warranty policy attached hereto or available online at www.videojet.com. THESE WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. No employee or agent of Company, other than an officer of Company by way of a signed writing, is authorized to make any warranty in addition to the foregoing. Customer's sole and exclusive remedy for breach of warranty shall be, in Company's sole discretion,

repair or replacement, or refund if either of the foregoing is not possible.

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# 7. Remedies and Liability.

(a) Without waiving any other rights or remedies available to it under applicable law or otherwise, Company may suspend provision of Services hereunder, until all past-due accounts of Customer are fully satisfied.

(b) Company's rights and remedies herein are in addition to, and not in lieu of, any other rights or remedies Company may have at law or in equity.

(c) EXCEPT AS OTHERWISE PROVIDED BY LAW, IN NO EVENT WILL COMPANY BE LIABLE FOR SPECIAL, INDIRECT, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, THIRD PARTY OR PUNITIVE DAMAGES INCLUDING WITHOUT LIMITATION THOSE BASED ON BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, TORT, OR ANY OTHER LEGAL, EQUITABLE OR STATUTORY CLAIM, CAUSE OF ACTION OR LEGAL THEORY. MOREOVER, COMPANY'S MAXIMUM LIABILITY HEREUNDER REGARDLESS OF LEGAL THEORY WILL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER TO COMPANY PURSUANT TO THE FCP AGREEMENT. COMPANY WILL NOT BE LIABLE FOR ANY DAMAGES OR COSTS RESULTING FROM

ANY DELAYS IN PERFORMANCE.

# 8. Term and Termination.

(a) The term of the FCP Agreement is as provided in the FCP Agreement, which term shall automatically renew for month to month periods for no longer than two years, unless terminated by a party upon at least thirty (30) days prior written notice during the renewal period. Any such renewal is subject to a price increase

(b) Without limiting any other available legal or equitable rights or remedies, either party may terminate the FCP Agreement immediately at any time for cause upon written notice to the other if the other party: (i) fails to perform any material obligation of the FCP Agreement and fails to cure within thirty (30) days after written demand to cure; or (ii) becomes insolvent, makes an assignment for the benefit of creditors, files or has filed against it a petition in bankruptcy, has a receiver appointed for its assets, or is dissolved or liquidated. Upon termination by Company pursuant to this Section, all amounts due and payable under the FCP Agreement for the entire term of the FCP Agreement will become immediately due and owing by Customer.

- (c) Customer shall return Equipment and all other products provided to Company pursuant to the FCP Agreement within five (5) days of expiration or termination of the FCP Agreement in accordance with shipping instructions provided by Company. If Customer fails to timely comply with this provision, Customer acknowledges and agrees that Company may enter Customer's facility where the Equipment is located and repossess the same. Customer will reimburse Company for all reasonable expenses incurred
- **9.** <u>Force Majeure</u>. Except for Customer's payment obligations, neither party will be liable for delays in performance or nonperformance resulting from causes beyond its reasonable control, such as acts of God, fire, strikes, embargo, acts of the government and other third parties, or other similar causes ("Force Majeure").



In such event, the party delayed shall promptly give notice to the other party. The party affected by the delay may: (i) extend the time for performance for the duration of the event, or (ii) cancel all or any part of the unperformed part of the FCP Agreement if such Event lasts longer than sixty (60) days. If an Event affects Company's ability to meets its obligations at the agreed upon pricing, or Company's costs are otherwise increased as a result of such Event, Company may increase pricing accordingly upon written notice to Customer.

**10.** Assignment; Successors and Assigns. Customer may not assign the FCP Agreement without Company's prior written consent. Any assignment contrary to this Section will be null and void. The FCP Agreement shall apply and inure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns.

11. Governing Law; Venue; Actions; Attorneys Fees. The FCP Agreement is governed by and construed in accordance with the laws of country and local geographic designation in which Company's main place of business is located without regard to conflict of laws provisions. The parties consent to the sole and exclusive venue and jurisdiction of the courts situated in or having jurisdiction over such country and local geographic designation. Any action brought by Customer pursuant to the FCP Agreement must be commenced within the earlier of one (1) year from the date of delivery of Services or occurrence of the event giving rise to the claim, or such claim will be forever barred.

12. Miscellaneous. The documents comprising the FCP Agreement are the sole and exclusive terms and conditions applicable to the FCP purchased by Customer. Company hereby objects to and rejects any other terms and conditions appearing on, incorporated by reference in, or attached to, Customer's orders or other documents. In the event of any conflict between any of the documents comprising the FCP Agreement, the descending order of precedence will be the Full Care Package Order Form, these Terms and any other documents. If any provision of these Terms to any extent is declared invalid or unenforceable, the remainder of the FCP Agreement will not be affected thereby and will continue to be valid and enforceable to the fullest extent permitted by law. Any modifications hereto must be in writing and signed by both parties. Either party's failure to strictly enforce any of these terms shall not be considered a waiver of any of its rights hereunder. If any term in the FCP Agreement is declared invalid or unenforceable to any extent, the remainder of these terms in the FCP Agreement will not be affected thereby, and will continue to be valid and enforceable to the fullest extent permitted by law. The termination or expiration of the FCP Agreement will not affect the survival and continuing validity of any provision which expressly or by implication is intended to continue in force after such termination or expiration.