

This Maintenance Agreement represents the Master Agreement between the parties. Additional Schedules may be added during the Term of the Agreement with the written consent of both parties and in such circumstances the particulars in these Schedules shall be subject to these Terms and Conditions.

Definitions

In this Maintenance Agreement and Schedule the following terms are used and are defined as follows:

- 'The Company' is Covenco Limited
- 'The Customer' is Customer
- 'Maintenance Service' shall mean the provision of labour for engineering services (including diagnosis repair and associated documentation and the fitting of engineering changes and associated documentation) and spare parts that are required (see Schedule of Maintenance Services for definitions of spares included and excluded) by Covenco Limited.

Term

This Agreement will be effective on the contract date set forth later in this Agreement and will have an initial term of one-year ("Initial Term"). This Agreement will continue from year to year after the expiration of the Initial Term. Either party will have the right to terminate this Agreement on the basis of ninety (90) days prior written notice during the Initial Term. The Customer acknowledges that the Company may not be able adhere to the agreed service levels during the first twenty-eight (28) working days of this Agreement as the Company may need to acquire relevant parts to provide the agreed services under this Agreement. However, the Company confirms that it will endeavor to adhere to the required service levels during the first twenty-eight (28) working days where possible it will adhere to the agreed service levels thereafter throughout the term of this Agreement. Please note if the receipt date of the customer Purchase Order is after the commencement date of this agreement then the date of receipt of the Purchase Order is the first day of the twenty-eight (28) working day period. For the purpose of determining the duration of Maintenance Service under this Agreement the "Contract Date", and not the "Effective Date" set forth on any Equipment Location Addendum, will prevail. Short Term agreements (those agreements under 11 months) shall be deemed terminated on termination date unless otherwise specified.

The Company's Responsibilities

The company will:

1. Render Maintenance Service to Equipment as listed in the Contract Schedule of Equipment and Rates, subject to the terms and conditions set forth in the Schedule of Maintenance Services.
2. Provide installation and removal services to the Customer in accordance with the terms and conditions set forth in the Schedule of Installation and/or Removal Services.
3. Provide special services to augment Maintenance Services provided by the Company to the Equipment in accordance with the terms and conditions set forth in the Schedule of per Call Services.
4. The Company's personnel provided under this Agreement will remain under the management of the Company.
5. The Company shall take all reasonable precautions to ensure that its employees shall retain in complete confidence any information, or trade secrets of the Customer, its business, its affiliates or its clients of which they shall become aware as a result of performing their duties under this Agreement.
6. Perform the Maintenance Services with the best care, skill and diligence in accordance with best practice in the Company's industry, profession or trade.
7. Use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure the Company's obligations are fulfilled in accordance with this Agreement.
8. Provide all Equipment, tools and vehicles and such other items as are required to provide the Maintenance Services.

9. Obtain and at all times maintain all necessary licenses and consents, and comply with all applicable laws and regulations.
10. Observe all health and safety rules and regulations and any other security requirements that apply at any of the Customer's premises.

The Customer's Responsibilities

The customer will:

1. Where Equipment as described in the Schedule of Maintenance Services is moved by any party other than the Company, give the Company notice within seven (7) days of the date of movement.
2. Use only those manufacturers' supplies or materials when operating the Equipment.
3. The Customer shall be responsible for ensuring the Equipment and any removable magnetic or optical media is cared for and operated in accordance with the manufacturer's recommendations
4. During the Term of this Agreement and for a period of six months from termination of this Agreement for any reason, the Customer will not employ or offer employment to any person employed by or acting on behalf of the Company. If the Customer is in breach of this condition, the Customer recognises that the Company will suffer loss and will reimburse the Company for such loss.

Charges

Charges for Maintenance Services will commence immediately upon installation or acceptance by the Company of the Equipment or in the case of Equipment purchased from the Company in accordance with the terms of the applicable warranty plan (The Company reserves the right to inspect the Equipment to ensure it is, in the opinion of the Company, in reasonable working order). Maintenance Charges will be invoiced as indicated in the Schedule of Equipment. Installation and Removal Service charges will be invoiced immediately after provision of such service. Per Call Services charges will be invoiced as Per Call Services are performed. Payment on all invoices will be made by the customer in full within thirty (30) days after the date of invoice. Charges for a partial month's service will be pro-rated on the basis of a thirty (30) day month subject to a minimum charge. (All charges are available on written request).

