COMPREHENSIVE HARDWARE MAINTENANCE CONTRACT

I. INTRODUCTION:

THE TERMS AND CONDITIONS PRESENTED IN THIS DOCUMENT CONSTITUTE YOUR ENTIRE SERVICE CONTRACT RIGHTS UNDER THIS CONTRACT AND MAY VARY FROM STATE TO STATE.

This document sets forth the entire Contract between the Service Contract Administrator, hereinafter referred to as PSI, We, Us and Our, and, the Purchaser as You and Your. No representation, promise or condition herein shall modify these terms. We are contractually obligated to You to provide service under this Contract where in accordance with, and as allowed by state law. Please refer to the face of this Contract for applicable state disclosures.

II. WHAT IS COVERED: We will furnish labor, parts, and/or replacement equipment necessary to repair mechanical breakdowns of the product specified in this Contract. Service is provided when necessitated by product failure during normal usage. The product specified and covered includes the equipment originally configured and charged for in this Service Contract. The total liability under this Contract is either the purchase price You paid PSI for the specific Product minus the sales tax and shipping or the lowest price you paid PSI for a like model product (should you request support of a non PSI provided product). Power Surge and Spike: This service plan protects against operational failure of a covered product if a failure occurs while properly connected to a surge protector approved by the Underwriter's Laboratory. Your surge protector may be collected by the Administrator for examination.

III. COVERAGE AND TERM:

This Contract is not an insurance policy. This Contract covers any period specifically identified/listed via any invoice which includes Hardware Maintenance support. As the Administrator, PSI will assist You in understanding Your warranty and coverage benefits from the day You purchase Your Plan. If Your product needs repair for mechanical or electrical failure, You are required to call the number listed on the front of this Contract (or on the web site) or submit Your claim in writing to either support@progressivesolutions.com or PSI; PO BOX 783; Brea, CA 92822. With any correspondence, please provide Your daytime phone number and serial number if applicable. PSI agrees to respond as soon as reasonably possible and no later than the end of the next business day following the initial trouble call for repair or replacement of defective hardware at PSI's option. The expiration date and price for individual Contract services are listed on the original invoice. Parts and on-site service already covered under the original warranty will be provided under that warranty and no liability shall be established hereunder if covered by an original manufacturer's warranty. There are some limitations of coverage. Hardware maintenance costs are based upon the length of time that supported equipment has been in service, the observed failure rates of specific equipment and the required response time. PSI reserves the right to change the annual hardware support fee at any time without prior notification. Nothing contained in this Contract shall be construed to obligate You to provide any services whatsoever outside the term of this Contract. Upon expiration of any support obligations arising from this Contract, PSI in its sole discretion may discontinue offering hardware support for any device(s).

- IV TRANSFERABILITY: This contract is not transferable.
- V. TIME FOR SERVICE: Service will be performed during the hours of 8:00 a.m. to 5:00 p.m. PST Monday through Friday, excluding holidays.
- VI. RIGHT TO INSPECT: We reserve the right to inspect the items to be covered, or the items covered, as the case may be, prior to coverage or during the coverage period. Model number, serial number and original date of purchase for all items to be covered are required for service. If You request a service call for a non-covered repair, You will be responsible for all costs associated with the repair. Repairs recommended by the repairing facility not necessitated by mechanical breakdown are not covered unless specifically authorized by Us. If Your product is found to be performing to the manufacturer specifications, it will be returned to You.
- VII PLACE OF SERVICE: Service will be provided by PSI. Once We verify and authorize Your right to receive support, You may request a return materials authorization (RMA). Once we receive a failed device (or cross ship a device for those with that support level), We will cover the reasonable parts and labor costs for the evaluation (and repair when necessary). On-Site service will be provided at the sole election of PSI. Otherwise depot repair service will be provided.
- VIII. EXCHANGE CROSS SHIPPING: For those seeking a heightened level of uptime and convenience, enhanced service and product support, We are pleased to offer Exchange Cross Shipping. For those who purchase exchange cross shipping service, PSI will exchange any alleged defective devices with loaner (or replacement) devices until such time as the alleged defective devices are either repaired or evaluated and determined to be functional. Upon repair or determination, PSI at their sole discretion may make arrangements to exchange the repaired/evaluated device with the loaned device. In the event that a cross shipment has been requested and the reported defective equipment is not returned by You to PSI (shipping prepaid) within 3 months from the exchange shipment date, PSI shall invoice You in the amount of 75% of the current list price for the shipped loaner equipment and You agree to pay the amount invoiced.
- **IX** TRANSPORTATION COSTS: You are responsible for the cost to transport and/or ship the product for service to our depot service center. Should You request next day replacement service, the cost in excess of standard ground service will be billed to You.
- **X** PARTS AND SUBCONTRACTING: Parts used to repair equipment may be either new or refurbished at Our sole option. Service may be performed by either PSI staff or subcontractors.
- XI. WAIT PERIOD: Customers may be subjected to a thirty (30) day wait period if the Contract is purchased after the manufacturer's

