

**THIS ORDER IS SUBJECT TO THE FOLLOWING
TERMS AND CONDITIONS OF SALE**

1. **Acceptance.** Should Customer receive merchandise or services by placing an order for, and accepting delivery of, merchandise and services provided by PrintJet Corporation (herein "PJC"), Customer shall be deemed to have accepted all Terms and Conditions of Sale stated herein.

2. **Limited Warranties, Remedies and Limitations.**

a. PJC warrants to Customer that, at the time of delivery, the merchandise sold hereunder will conform substantially to the description on the face hereof. PJC's liability and Customer's remedy under this warranty are limited in PJC's discretion to replacement of merchandise of equal or greater value, which are shown to PJC's reasonable satisfaction to have been non-conforming, or to a refund of the purchase price or, if not paid, to a credit in the amount of against PJC's account balances or against future purchases, at PJC's election. All claims must be made within a 30 day time period.

b. PJC warrants to Customer that it will convey good title to the products sold hereunder, free and clear of all liens and encumbrances, except as may be issued in favor of PJC.

c. **LIMITED WARRANTY.** PJC warrants that the products sold hereunder will conform to Customer's specifications and will be free of defects in workmanship and materials appearing within the number of months shown on the Warranty Schedule below for each product group. During the applicable warranty period, PJC will repair or replace (as PJC's discretion) at no charge to the Customer all inoperable parts provided such parts are returned to PJC following the Customer's standard return procedures. Customer is responsible for all shipping and freight charges; Customer must supply shipping number or purchase order number for the freight. This Warranty does not extend to claims that result, in the PJC's judgment, from misuse, negligence, neglect, improper installation or maintenance, alterations or repairs performed by personnel not employed, trained or certified by PJC, or operation using printer supplies or other parts which do not conform to, or are used in a manner inconsistent with, product design. EXCEPT FOR THE ABOVE WARRANTY, PJC MAKES NO WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED, OPERATION OF LAW OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ANY EXPRESSED OR IMPLIED WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. In addition, PJC shall not be liable on any claim under the warranty unless PJC shall have received notice of such claim from Customer within thirty (30) days of Customer discovering the facts giving rise to such claim.

d. **Warranty Schedule:**

Ink Jet Printers: 12 Months from date of purchase

Ink Jet Accessories and Spare Parts: 3 Months from date of purchase

Fluids-Ink, Makeup and Wash: Expiration Date (2 months or less shelf life remaining No credit will be issued)

3. **Entire Agreement.** The Order between PJC and Customer consists in its entirety of the terms and conditions contained herein, and supersedes all previous communications, representations or agreements, either oral or written, between the parties and all of same shall be deemed merged into this agreement. No modification of this Order or quote shall be affected by Customer's purchase order forms or other documents containing terms or conditions different from or in addition to those contained herein nor by course of dealings by and between the parties. Any modification, amendment or change of these TERMS AND CONDITIONS OF SALE must be agreed to in writing, signed by both parties hereto and specifically referring to the Order or quote. Any mathematical or typographical errors appearing on this Order are subject to correction.

4. **Force Majeure.** PJC will not be liable for any delay in delivery or shipment of merchandise, or for any damages suffered by Customer by reason of such delay, when such delay is directly or indirectly caused by or in any manner arises from fires, floods, accidents, riots, acts of God, war, governmental interference, embargoes, strikes, labor difficulties, shortage of labor, fuel, power, materials, or supplies, transportation delays, or any other cause or causes (whether or not similar in nature to any of these hereinbefore specified) beyond PJC's control. All orders which are accepted by PJC are accepted with the understanding that they are subject to PJC's ability to obtain the merchandise listed on the Order as well as the ability of PJC to obtain the necessary materials to produce said merchandise. Therefore, there will be no liability on the part of PJC due to the inability to obtain merchandise listed on the reverse side of this Order.