All charges specified are those currently in effect and are subject to change by the Company upon ninety (90) days prior written notice. If the charges are increased, the Customer, may, on the effective date of such increase, terminate this Agreement or withdraw from service any item of Equipment thereby affected upon one (1) month's prior written notice: otherwise this new charge shall become effective upon the date specified in the notice.

VAT and all other taxes will be added to all charges due and payable under this Agreement which will be payable upon demand.

Default and Termination

Either party will have the right to terminate this Agreement by either party giving ninety (90) days prior written notice. If the notice date falls within the first one hundred and eighty (180) days of the Initial Term then the Agreement will continue for one hundred and eighty (180) days from the contract start date.

An admin fee may apply should an amendment be required once the contract has been implemented.

The Company may, by written notice to the Customer, suspend or terminate this Agreement ten days after written notice of any delinquency in the payment of any invoiced amount. In the event of the Customer defaulting on any invoiced amount, the Customer will reimburse the Company for all-reasonable costs and expenses including reasonable legal fees, incurred by the Company to preserve or enforce its rights hereunder. Either party may terminate the agreement at any time if the other party is in material breach of any of its obligations under this Agreement.

In addition, this Agreement will automatically terminate if either party: (a) Becomes the subject of any bankruptcy proceedings or other insolvency law, voluntary or involuntary.

If such proceeding is not dismissed within sixty (60) days. (b) Suffers a receiver to be appointed for its affairs or property. (c) Enters into an assignment or other arrangement for the benefit of its creditors, or suffers an attachment against or a seizure of a substantial part of its assets, the Equipment or its parts inventory. Termination of this Agreement will not adversely affect any rights of either party existing as of the effective date of termination. The rights and remedies provided in this Agreement are cumulative and in addition to any other rights or remedies available at law or in equity, any other contract, instrument or paper.

Upon termination of the Agreement, the Company will reimburse to the Customer any charges paid in advance for any period for which the Customer will not be receiving Maintenance Service from the Company.

Disclaimer

It is the responsibility of the Customer to ensure that all of its files and data are adequately duplicated and documented and the Company will not be responsible for the Customer's failure to so do. The Company will not be responsible for the cost of reconstructing data stored on disc files, tapes, memories, etc. lost during the course of performance of maintenance service.

Force Majeure

Neither party will be responsible or liable, in any way, for its failure to perform its obligations under this Agreement during any period in which performance is prevented or hindered by conditions beyond its control, such as acts of God, fire, flood, war, embargo, strikes, labour disturbances, explosions, riots and law, rules, regulations and orders of any government authority. If such a period extends for more than sixty (60) days, then the Customer's obligations, except its obligation to pay for Maintenance Service or other Services performed by the Company will be suspended and commensurably extended until such time as performance is no longer prevented or hindered. Alternatively, if the period extends for more than sixty (60) days, either party may terminate the contract at any time.

General

The Company reserves the right to adjust the Charge to be made, as described in this Agreement, for any piece of Equipment where the specifications, attachments, described state or features of that Equipment is changed after the Commencement Date and those changes affect the maintenance of that Equipment. These changes will be subject to the agreement of the Customer and in the event of any dispute; the said Equipment may be removed from the Schedule of Equipment.

This Agreement is not assignable by either party without the prior written consent of the other party, which will not be unreasonably withheld.

Once this Agreement is accepted by the Company this Agreement will be the definitive terms accepted by all parties in this Agreement irrespective of any other parties' terms unless otherwise agreed in writing.

The Schedule of Equipment, contracted times and Service Level Agreement (SLA) shall be as stated in the quotation issued by the Company, any items of Equipment defined in the Schedule of Equipment without a complete definition shall only be accepted as a best endeavors Service Level Agreement irrespective of the original Schedule of Equipment or service level definition at quotation time.

Any notice or other communication given under this Agreement will be in writing delivered by registered post to the other party for the attention of the Managing Director (or his designee) at such party's address specified in the Agreement Consent below:

This Agreement will be governed by the laws of England and construed in accordance with English law and each party agrees to submit to the exclusive jurisdiction of the English courts as regards any claim or matter arising under this Agreement. No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification be in writing signed by a Director of the party against whom it is sought to enforce the waiver, amendment or modification.