warranty, or a previous extended service plan covered by Us, expires

XII. CLAIMS LIMITS: Replacement of any covered device with a new unit shall be deemed full and total completion of our responsibility for such device for the remainder of the Contract period. Broken parts that are unavailable (*Obsolete*) will not be covered; replacement/pay-out up to the total liability amount (less sales tax and shipping) will be offered in lieu of repair or for those who have maintained support for at least 5 years after the original device purchase date, PSI may at its sole option offer a new replacement model at 50% of the then list price.

XIII. LIMITATIONS OF COVERAGE: THIS CONTRACT DOES NOT COVER:

- A. Normal maintenance, cleaning, or tune-ups
- B. Any equipment located outside the United States of America, Canada or Puerto Rico.
- C. Service required as a result of any alteration of the equipment or repairs made by anyone other than the service provider, its agents, distributors, contractors or licensees or the use of supplies other than those recommended by the manufacturer.
- D. Installation, removal, or reinstallation of any equipment.
- E Damage or other equipment failure due to causes beyond our control including, but not limited to, power failure or inadequate power supply, repairs necessary due to operator negligence, the failure to maintain the equipment according to the owner's manual instructions, burning-in caused by a constant pattern, failure of or improper use of any electrical source, abuse, vandalism, computer viruses, theft, fire, flood, wind, surge, freezing, unusual atmospheric conditions, telephone failure, or acts of war or acts of God.
- F. Expendable, lost, or consumable items such as, but not limited to: For Computers, Laptops, and Peripherals: removable data storage, accessory cables, batteries, and media disks. For Printers, Copiers, and Multifunctional Equipment: ink, fuser, roller kits, maintenance kits, and any toner/cartridge. Nonfunctional parts: including but not limited to; cases, cabinetry, exterior/interior finishes, knobs, dials, handles, hinges, trim and/or appearance parts or external accessory items such as electrical connections. For all products: Telephone or other lines connecting to the equipment. Items that are considered consumable by the manufacturer.
- G.Any software not provided or authorized by PSI, including, but not limited to, application programs, network programs, upgrades, formatting of any kind, databases, files, drivers, source code, object code or proprietary data, or any support, configuration, installation or reinstallation of any software or data. To receive software support you must have administrative rights to your computer within 15 minutes from a support request. The obtaining of administrative rights that require in excess of 15 minutes is billable under the rates in effect at the time of service excluding the allowed 15 minutes.
- H.In-warranty parts not provided or shipped by PSI or the manufacturer. Damage covered by manufacturer's warranty, manufacturer's recall, or factory bulletins (Regardless of whether or not the manufacturer is doing business as an ongoing enterprise.) Defects in the equipment due to the manufacturer's error or improper construction of the equipment.
- error or improper construction of the equipment.

 Service necessary because of improper storage, improper ventilation, reconfiguration of equipment, use or movement of the equipment, including the failure to place the equipment in an area that complies with the manufacturer's published space or environmental requirements.
- J. Any utilization of equipment that is inconsistent with either the design of the equipment or the way the manufacturer intended the equipment to be used. And Any and all cases in which the manufacturer of the equipment would not honor any manufacturer warranty regarding the equipment.
- K. Loss or damage as a result of violation of existing federal, state and municipal codes including repairs to products not complying with said codes.
- L. Pre-existing conditions (incurred prior to the effective date of coverage.)
- M.Alteration or removal of the serial number
- N. Cosmetic defects or damage (such as cracked cases and broken hinges) or defects that do not inhibit the proper operation and performance of the covered items
- O.Consequential damages or delay in rendering service under this Contract, or loss of use or data during the period that the product is at the authorized service center or otherwise awaiting parts.
- **XIV. ENTIRE CONTRACT.** This is the entire Contract and no other oral modifications are valid.
- XV. LIMITATION OF LIABILITY. PSI, CONTRACTORS OR LICENSEES WILL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, PROPERTY DAMAGE, LOST TIME, LOST DATA RESULTING FROM THE BREAKDOWN OR FAILURE OF ANY EQUIPMENT OR FROM DELAYS IN SERVICING OR THE INABILITY TO RENDER SERVICE ON ANY COVERED EQUIPMENT. EXCLUSION IS MADE OF ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES MADE HEREIN.
- XVI. CANCELLATION: You may cancel this contract for any reason up to 30 days from date of purchase.