

HARDWARE MAINTENANCE AGREEMENT TERMS AND CONDITIONS

1. **EQUIPMENT COVERED** This Maintenance Service Agreement ("Agreement"), covering onsite, depot repair, or advanced replacement service as described below, applies to equipment listed on the invoice for such maintenance services (hereinafter referred to as "Equipment"). Security MicroImaging Corporation (SMC), doing business as Kiriworks, will provide tags with identification numbers for the Equipment which shall be placed on the Equipment for reference during requests for service. Customer, as identified on the invoice for warrants that it is the owner of the Equipment covered by this Agreement or is otherwise authorized to enter into this Agreement.

2. **CONDITION OF EQUIPMENT** It is understood that the Equipment covered by this Agreement is in good condition on the date that this Agreement becomes effective. If this Agreement is entered into without an inspection of the Equipment by SMC, then SMC will inspect the Equipment during its first maintenance call. If at the time of its first inspection SMC, in its sole discretion, finds that the Equipment requires repair or reconditioning beyond what is provided with normal maintenance, it may terminate this Agreement and all obligations hereunder by refunding all service fees paid to date. If Customer nonetheless requests service by SMC with respect to such Equipment, the fee for such service will be on a time and material basis at SMC's regularly published rates.

3. **MAINTENANCE SERVICE** During the term of this Agreement, SMC will provide maintenance services, as indicated on the invoice for such services, for the Equipment as set forth in the original Equipment manufacturer's product manual as follows:

ONSITE SERVICES: SMC will provide telephone support and if required, in SMC's sole judgment, onsite maintenance including replacement of standard parts and necessary labor for such replacement, technical adjustments, and testing. Replacement parts do not include lamps, glass parts, operating supplies or other consumables including maintenance kits. SMC will perform preventative maintenance services such as cleaning, lubricating, and testing. The number of preventative maintenance service calls will be agreed upon by Customer and SMC. The preventative maintenance service calls may be performed at the same time as a scheduled service call. In the event that the Equipment manufacturer issues maintenance upgrades or software patches necessary for the day to day operation of the Equipment, those upgrades or patches will be installed by SMC at no charge. However, new versions of any imbedded software are not included. Equipment manufacturers may require software, necessary for the operation of the Equipment, to be purchased separately. This software may be purchased under an annual software license agreement which may include an annual license fee entitling the Customer to the use of the software. These Licenses and any software maintenance services are generally purchased directly from the Equipment manufacturer.

DEPOT REPAIR SERVICE: During the term of this Agreement, SMC will provide telephone support and if required, in SMC's sole judgment, depot repair service. Depot repair service includes spare parts, labor and round-trip shipping for verified Equipment failures. SMC will issue a return material authorization and provide customer with shipping instructions for the return of the defective Equipment. Repaired Equipment will be shipped back to Customer within five (5) business days of receipt and may be the original or remanufactured. Depot repair service does not include preventative maintenance, lamps, glass parts, operating supplies or other consumables including maintenance kits.

ADVANCED REPLACEMENT SERVICE: During the term of this Agreement, SMC will provide telephone support and if required, in SMC's sole judgment, advanced replacement of Equipment. The replacement Equipment may be remanufactured and will be shipped pre-paid to arrive at Customer by next business day if service request is received before 2:00pm CST. SMC will issue a return material authorization and provide Customer with shipping instructions for the return of the defective Equipment. Customer will return the defective Equipment in the shipping materials provided by SMC within five (5) business days from receipt of the replacement Equipment. If after ten (10) business days of shipping the replacement Equipment, SMC does not receive Customer's defective Equipment, Customer will be invoiced at a commercially reasonable price for the replacement equipment. Advanced replacement service does not include preventative maintenance, lamps, glass parts, operating supplies or other consumables including maintenance kits.

