

POLICY BULLETIN

Date: 6/22/2010

Updated by: Product Services

Effective 7/15/2010

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Manufacturers Product Warranty Additional Services Terms and Conditions

Advance Exchange and Advance Exchange with OnSite Service (US & Canada)

Services

Advance Exchange and OnSite service contracts are available for purchase within 45 days from equipment sale date. Upon determination by a POSIFLEX Technician that a Product covered under the Advance Exchange Warranty Service has failed, POSIFLEX will ship a replacement Product to Customer. If the product is also covered by Onsite Service Coverage, POSIFLEX will provide an onsite technician to exchange the failed product. The Customer is required to provide a valid credit card or purchase order to authorize the return of the original equipment and charges incurred outside of the Advance Exchange and Onsite Additional Services programs. Services are only offered to Posiflex customers, however, exchange units may be dropped shipped to end user addresses as necessary for a nominal fee.

POSIFLEX will use reasonable efforts to ensure that the replacement Product is shipped to Customer according to the following schedule:

Schedules

Products requested prior to 2PM PST Monday through Friday (1PM PST for Canada requests), are normally shipped that day. Requests received after 2PM are normally shipped the next day except where the next day is a Saturday, Sunday or US public holiday, in which case shipment is made on the next day that is not a Saturday, Sunday or US public holiday. Products requested on Saturday, Sunday, or public holidays are normally shipped the next business day.

Products are shipped for next day delivery, except where the next day is a Saturday, Sunday or public holiday, in which case delivery is made on the next day that is not a Saturday, Sunday or public holiday. Although POSIFLEX uses its best efforts to select a shipping firm that is reliable, POSIFLEX cannot and does not guarantee the performance of the shipping firm. Overnight delivery may not be available in all locations.

When Onsite service is included in a Customer support package, or when purchased on a per occurrence basis, POSIFLEX will schedule an onsite technician for exchange services on the same day as delivery of replacement product(s) to Customer. Onsite service is available in all US states and in or within 100 kilometers from the following metropolitan areas in Canada:

Toronto (Mississauga)- Ontario Montreal (Laval) - Quebec Vancouver (Surrey, Burnaby) - British Columbia Ottawa-Gatineau - Ontario/Quebec Calgary - Alberta Edmonton - Alberta

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Quebec City (<u>Lévis</u>) - Quebec Winnipeg - Manitoba Hamilton (Burlington) - Ontario London - Ontario Kitchener (Cambridge, Waterloo) - Ontario St. Catharines-Niagara (Niagara Falls, <u>Welland</u>) - Ontario Halifax - Nova Scotia Oshawa (Whitby, Clarington) - Ontario Victoria (<u>Saanich</u>) - British Columbia Windsor (Tecumseh, LaSalle, Lakeshore) - Ontario

Equipment Return

Customer is responsible for physically exchanging the failed Product with the replacement Product unless Onsite Service is purchased. Customer agrees to return the failed product utilizing the Posiflex provided return shipping label or, make the return equipment immediately available for pick-up service by call tag. The return equipment must be packaged carefully using POSIFLEX box and packing materials provided with the exchange, as POSIFLEX is not responsible for product damage due to poor packaging or improper handling prior to or during transit. The RMA number must be clearly noted on the box (return label provided) or it may be refused. Please remove any external attachments, cables or power supplies and back up business data and third party applications as necessary.

POSIFLEX will pay for all freight and insurance costs for shipment of the replacement Products to Customer by UPS Overnight (where available) or similar service, and return of original product from Customer to Posiflex by UPS ground or similar service.

Customer agrees to return the failed Product to POSIFLEX within 15 calendar days of receiving the replacement Product(s). Customer is responsible for retaining all shipment tracking information for replacement Products shipped to POSIFLEX.

If the failed Product, or any product component (power adaptor, Etc.) has not been received by POSIFLEX in a timely manner and the Customer cannot provide the proper shipment detail, Customer agrees to pay the replacement cost of the provided Product or product component. The replacement cost shall be 90% (ninety percent) of the POSIFLEX's then current list price of that Product. If the replacement invoice is not satisfied, the customer account will be on hold for future service and sales orders.

In the event of refused shipments or failed shipment attempts to Customer, freight costs to ship replacement unit will be charged to the Customer.

