



GENERAL PURCHASE TERMS AND CONDITIONS

1. **PAYMENTS:** Terms of payments shall be full invoice payment, net 30 days from invoice date.
2. **PRICING:** Pricing for service and rental options shall be subject to increase after initial period unless PPP (price protection program) is applicable through Leasing.
3. **SECURITY INTEREST:** CUSTOMER Agrees to grant security to MBM in the equipment hereunder until CUSTOMER has paid for equipment in full (excluding postage meters).
4. **CANCELLATION / RESTOCKING:** In the event CUSTOMER desires to cancel their order with MBM or not take delivery of equipment after agreement is submitted. We reserve the right to cancel the contract. A 25% restocking charge will apply on the list price of the equipment ordered.
5. **TAXES:** CUSTOMER agrees to pay all taxes required by applicable tax laws.
6. **PAYMENT, TITLE AND RISK OF LOSS:** Title to Equipment shall pass to Purchaser upon delivery. MBM shall have a purchase money security interest in Equipment until payment in full. Purchaser shall execute and deliver, at MBM request, customary financing statements to perfect MBM security interest.
7. **OPERATING SUPPLIES:** All tapes and other supplies for Equipment shall be provided at Purchaser's expense.
8. **WARRANTY: LIMITATION OF LIABILITY:** MBM sole liability for any defect shall be to repair or replace, at its option, any materials which MBM reasonably determines to have defect covered by its warranty within a reasonable time and without charge. This warranty does not apply to (i) normal maintenance; (ii) any materials repaired or altered (except by MBM) in a way which MBM reasonably determines to have adversely affected performance or reliability; (iii) any materials subjected to misuse, neglect or accident; (iv) any expendable or consumable items. No repair or replacement shall extend any warranty.

This warranty is in lieu of any other warranty (other than title and non-Infringement as hereafter provided), express or implied, including merchantability end fitness for purpose and any warranty otherwise arising out of any proposal, specification, or sample. MBM neither assumes nor authorizes any person to assume for it any other liability. In no event shall MBM be liable for direct, special or consequential damages in connection with this agreement or Equipment. Purchaser's sole remedy for any breach or failure of performance by MBM shall be to rescind this agreement and obtain return of all amounts paid to MBM hereunder.

MBM shall not be liable for any delay or failure of performance under this agreement due to any causes beyond its control, including acts of God or government, labor disputes or inability to secure materials or transportation. MBM time for performance shall be extended for a period equal to the duration of such delay.

9. **PATENT INDEMNITY:** MBM will defend at its expense any action brought against Purchaser to the extent based on a claim that Equipment or any part thereof infringes a United States patent. MBM will pay cost and damages finally awarded against Purchaser directly attributable to any such claim, but only on the following conditions: (i) MBM is promptly notified in writing of any such claim; (ii) MBM shall have sole control of the defense and settlement negotiations. Should Equipment become, or be likely to become, the subject of such a claim of infringement. Purchaser shall permit MBM at its option and expense, either to procure for Purchaser the right to continue using Equipment or to replace or modify Equipment so that it becomes non-infringing, or to require return of Equipment in exchange for reasonable credit for the Equipment as depreciated. MBM shall have no liability to Purchaser with respect to any claim of patent infringement based upon the combination of Equipment with Equipment or devices not sold by MBM. The foregoing states the entire liability of MBM with respect to infringement with respect to Equipment.
10. **CREDIT APPROVAL:** This agreement is subject to acceptance at MBM headquarters contingent upon credit approval by MBM