



Service Agreement Terms & Conditions

Herald Office Supply, Inc. (the Company) agrees directly or through its authorized representatives to provide service as required at the installation address specified above on the equipment listed. All charges specified are those currently in effect and are subject to change only at the time of subsequent annual renewal of the agreement. If the charges are increased, Customer may, as of the effective date of such increase, terminate this agreement by written notice to the Company. Otherwise the new changes shall become effective upon the date specified in the renewal notice.

The parties hereto covenant and agree as follows:

1. This Agreement shall commence on the date first above appearing ("start date") and shall continue for an original term of (1) year and shall renew thereafter for successive annual renewal periods unless terminated by either party by giving of written notice to the other party not less than thirty (30) days prior to the expiration of the then current term (original or renewal). If the Machine is leased then the annual contract cannot be terminated and must be "active" for the term of the lease. The terms and conditions set forth herein shall remain in full force and effect during an renewal term, except that the rates set forth in Paragraph 2 hereof shall be adjusted during any renewal term to Company's then current rate.
2. During the term hereof, as extended or renewed, the company shall provide Customer pursuant to the terms and conditions set forth herein, certain out-of-warranty Service (as herein defined) with respect to the following unit(s) (herein collectively called "Machine") unless Service with respect to a particular Machine is scheduled to begin herein indicated on a date other than the start date as shown.
3. The Company guarantees four (4) hour maximum response time on all service calls unless otherwise specified above. Should response time be greater than four (4) hours or specified time per above, Company will pay labor charges to the customer. (4 hour guarantee is limited to a 50 mile service radius)
4. The Company's obligations hereunder (herein called "Service") shall be limited to providing (i) periodic inspections and diagnostic checks of the Machine and (ii) repair or replacement of defective or worn out parts of the Machine but not including shop reconditioning or replacement of complete assemblies resulting from the wearing out of numerous parts.
5. Company's obligations hereunder shall not include (i) Service required due to accident, negligence, misuse, specification changes or cause other than normal use, or (ii) any Service in connection with attachments or to alteration of the Machine, or (iii) furnishing supplies or additional operator instruction after initial installation of the Machine.
6. Any in Warranty parts or labor provided by the Company under a Warranty made by the Company in connection with the sale of the Machine by the Company to the Customer shall be provided pursuant to the terms and conditions of said Warranty and not pursuant to this Agreement.
7. Service shall be performed during the Company's usual business hours; however, Service, when available after the Company's usual business hours and on Saturdays and Sundays and holidays, shall be charges at the Company's then current maintenance rate for labor, travel and expenses in addition to any charge paid by Customer hereunder.
8. If the Machine is regularly used by more than one (1) shift of personnel, the charge set forth herein shall be increased by fifty (50%) percent for each additional shift regularly using the Machine.
9. If, in the Company's opinion, the Machine ought to be removed for a shop reconditioning because on-site repair and/or replacement of parts cannot keep the Machine in satisfactory operating condition, the Company will submit a cost estimate to Customer for reconditioning and if authorized by Customer, the Company will recondition the Machine as the sole expense of customer which will be in addition to any charge paid by Customer hereunder.
10. Any parts supplies hereunder shall be free from manufacturing defects in material and workmanship under normal use for a period of ninety (90) days after same are supplies to Customer. This Warranty does not apply to any part which has been tampered with or repaired by persons other than person authorized by the Company to perform Service on the Machine or if the part has been subjected to misuse or abuse.

The Company's reserves the right to charge for any service related problems caused by the use of 3rd party consumable supplies, i.e. Ink Cartridges, Ink Tanks, Print Heads, Meter Tapes, Sealing Solution.

In case of any breach of this Warranty, the Company's obligations shall be limited to the repair or replacement of my defective part without charge. THE COMPANY SHALL NOT BE LIABLE, IN ANY EVENT, FOR ANY INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES IN CONNECTION WITH SERVICE, PARTS AND LABOR PROVIDED HEREUNDER OR RESULTING FROM ANY USE OR FAILURE OF MACHINES, INCLUDING WITHOUT LIMITATION, LIABILITY FOR CUSTOMER'S EXPENSE OR LOSS OF INCOME WHILE MACHINES ARE OUT OF OPERATION.



11. In the event that the Company provided Service hereunder for any of the following units, the parts listed next to said units are hereby expressly excluded from the Company's obligations hereunder.
 - Electronic Scales.....Electronic Components required to update for USPS or UPS rate increase/changes.
 - Folding or Inserting Machines.....Main Drive Motor and Covers.
 - Postage Metering Machines.....Consumable Supplies and Covers.
 - All Models - Consumable Supplies.....Ink Cartridge, Ink Tank, Print Head, Meter Tape, Moistening Brushes & Sponges, Sealing Solution, Roller Care, Surface Cleaners, Compressed Air, Batteries.
12. The company reserves the right to increase annual maintenance due to inflationary costs.
13. This Agreement constitutes the entire agreement between the parties hereto, and supersedes all previous negotiations, commitments and agreements with respect to its subject matter. This Agreement may not be modified except by a writing signed by both parties. The terms of this Agreement shall prevail over any inconsistent terms appearing on any purchase orders or acknowledgments submitted by Customer.