Service Details

Customer agrees to provide the serial number(s) of the failed POS equipment prior to commencement of Advance Exchange Service. If the failed product(s) received on return does not match the reported serial number, and/or the returned serial number is not covered by a valid Advance Exchange contract, POSIFLEX may charge the Customer the replacement cost (as set forth herein) of the replacement product for the nonconforming return. The replacement cost shall be 90% (ninety percent) of the POSIFLEX's then current list price of that Product serial number. POSIFLEX will make reasonable efforts to work with Customer to understand why correct Product(s) were not returned, as intended. Customer agrees to cooperate with POSIFLEX technical support to determine the cause of failure and ensure the failure type is appropriate for a Advance Exchange transaction.

Replacement Products are drawn from a POSIFLEX pool of spares and are not necessarily new; but are refurbished as new. POSIFLEX will use reasonable efforts to ensure the replacement terminal is drawn from a like serial number range or newer. POSIFLEX may substitute a more recent model as a replacement Product if that model is functionally similar or superior to the originally purchased Product.

OnSite service technicians provide the following services: unpack the new hardware, attach any peripherals as necessary, configure the network with available information (domain name, IP address), test the hardware to ensure it is working properly and pack the hardware to be returned to POSIFLEX. Restoring or downloading of business software and data is the responsibility of the customer and is not normally included in the OnSite service.

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Service Exclusions & Limitations

Advance Exchange service is only valid for Posiflex Product(s) identified on an original agreement, by model and serial number.

Only POS equipment purchased from POSIFLEX, its distributors or authorized resellers will be covered by Advance Exchange or Onsite Service.

If it is determined the exchange is required due to the failure of parts that have not been supplied or branded by POSIFLEX, or if any serial number has been altered, defaced or removed, or items have been damaged by accident, abuse, misuse, faulty installation, maintenance, repair or modifications by an unauthorized third party, POSIFLEX retains the right to charge a diagnostic fee plus the cost of repairs, the cost of exchange shipping fees and the technician visit.

If the exchange is required due to extreme environment conditions, extreme physical or electrical stress or interference, fluctuation or surges of power, static electricity, fire or other extraordinary causes outside of a normal system or component failure, POSIFLEX retains the right to charge a diagnostic fee plus the cost of repairs, the cost of exchange shipping fees and the technician visit.

If the exchange is requested and no problem is found with the return unit, the Customer will be charged a diagnostic fee in addition to the cost of the exchange shipping fees and technician visit.

Customer is responsible for ensuring access and cooperation for a scheduled onsite visit by a technician. If an appointment has been confirmed with the Customer and the replacement cannot be completed due to lack of access or failure to provide appropriate support for the technician at pre-determined scheduled times, you may be charged for the technician visit.

If the obligation of this Agreement, is prevented, restricted, or interfered with by reason of fire or other casualty or accidents; strikes or labor disputes; inability to provide raw materials, power, or supplies; declarations of war or other violence; any law, order, proclamation, regulation, ordinance, demand or other requirement of any governmental authority; POSIFLEX upon giving prompt notice to the Customer, will be excused from performance to the extent of the prevention, restriction, or interference. POSIFLEX will use reasonable efforts to avoid or remove the causes of non-performance and continue performance as soon as reasonably possible after those causes are removed.

Warranty

All exchanges assume the remaining warranty period of the original product or any remaining extended warranty period purchased for a particular product serial number. If a replacement product fails within 90 days, regardless of the warranty period, POSIFLEX will issue a RMA number for repair or further Advance Exchange replacement service(s). If the original product is not returned, the replacement product will assume the standard 90 day refurbished equipment warranty.

NOTHING HEREIN SHALL BE DEEMED OR CONSTRUED TO CREATE ANY WARRANTY, EXPRESS OR IMPLIED, OR, EXCEPT TO THE EXTENT SPECIFICALLY PROVIDED HEREIN, TO MODIFY OR EXTEND ANY EXISTING PRODUCT WARRANTY.

Limitations of Liability

POSIFLEX'S liability will be limited to the cost of repair or replacement of the affected product if damage or loss occurs while in POSIFLEX'S custody. POSIFLEX has no liability whatsoever for indirect, special, exemplary, or consequential damages such as lost profits or revenue. POSIFLEX is not responsible for maintaining or restoring any data or 3rd party applications and makes no warranty for the loss of business information.

POSIFLEX retains the right to change the terms or details of this agreement without advance notice.

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