5. **Occupational and Safety Health Act.** PJC does not warrant that its merchandise complies with the provisions of any law, including, but not limited to, the Occupational Safety and Health Act of 1970. In the event that any merchandise listed on this Order violates any rules and/or regulations of the Occupational Safety and Health Act or if said merchandise violates any state or local statutes, ordinances, rules or regulations which deal with the same or similar subject matter as the said Act, Customer agrees to take no action whatever against PJC for any and all losses suffered by Customer which are the direct or indirect result of any penalties, fines or sanctions imposed on the Customer for said alleged violations or as a result of said alleged violations. Customer further agrees to provide PJC technicians with necessary safety training and safety equipment as required to perform work in the Customer's facility.

6. **Limitation of Consequential Damages.** PJC's sole obligation and the purchaser's exclusive remedy with respect to products proved to PJC's satisfaction to be defective or nonconforming shall be return of such products to PJC, and refund of the purchase price actually paid therefore by the Customer. PJC shall not be subject to any other obligations or liabilities, whether arising out of breach of contract, warranty, tort (including negligence and strict liability) or other theories of law, with respect to goods sold or technical services rendered by PJC, or any undertakings, acts or omissions relating thereto. Without limiting the generality of the foregoing, PJC specifically disclaims any liability for property or personal injury damage penalties, special punitive damages, damages or lost profits or revenues, loss of use of product or any associated equipment, cost of capital, cost of substitute products, facilities or services, down-time, shut-down, or slow-down costs, or for any other type of economic loss and for claims of the purchaser's customers or any other third party for any such damages. **PJC SHALL NOT BE LIABLE FOR AND DISCLAIMS ALL CONSEQUENTIAL, INCIDENTAL AND CONTINGENT DAMAGES WHATSOEVER.**

7. **Indemnification.** The Customer shall indemnify PJC from and against any and all losses, damages and expenses (including attorney's fees and other costs of defending any action) that PJC may sustain or incur as a result of any claim of breach of contract, tort (including negligence, breach of implied warranty, strict liability in tort) or other theories of law, by the purchaser, its officers, agents or employees, its successors and assigns, and its customers, or other persons, whether direct or indirect, in connection with the use of the product or services furnished hereunder.

8. **Severability.** If any of the foregoing TERMS AND CONDITIONS OF SALE are found to be unenforceable by a court of competent jurisdiction, then only those portions of the foregoing shall be stricken and the remaining TERMS AND CONDITIONS OF SALE shall be enforceable.

9. **Choice of Law; Venue; Enforceability.** All transactions between Customer and PJC shall be governed by and interpreted in accordance with the laws of the state of Illinois, without regard to the conflicts or law provisions thereof, and all actions and proceedings arising from, relating to or in connection with this Order shall be subject to the exclusive jurisdiction of any federal or state court located in Winnebago County, Illinois. All parties agree that proper venue for any action related to this Order or the parties' relationship shall be in any federal court or state court situated in Winnebago County, Illinois, and agree that no *forum non conveniens* defense shall apply to any such action.

10. **Systems Integration/Sub-Contracting.** PJC will be responsible for coordinating the sub-contractors with Customer. This includes electrical (conduit, data cable, AC power, line-conditioners, etc.), conveyors, pneumatics and other related equipment (sub-contractors). Unless specifically identified in this Order, all purchase orders for service performed by sub-contractors is the responsibility of Customer. PJC does not imply warranty of the work performed by any sub-contractor unless specifically stated in this Order.

11. **Scheduling.** All installation work performed by PJC technicians is to be done upon completion of work by all sub-contractors. Whenever possible, PJC technician will attempt to work around sub-contractor delays or delays caused as a result of Customer's need to schedule installation around production requirements. In the event this is not possible, Customer agrees to pay for the PJC technician to "stand-by" at the rate of \$80.00 per hour. These fees are to be tabulated throughout the installation with a final invoice for stand-by time to be issued upon completion of the installation.

