

SONY ELECTRONICS INC.
BUSINESS SOLUTIONS AND SYSTEMS COMPANY
SUPPORTNET ADVANCE EXCHANGE SERVICE AGREEMENT FOR DIGITAL PRINTING SYSTEMS
TERMS AND CONDITIONS

1.0 SCOPE AND DEFINITION OF SERVICES

The Services provided to Customer hereunder shall be those Service levels and Options indicated on the face hereof for the items of equipment listed on the face hereof (the "Equipment"). The Service shall be provided only during the Principal Period of Maintenance (PPM), which shall be Sony's normal business hours, unless otherwise specified on the face hereof.

1.1 RIGHT TO INSPECTION

Sony reserves the right to require the Customer to make the Equipment available for inspection either at a Sony Service Location, or at the Customer location to enable Sony to determine current operating condition prior to acceptance of this contract. If the inspection is done at a Sony Service Location, it shall be the Customer's responsibility to deliver or ship the Equipment to the Sony Service Location. Customer shall bear all costs of labor, and of shipping (freight prepaid and insured) both to and from the Sony Service Location. If the inspection is to be done at the Customer location, Customer is responsible for all labor and travel costs associated with the Sony representative's visit to the site at Sony's per incident field service rates then in effect.

2.0 TERM OF CONTRACT

A. This Agreement is for the term indicated on the face hereof for the following equipment:

i. All Passport Digital Printing System components except the UPDX100 printer, which is covered for the term of the agreement indicated on the face hereof or 6000 prints, whichever comes first. After 6000 prints the Customer must make arrangements with Sony or an authorized Sony servicer to perform a mechanical overhaul (which is not covered under this Agreement) of the printer before another Agreement covering the printer shall be offered by Sony.

ii) SnapLab UPDR-20L Digital Printing system, which is covered for the term of the agreement indicated on the face hereof.

B. Sony may, at its sole discretion, either (i) suspend performance of this Agreement or (ii) cancel this Agreement if Customer fails to make any payment identified as delinquent or if Customer fails to maintain adequate credit status within ten (10) days of written notice from Sony. Such suspension or cancellation shall not relieve Customer of its obligation to pay all fees due thereunder for the full extent of the term of Agreement indicated on the face hereof. In the event of such cancellation, all such fees and other obligations hereunder shall, at Sony's option, be accelerated and immediately due and payable.

C. Sony reserves the right to cancel this Contract or change the Schedule of Services above if the Customer abuses the Equipment. Sony shall provide written notice of such cancellation or change to Customer, effective immediately. A pro-rated refund calculated at the then current rates shall be sent to the Customer within thirty (30) days.

D. Customer may terminate this Agreement as respects any item of Equipment upon 90 days written notice to Sony subject to the following limitations: (i) any item of Equipment which has received any Remedial Repair, Periodic or Preventive Maintenance, Overhaul Service, FRB Advanced Module Exchange, or On-site Support may not be removed from this Agreement until 12 months following the date the item receives any of the aforementioned services or the expiration of this Agreement, whichever occurs first.

3.0 ADVANCE EXCHANGE

Subject to the terms and conditions described herein, this Agreement provides for (i) telephone technical support toll free at **800-883-6817** and, at Sony's sole and absolute discretion, (ii) the exchange of defective Equipment, with a new or refurbished unit ("Replacement Unit") of comparable functionality for models defined on the face hereof as having "Advance Exchange" service program coverage.

3.1 TELEPHONE SUPPORT

Under this Agreement, Customer shall receive telephone assistance from Sony personnel by calling toll free at **800-883-6817** to help identify defective Equipment ("Defective Equipment"). If Sony determines, in its sole and absolute discretion, that the Equipment is defective and entitled to Advance Exchange program coverage under the terms of this agreement, Sony shall ship Customer a new or refurbished unit ("Replacement Unit") as required.