The Company shall not be liable for any delays in meeting any of their obligations under this Agreement, where such is due to causes beyond their reasonable control.

The Terms and Conditions of this Agreement will prevail subject to any variance with the Terms and Conditions of any order submitted by the Customer for the repair or maintenance of the Equipment agreed in writing by either party. The Customer acknowledges that this Agreement is the complete and exclusive statement of the Agreement between the parties. It supersedes all proposals or prior Agreements, oral or written, and all other communications between the parties relating to the subject matter of this agreement, except where varied in writing between the customer and the Company.

Limitation of Liability

The Company's liability to the Customer in respect of claims for direct physical damage to the Customer's property at the Customer's premises (excluding data) arising as a direct result of the negligence of the Company's employees in the performance of this Agreement shall be limited to £2,000,000 for any one event or connected events.

The Company's liability to the Customer in respect of claims for direct physical injury to, or death, where such is attributable to the negligence of the Company's employees is unlimited.

The Company shall not be liable for any indirect or consequential losses arising out of the performance of its obligations under this Agreement (except as provided for above) including but not limited to pure economic loss, anticipated profits, revenues, anticipated savings, loss of clients, goodwill, business opportunities, wasted overheads, loss or corruption of data, software or configurations wherever held or any other losses not flowing directly and naturally from the performance of this Agreement.

Save as otherwise mentioned in this Section 9, the total liability of either party under this Agreement for all claims made by the other for loss or damage suffered, however that liability arises, shall be limited to the 150% of the annual sum paid or payable under this Agreement.

For the duration of the Agreement the Company shall maintain in force, with a reputable insurance company, professional indemnity insurance and public liability insurance to cover the liabilities that may arise under or in connection with the Agreement.

Schedule of Maintenance Services

The Company will render Maintenance Service at the location specified by the Customer to keep the Equipment in, or restore the Equipment to, good working order. This Maintenance Service includes remote telephone support and on-site maintenance services, based upon the specific needs of the individual item of Equipment. This will include all necessary parts required to fix an issue with the exception of parts deemed consumable by the relevant manufacturer. The Company will only be obligated to provide Maintenance Service, with respect to any items of Equipment, when it is retained to do so.

Parts used by the Company on the Equipment in the performance of its obligations hereunder will be new or equivalent to new, and the parts removed will become the property of the Company.

Maintenance Service will be furnished to the Customer for a Maintenance Charge with respect to each item of Equipment, as listed in the Schedule of Equipment, attached to this Agreement. The Maintenance Charge entitles the Customer to Maintenance Service as specified in the Contract Schedule of Equipment.

The Customer will provide the Company with full and free access to the Equipment, if the Company engineer cannot get full and free access then there may be a waiting charge applied, and an adequate, safe and well-lit place in which to perform service and storage space for spare parts.

In the event that any item of Equipment, maintained under the Schedule of Equipment, is moved from one Customer location to another Customer location. The Company will continue to maintain the Equipment at the new location if the Customer location being its current location, i.e. it's exact position at present. The Company will withhold the right to refuse Maintenance Services on Equipment damaged during the re-location process, or faults that occur directly after the re-location process. The Customer will deliver to the Company details of the Equipment relocated and of the new location at least seven (7) days prior to the move either by electronic means or normal post. Should the Equipment sustain any damage or malfunction as a result of such movement a charge will be made to rectify the problem based on normal ad-hoc labour rates and parts costs. (Cost available upon written request)

Should a fault call be logged within the first twenty-eight (28) days of the contract start date, the Company shall not commit to adhere to the required service level, as this time is used to spare up for the contract and arrange the necessary paperwork. If a fault is logged, the Company may also charge for parts used where such fault existed prior to the commencement of this Agreement which will be at the Company's discretion.

If, in the reasonable opinion of the Company, the Equipment does not qualify for Maintenance Service, the Customer may be invoiced for the cost of an inspection. If in the reasonable opinion of the Company a major overhaul of any part of the Equipment becomes necessary at any time then the Company shall notify the Customer in writing and within thirty (30) days shall submit an estimate of the costs thereof. Should the Customer decline to have the particular Equipment overhauled, at his own expense, within thirty (30) days of such notification the Company reserves the rights to exclude the said Equipment from this Agreement by serving written notice on the Customer.

