



Back-to Factory Coverage

Term & Term Renewal

The terms of this Agreement shall be for the contract term stated on the face of the Printer Maintenance Agreement (the reverse side of this page) which incorporates these terms by reference. This Agreement may be renewed for an additional one (1) or two (2) year period, in the sole discretion of SATO America, Inc. ("SATO"), at SATO's then applicable rates conditioned upon customer executing SATO's then applicable form of this Agreement.

Services Provided by SATO

- A. Subject to the Customer complying with the conditions and requirements hereof and the SATO warranty not having been voided with respect to the subject equipment, SATO will provide factory repair service availability at SATO's repair facility (Charlotte, North Carolina) during its normal business hours, 8:00 am to 4:30 pm, Monday through Friday, excepting holidays observed by SATO.
- B. Factory repair service shall include required repair, if any, of each unit of the nonfunctioning equipment specified herein and preventative maintenance and adjustments, all as SATO shall deem necessary.
- C. SATO shall use commercially reasonable efforts to provide a repair turnaround time of five (5) business days, or less, from the date of receipt of Customers covered equipment by SATO through the date of shipment of the repaired equipment by SATO.
- D. Other repairs not covered hereby, e.g., physical damage, will be subject to then current SATO repair charges applicable to such unit of equipment and shall be undertaken by SATO only after express authorization by Customer and payment arrangements satisfactory to SATO.
- E. Services under this Agreement specifically exclude, without limitation, rechargeable battery replacement. Rechargeable batteries will be replaced and charged to the Customer at a price not to exceed the current SATO parts list rate or as stated on the face of this Agreement.
- F. Services under this Agreement specifically exclude, without limitation, printhead replacement, unless the printhead replacement option is purchased. If the printhead replacement option is purchased, only one printhead per printer is covered per annual period. Additional printheads will be replaced and charged to the Customer at a price not to exceed the current SATO parts list rate or as stated on the face of this Agreement.

Payment

SATO shall invoice the Customer for amounts due hereunder. All amounts are due in full from Customer within ten (10) days of the date of SATO's invoice. Amounts which are not paid when due shall be subject to a late payment charge of 1.5% per month until paid.

Additional Exclusions

Services provided by SATO under this Agreement do not include repairs, testing or replacement of units or parts caused by:

- A. Unauthorized tampering/modification of the equipment.
- B. Use of the equipment for other than the use for which designed;
- C. Accident, misuse, damage or disaster, including but not limited to, fire, flood or neglect;
- D. Parts, cables, computers and/or accessories external to the equipment; or
- E. Shipping damage—

Although the user is not required to purchase SATO brand supplies (media and/or ribbons), to the extent that the use of other supplies (media and/or ribbons) shall have caused any defect in the equipment for which a claim is made, this claim shall be null, and void and the Customer shall be responsible for SATO's then current charges for labor and materials to repair such defect.

Shipment

Prior to returning equipment to SATO for service, Customer shall:

- A. **Obtain a SATO Return Material Authorization (RMA) Number by calling 704-644-1650.**
- B. Ship the equipment, transportation and insurance pre-paid, to SATO; and include with the complete unit or subassembly, a written description of the claimed defect. **RMA # must be outside of box.**
- C. Complete units or subassemblies returned shall be packed in the original shipping container or comparable strong cartons. In the event equipment is not so packaged and shipping damage occurs or if shipping damage is evident, it will only be accepted for service on a time and material basis at SATO's then current labor rate and then current parts list prices and shall not be covered under this Agreement.
- D. Except as provided below, surface transportation charges for the return of equipment to the customer within the contiguous forty-eight (48) United States and District of Columbia shall be paid by SATO unless otherwise stated on the face of this Agreement. The customer shall pay all shipping costs, customs clearance and other related charges outside of the designated area, unless otherwise stated on the face of this Agreement.
- E. If SATO determines that the equipment returned for service is not defective or Customer has not made reasonable effort to determine the nature of failure, Customer shall pay the then applicable minimum service charge and all transportation costs.

Disclaimer and Limitation of Liability

- A. SATO's sole obligation under this Agreement shall be to use commercially reasonable efforts to repair, subject to the terms of this Agreement, any unit of defective equipment specified herein.
- B. Units of equipment determined by SATO to be non-repairable, will be returned to Customer (unless Customer elects to abandon such item of equipment at SATO's premises), surface transportation prepaid by SATO, and that specific item of equipment shall be deemed removed from this Agreement. No credit under this Agreement shall be allowed for any such item of equipment so removed.
- C. SATO shall not under any circumstances whatsoever, be liable to Customer or any other party for lost profits, diminution of goodwill or any other special or consequential damages whatsoever with respect to any claim hereunder. In addition, SATO's aggregate liability for service claims during an annual period hereunder shall not, in any event, exceed the amount paid by Customer pursuant to this Agreement for that period, nor shall SATO be liable for delays in replacement or repair of equipment hereunder caused by matters beyond its reasonable control.

Assignment

Customer shall have the right to assign its rights under this Agreement to any purchaser of the equipment herein described. Any such assignment shall be in writing and an executed copy thereof shall be delivered to SATO by Customer.

Customer Representation

If Customer is an authorized SATO reseller from whom the end user purchased or leased a supported product, Customer's contracts with the end user shall incorporate, for SATO's benefit, the information, conditions and requirements set out in this Agreement, making the end user subject hereto as a consequence of the assignment to the end user, who will be the Customer for all purposes hereunder.

General

- A. SATO shall have the right to suspend its services hereunder or terminate this Agreement in the event of any default by Customer in any payment required to be made hereunder. Customer shall not be entitled to any refund or credit in either such event. Customer shall have the right to terminate this Agreement only in the event of any material default by SATO (for which SATO has been given a reasonable time to cure), in which event, SATO's sole liability to Customer shall be to refund to Customer a pro rata portion of the amount paid by Customer for the unexpired then applicable term of this Agreement.
- B. SATO shall have the right to modify these terms and conditions to be effective during any extension period subsequent to the then applicable Agreement term, and Customer agrees that such modifications, if any, shall be applicable to any extension period. The Customer represents that it is the owner of the equipment covered under this Agreement. Any SATO services provided outside the express requirements of this Agreement will be furnished at SATO's then applicable time and material or fixed rates then in effect.
- C. Printers that have been approved for inclusion into this Service Agreement via the "Service Agreement Self-Inspection" form may be subject to a 30 day exclusion from coverage under said Agreement at the sole discretion of SATO. SATO will accept printers under contract "sight unseen" if they are less than one year old, or if coming off an existing contract. Older printers may be subject to a standard billable service check, along with any necessary repairs, to return printers to factory standards.
- D. This Agreement shall be deemed to be made in North Carolina and shall be governed by the laws of the State of North Carolina. Customer agrees that any controversies arising hereunder, including claims for money owed for services rendered, may be litigated in the state or federal courts located in Mecklenburg County, North Carolina, and Customer hereby submits to the jurisdiction on such courts. Claims against SATO under this Agreement shall only be litigated in the state or federal courts located in Mecklenburg County, North Carolina.

Cancellation Policy

Customer may cancel this Agreement through written notice to SATO, for a full refund, within thirty (30) days immediately following the date of this Agreement, provided that no claims have been made hereunder by, and no services have been provided to, Customer.