3.2 REPLACEMENT UNITS

Customers with Advance Exchange agreements shall install the Replacement Unit and return the Defective Equipment to the Sony designated service location within three (3) business days of receiving the Replacement Unit. Title to the Replacement Unit shall at all times remain with Sony unencumbered by Customer until the Defective Equipment is received, inspected and accepted by Sony at the agreed upon Service Location, at which time title to the Replacement Unit shall transfer to Customer and title to the Defective Equipment shall transfer to Sony. Risk of loss for the Defective Equipment and Replacement Unit shall remain with Customer and Sony (respectively) until title to each unit transfers in accordance with the process described above, at which time, risk of loss for the Defective Equipment and Replacement Unit shall transfer to Sony and Customer (respectively).

3.3 DEFECTIVE EQUIPMENT RETURNS

Customers shall bear the cost of shipment of the Defective Equipment to Sony, except for Customers with Advance Exchange agreements where Sony shall bear the costs of shipment of the Defective Equipment to the Sony National Service Center at 2520 Zanker Road, San Jose CA 95131. If the Defective Equipment is not received at the Sony Service Location specified herein within twenty (20) business days of receipt of the Replacement Unit, Sony may elect to charge the Customer for the list price of the Replacement Unit. Customers who have been charged for non-return of Defective Equipment and return Defective Equipment units to Sony within 90 days of receipt of replacement product shall be refunded what they have been charged for non-return of the product less a 'restocking fee' of 20% of product list price.

Customers returning Defective Equipment units that have been subject to damage or abuse are liable for the parts, labor and shipping charges incurred by Sony to effect repairs on the exchanged product. Sony shall inspect all Defective Equipment returned by Customers. Should damage be discovered on returned Defective Equipment, Sony, in its sole discretion, may deem the Defective Equipment unit unacceptable. Sony shall notify Customer of the damage to Defective Equipment and charge the Customer for repair of the damage at the current Time and Material rates. Customers returning Defective Equipment units that (i) are diagnosed with no discernable problem (ie. 'no fault found') or require only cleaning of the rotary head (tape-based video & data recorders) are subject to a 1 hour minimum service charge at the current prevailing Sony Professional Service depot or field labor rate (dependent upon where service is provided) or (ii) require only cleaning of the thermal head (printers) shall be billed at Sony's then current flat rate.

4.0 EXCLUSIONS

Service under this agreement does not cover the following:

- A. Equipment to which a modification, attachment, alteration or addition has been made unless the modification, alteration or addition had been previously authorized in writing by Sony;
- B. Equipment of which Sony's individual product or serial identification number has been altered or removed without the express written consent of Sony;
- C. Equipment which has been damaged or rendered defective due to accident, negligence, misuse, abuse, abnormal use, unauthorized repair, fire, flood, vandalism, theft, any act of God, operation of Equipment with non-compatible equipment or contrary to operating instructions including environmental, electrical and operating temperature standards, or any combination of the above, or caused by accessories, alterations, or attachments of other devices not furnished by Sony. Determination of the cause of damage shall be at Sony's sole judgment;
- D. installation and removal of Equipment, except in cases where Sony determines the Equipment can not be repaired on-site and must be removed to a Sony service facility.
- E. for software programming and program maintenance;
- F. Equipment which is or shall be operated in excess of the System Operational Usage indicated on the face hereof;
- G. Equipment which is covered by an onsite Service Level and which is moved to a new location without Sony's prior written consent. Sony reserves the right to terminate this Agreement with regards to any of the Equipment which is moved or relocated without Sony's prior written consent;
- H. Equipment which is located or moved to any location outside the 50 United States;
- I. Equipment which is located where conditions represent a hazard to the safety or health of Sony service personnel;
- J. optional circuit boards, accessories, cables, or consumable supplies (e.g. ribbons, belts, batteries, etc.) unless indicated on the face hereof;
- K. CRT, LCD and plasma displays that exhibit image "burn-in" on the display screen.

Printer mechanical overhauls are excluded from this Agreement and are available to Customer for purchase at a flat rate service charge.

Services shall be provided in accordance with the Service levels and Options indicated on the face hereof and shall be performed during the PPM as set forth on the face hereof. Any Services that Customer requests to be, or which are, performed outside the scope of the Service plan or PPM shall be on a best effort basis and at Sony's then-current Time & Materials labor rate.