The following are outside the scope of the Maintenance Service:

- Preventive maintenance service.
- External electrical work or firmware upgrades to any item of Equipment
- Repair of damage or loss resulting from: accident, transportation, neglect, misuse or abuse, operator error, failure of electrical power (including but not limited to power spikes, brown outs etc.), air conditioning or humidity control, water or causes other than ordinary use for the purpose for which any item of Equipment was designed.
- Repair of damage resulting from the equipment being used outside of the manufacturers recommendations including but not limited to old or low quality media such as tape drives.
- Repair of damage caused by using non manufacturer approved products (including, but not limited to, toner, ink, development units, fuser units, disk drives, memory and cables etc.)
- Supplies or accessories, painting or refurbishing the Equipment or furnishing material for it, or performing services connected with relocation of the Equipment, or adding or removing accessories, attachments or other devices NB. Supplies, consumables and accessories shall include but are not limited to: Drum cartridges, Rollers, Print shields, Ribbons, Ink cartridges, Toner cartridges, Print bands, Paper, Re-chargeable batteries, Collector units / bottles, Cache batteries, Paper separator belt, Cables, Maintenance kits, Bulbs, Ozone filters, Lens covers, Developer kits, Ink bottles / Ink Print heads, Ribbon masks, Fuser units, Transfer belts, Print wheels, Solid State Drives (SSD), SED Drives, UPS batteries and any other item deemed by the manufacturer as a consumable part. A fixed fee may be applied should the customer require the Company to supply an engineer to fit any consumable part.
- Should batteries be included within the support quote, replacement for them will not be covered by the SLA and engineering labour for battery replacements will be carried out within working hours (9am – 5.30pm)
- Programming and program maintenance. Including VPD chip programming etc.

- Service resulting from or which is impractical for the Company to render because of any adjustment, repair, maintenance, alteration, attachment, addition or connection to another machine or device unless the Company has agreed to such action.
- Service calls required to restore an item of Equipment to good operating condition, if resulting from persons other than the Company Field Engineers repairing, modifying or performing any maintenance or other type of service on any item of Equipment without the Company's prior agreement in writing.
- Service to any item of Equipment to which a safety change is necessary to avoid a hazard.
- Service in connection with the installation, discontinuance or removal of an item of Equipment.
- Engineering changes, feature changes, or the manufacturer for installed items of Equipment develops safety changes, such changes will be installed if the Customer requests by the Company.
- The Company is not liable for backing up of Customers data and/or restoring or recovering Customers data and if/when data is unavailable due to new Equipment being fitted either by the Company, the Customer, the end user or any other persons. This includes system configuration data related to all Equipment including computers, servers, storage devices, routing and network devices, printers and any other device that holds any user defined configuration information.
- Service in connection with faults deemed by the Company as manufacturers' faults or hardware upgrades or any acts of malicious damage to the equipment.
- Service in connection to hardware faults present before the commencement of the contract.
- Any design flaws in the Equipment. E.g. Monitor with image burn.
- Loan Equipment will not normally be included in a standard response contract for Equipment that has to be removed for external repair. An uplift to include this facility may be made at an additional charge.

Schedule of Per Call Services

Per Call Services represent those services performed by the Company outside the scope of Maintenance Service. Per Call Services are only available by prior arrangement to augment Maintenance Service provided by the Company. Per Call Services are billed on a usage basis, which includes labour and actual travel expenses (including, but not limited to tolls, parking, travel, mileage, public commercial transportation, as may be incurred in responding to such call).

For each request for Per Call Services, the Company will dispatch a field engineer as available. The Customer will be billed for the Per Call Services performed by the Company. When a field engineer receives assistance to diagnose or correct an Equipment malfunction, which is of a nature that can normally be handled by one field engineer, the Customer will be invoiced for the services of only one person during the period when both field engineers are present. When such malfunction is of a nature that requires more than one field engineer, as determined by the Company, this requirement will be brought to the attention of the Customer and the Customer's concurrence will be received before the second field engineer starts work. The signature of the Customer on the Customer Engineering Reports for each field engineer will constitute authorisation to invoice the Customer for the services of both field engineers. The current Company standard Per Call Services commercial hourly rates are subject to change without notice and will be quoted on the following basis:

- During the Company's normal working hours, Monday through Friday (excluding Bank Holidays)
- Outside the Company's normal working hours.
- Travel time accrued with a service call in a. and b. will be invoiced at the hourly rate applicable to the time rate of the service provided.