4. **SERVICES NOT COVERED** This Agreement does not cover maintenance required to repair damages, malfunctions or service failures caused by the Customer's (a) failure to properly install or operate the Equipment; (b) failure to provide the proper environment for the Equipment as indicated in the operating manual; or (c) modification to or relocation of the products. This Agreement does not cover abuse, misuse, or negligent acts of Customer or third parties as well as power failure, power surge, lightning, fire/flood, accident, sprinkler leakage or other events outside SMC's reasonable control or not arising under normal operating conditions. SMC may agree to perform maintenance services in such instances which shall be on a time and material basis at SMC's regularly published rates. This Agreement does not cover software, except imbedded software, or operating system or network system administration including configuration or mode setup services.

5. **TIME PERIOD** The period of this Service Agreement is outlined on the enclosed invoice.

6. **FEE** SMC will invoice customer at its regularly published rates previously supplied to Customer as amended from time to time.

7. **SERVICE REQUESTS** Requests for maintenance services shall be made by calling SMC at 800-242-1777 or 414-271-3074. At the time service is requested, Customer must provide the Equipment Identification Number previously supplied by SMC, as indicated in paragraph 1 above.

8. **DAYS AND HOURS OF SERVICE** Maintenance Service will not be provided on holidays, (New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day) as well as Good Friday 1/2 Day, Friday after Thanksgiving, Christmas Eve 1/2 Day, and New Year's Eve 1/2 Day. Service outside contracted Maintenance Service Agreement hours is provided on a best effort basis and at prevailing SMC per call rates. This Maintenance Service Agreement covers service during SMC's normal working hours, usually 8:00 a.m. to 5:00 p.m. Monday through Friday C.S.T. Extended hours and priority response time may be available depending upon location of service capabilities.

9. **RESPONSE TIME** SMC's goal is to provide telephone response to all service calls within one hour of service request. Response time for onsite service, if applicable, is indicated on the enclosed invoice when such calls are made during normal working hours.

10. **OBLIGATIONS OF CUSTOMER** Customer will assign a qualified supervisor to act as the initial contact in the event Equipment maintenance is requested. The Equipment supervisor shall be familiar with initial diagnostic and trouble shooting features of the Equipment and will employ them prior to contacting SMC for service. The Equipment supervisor shall facilitate the performance of services hereunder.

11. LIMITATIONS OF LIABILITY In no event shall SMC be liable to Customer for any indirect, special, or consequential damages arising out of or related to this Agreement or the performance or breach thereof even if SMC has been advised of the possibility thereof. In no event shall SMC be liable to Customer for any damage, including lost profits or revenues, resulting from or related to any failure or delay of SMC in the performance of maintenance services or other services under this Agreement or for loss of data from any cause whatsoever. SMC expressly disclaims any implied warranty of fitness for a particular purpose or use and any warranty of merchantability.

12. RENEWAL This Agreement shall be renewed annually upon the payment of SMC's invoice by Customer. Should Customer fail to pay the invoice and renew the Agreement, Customer shall pay SMC for any services received subsequent to expiration of the Agreement on a time and material basis at SMC's regular published rates. The renewed Maintenance Service Agreement Fee will be based on the previous year's usage and may be amended at the time of renewal.

13. CANCELLATION SMC may terminate this Agreement if Customer fails to pay SMC any fees or taxes required to be paid hereunder; Customer is in default of any provision of this agreement if such default is not cured within twenty (20) days after SMC gives notice thereof or Customer becomes insolvent or seeks protection voluntary or involuntary under any insolvency law. Either party may terminate this Agreement by giving thirty (30) days written notice at which time SMC shall refund any advanced fees paid and unearned.

14. ASSIGNABILITY This Agreement shall not be assigned or transferred by either party without the prior written consent of the other party, which it may withhold or grant in its sole discretion.

15. GENERAL CONDITIONS

A. This Agreement shall be governed by the laws of the State of Wisconsin;

B. This Agreement is the sole Agreement between the parties relating to the subject matter hereof and supersedes all prior understandings, writings, proposals, representations or communications, oral or written, of either party;

C. This Agreement may be amended only by agreement between SMC and Customer in writing and executed by the authorized representative of both parties. SMC reserves the right to modify this Agreement upon renewal.

16. CONTACT INFORMATION:

Security Microlmaging Corporation
dba Kiriworks
1515 North RiverCenter Drive
Milwaukee, Wisconsin 53212
414-271-3074
1-800-242-1777
FAX: 414-271-7317