5.0 CUSTOMER DATA

**SONY ELECTRONICS INC.
BUSINESS SOLUTIONS AND SYSTEMS COMPANY
SUPPORTNET ADVANCE EXCHANGE SERVICE AGREEMENT FOR DIGITAL PRINTING SYSTEMS
TERMS AND CONDITIONS**

Customer shall be solely responsible for maintaining backup data necessary to replace Customer data lost or damaged from any cause.

6.0 FEES AND TAXES

6.1 FEES

- A. For Agreements sold directly by Sony to Customer, the Fee(s) for Services are as indicated on the face hereof and shall be due and payable thirty (30) days in advance of the applicable billing period. These fees may be revised upon renewal of an expired contract. For Agreements sold to Customer by an authorized Sony Reseller, the fees and payment terms shall be as agreed upon by Customer and the Sony Reseller.
- B. Sony may, at its discretion, charge Customer for any of the Services provided hereunder, at Sony's then current rates, if the cause of the Equipment failure is determined by Sony to be operator error, subsection of the Equipment to any of the exclusions indicated in Article 4.0, or if no problem is found with the Equipment, or if any Services are provided outside the PPM. Such charges will be in addition to the fees otherwise due Sony by the Customer hereunder and will be due upon receipt of the Sony invoice therefor.
- C. Sony reserves the right to impose a late charge of any fees not paid by their due date. The late charge will be equal to 1.5% per month, or the maximum rate allowed by law, whichever is less, of the overdue fees.

6.2 TAXES

Customer shall bear the cost of any sales, use, excise or similar taxed (exclusive of taxes based upon Sony's net income) applicable to the Service to be performed or fees charged under this Agreement, unless Customer provides Sony with an application tax exemption certificate or license (i.e. not-for-profit organizations) acceptable to the appropriate taxing authorities.

7.0 EXCLUSION OF WARRANTIES

THE SERVICE WORK ORDER/INVOICE ISSUED IN CONNECTION WITH ANY OF THE SERVICES PERFORMED HEREUNDER WILL STATE THE LIMITED WARRANTY APPLICABLE THERETO. PRODUCT WARRANTIES FOR REPLACEMENT UNITS SHALL BE COTERMINOUS WITH THE ORIGINAL PRODUCT WARRANTY. THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, ON THE PARTS OR SERVICES FURNISHED UNDER THIS AGREEMENT. SONY EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANT ABILITY OR FITNESS FOR A PARTICULAR PURPOSE. ANY WARRANTY AGAINST INFRINGEMENT THAT MAY BE PROVIDED IN SECTION 2-312(3) OF THE UNIFORM COMMERCIAL CODE AND/OR IN ANY OTHER COMPARABLE STATE STATUTE IS EXPRESSLY DISCLAIMED.

8.0 LIMITATION OF LIABILITY

THE LIABILITY OF SONY, IF ANY, AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR DAMAGES FOR ANY CLAIM OF ANY KIND WHATSOEVER UNDER THIS AGREEMENT, REGARDLESS OF THE LEGAL THEORY, AND WHETHER ARISING IN CONTRACT OR TORT, REGARDLESS OF THE DELIVERY OR NON-DELIVERY OF REPLACEMENT UNITS, OR WITH RESPECT TO THOSE PRODUCTS, SHALL NOT BE GREATER THAN THE ANNUAL FEES PAID BY CUSTOMER HEREUNDER WITH RESPECT TO WHICH SUCH CLAIM IS MADE. UNDER NO CIRCUMSTANCES SHALL SONY BE LIABLE TO THE CUSTOMER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES RELATIVE TO THIS AGREEMENT INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR COMPENSATION, REIMBURSEMENT OR LOSS OF PRESENT OR PROSPECTIVE PROFITS, CUSTOMER DATA, EXPENDITURES, INVESTMENTS OR COMMITMENTS, WHETHER MADE IN THE ESTABLISHMENT, DEVELOPMENT OR MAINTENANCE OF BUSINESS REPUTATION OR GOODWILL, COST OF CAPITAL, OR FOR ANY OTHER REASON WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE CLAIMS OF ANY THIRD PARTY.