12. **Receiving PJC Equipment at the Facility.** Customer agrees to receive the PJC equipment in their facility and provide the equipment and personnel to move it to the secured storage area. After staging, Customer will also provide the equipment and personnel to move the PJC equipment in place for installation. Customer agrees to provide a SECURED storage area for equipment to be staged. This area must be equipped with a minimum of 4 power outlets for operating power tools. In the event the storage location is unsecured, Customer assumes responsibility for reimbursing 5CS for any tools or equipment which are removed without permission. The PJC technician(s) is to be granted -access--to lavatories, wash-rooms, break areas, cafeterias, etc. throughout the installation.

13. **Working Hours.** Standard working hours for PJC technicians are 8:30 a.m. to 5:00 p.m. local time. Hours spent before or after these times are to be billed at \$135.00 per hour. Weekend work is provided strictly on an "as available" basis and should be scheduled at least twenty-four (24) hours in advance. Technician labor for weekend work is billed at \$145.00 per hour from 8:30 a.m. to 5:00 p.m. and \$145.00 per hour after those hours. PJC observes New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve Day and Christmas Day as holidays and PJC's plants are closed. Any merchandise delivered on the above days will require additional charge for the increased labor and/or delivery costs. Installation includes the first install of PJC equipment as per the agreed location. Equipment which must be moved to another location because of plant facility changes will require additional installation fees. Hours spent in support of previously installed equipment will be billed at the rate of \$110.00 per hour. Travel time is billed at 55.00/hour and work performed at PrintJet (in-house) is billed at 60.00/hour.

14. **Work Rules.** PJC technicians must be authorized to perform all installation work.

15. **System Administrator.** Prior to beginning the installation, Customer will assign a system administrator who is immediately available for training and who is to be responsible for managing the data base, as well as insuring the proper use of the equipment by all line operators, and the proper maintenance of the equipment by maintenance personnel. The system administrator is to be responsible for training new employees on the proper use and maintenance of the equipment after the installation and formal training is complete.

16. **Data Base.** The system administrator assigned by Customer will be responsible for generating the data base after training has been completed and incidental message creation for verification of the system has occurred. Formats for entering messages into the data base are to be determined prior to installation of the equipment.

17. **Order Cancellations.** In the event Customer cancels the Order after this equipment has been shipped, Customer agrees to pay for return freight of equipment as well as restocking fees.

18. **Custom Software/Hardware Provision.** If this Order contains custom software/hardware and Customer chooses to modify or cancel Order, Customer agrees to pay for all engineering costs associated with the changes or cancellation, up to and including full quoted purchase price. Custom hardware charges will include all components of the system which cannot be returned to the vendor, as well as labor to design, process the Order and return of those components. Custom software cancellation charges will include all development time spent up to cancellation, including testing. Additionally, computer hardware which cannot be returned will also be billed at full price.

19. **Return Policy and Procedures**

a. **RETURN PROCEDURE FOR WARRANTY PARTS:**

Customer must supply serial number of machinery along with the original purchase order number under which parts or machinery was purchased. A return authorization number will be issued to Customer for the defective parts. Upon receipt by PJC of defective parts, a credit will be issued to PJC's account. Parts must be returned along with a copy of the return authorization number associated with the returned parts. If the defective parts are not returned within 10 working days, full payment (at full list price) will be due for the limited warranty parts.

b. **RETURN PROCEDURE FOR SERVICE EXCHANGE PARTS:** If a part is available as a Service Exchange part, PJC will bill Customer at a reduced cost for that part on the stipulation that the Customer returns same quantity of said part to PJC within 30 working days. A Return Authorization number will be issued to the Customer for the return of said parts. Parts must be returned along with a copy of the return authorization number associated with the exchanged part. If the exchanged part is not returned within 30 working days, Customer will be billed at full list price for the exchanged part.

c. **RETURN PROCEDURE FOR LOANER/TRIAL PARTS:** Customer will be charged list price for any Loaner/Trial parts not returned by the agreed upon date. Full payment of said parts would be due. A Return Authorization number will be issued to the Customer for said parts. Upon receipt of said parts to PJC, the Customer will be issued any credit due.