9.0 STATUTE OF LIMITATIONS

No action arising out of the furnishing of parts or the Services under this Agreement may be brought by either party more than eighteen (18) months after the cause of action has accrued.

10.0 FORCE MAJEURE

Sony shall not be liable for any delay or failure to perform hereunder if such delay or failure is caused by events or circumstances beyond the reasonable control of Sony.

11.0 GENERAL

11.1 ACCESS

Customer and/or its customer shall provide Sony with reasonable and timely access to its facilities and all information necessary for Sony to perform the Services.

11.2 ASSIGNMENT AND DELEGATION

The Customer shall not assign or otherwise transfer this Agreement or any interest herein or any right thereunder without the prior written consent of Sony; and any such purported assignment, transfer or attempt to assign or transfer any interest herein or right hereunder, without the prior written consent of Sony, immediately shall be null, void and of no effect and shall result in the termination of this Agreement. Sony may, however, delegate its obligations to another party which Sony determines is qualified to perform the service hereunder. Such third party may include, but is not limited to, a Sony authorized dealer, third party service, or subcontractor. Sony will, nevertheless, remain liable under this Agreement for full performance of any obligations so delegated.

11.3 WAIVERS

Waiver by either party of any breach, or failure to enforce any of the terms and conditions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance with every term and condition hereof.

11.4 NON-EXCLUSIVENESS

Except as provided in Articles 7.0 and 8.0 hereof, any specific right or remedy provided in this Agreement shall not be exclusive but shall be cumulative upon all other rights and remedies set forth herein and allowed under applicable law.

11.5 LITIGATION

In the event of any litigation between the parties with respect to this Agreement, the prevailing party (the party entitled to recover costs of suit, at such time as all appeals have been exhausted or the time for taking such appeals has expired) shall be entitled to recover court costs and reasonable attorneys' fees in addition to such other relief as the court may award.

11.6 HEADING

The headings of Articles in the Agreement are for convenience and reference only and they in no way define, limit, or describe the scope of the provisions of such Articles and shall not be considered in the interpretation or enforcement of this Agreement.

11.7 GOVERNING LAW AND VENUE

This Agreement shall be construed and enforced in accordance with the local law of the State of New Jersey. The parties hereby consent to and submit to the jurisdiction of the federal and state courts located in the State of New Jersey, and any action or suit under this Agreement shall only be brought by the parties in the federal or state court with appropriate jurisdiction over the subject matter established or sitting in the State of New Jersey. The parties shall not raise in connection therewith, and hereby waive, any defenses based upon the venue, the inconvenience of the forum, the lack of personal jurisdiction, the sufficiency of service of process or the like in any such action or suit brought in the State of New Jersey.

11.8 INVALIDITY

Should any part of this Agreement for any reason be declared invalid, or unenforceable by the court, then the Agreement in its entirety shall be automatically terminated upon such determination.

11.9 EXPORT

Customer shall not export any Replacement Units or related technology or software in violation of applicable U.S. laws and regulations. Additionally, Customer shall be responsible for obtaining any required export licenses for Replacement Units.

11.10 ENTIRETY OF AGREEMENT

This Agreement supersedes, terminates and otherwise renders null and void any and all prior written and/or oral agreements entered into and between Customer and Sony with respect to Service of the Equipment. This Agreement represents and incorporates the entire understanding of the parties hereto with respect to the matters herein above expressly set forth and each party acknowledges that there are no warranties, representations, covenants or understandings of any kind, nature or description whatsoever made by either party to the other except such as are expressly set forth in this Agreement. This Agreement may be modified only by a written instrument signed by all parties to this Agreement, which instrument makes specific reference to this Agreement.

12.0 ACCEPTANCE BY SONY

This Agreement shall become a binding contract upon the terms and conditions set forth herein only upon acceptance by Sony. Any terms or conditions proposed or submitted by Customer by any means whatsoever which are inconsistent with or in addition to, these terms and conditions shall be null and void and of no force or effect