

TERMS AND CONDITIONS

1. Definitions:

- (a) "Agreement" means the agreement containing these terms and conditions.
- (b) "Charges Per Print" means the selling price per printed page.
- (c) "Charges" means the amount payable by the Customer, as stated in the Invoice, including "Black and White Charges", "Color Charges" set out in the tables in paragraph (B) overleaf and any additional charges set out in Clause 7(b).
- (d) "Covered Device" means the specific individual unit that
 - (i) is clearly identified by a unique identifier, usually the serial number;
 - (ii) has a valid and duly executed Maintenance Activation Form; and
 - (iii) is covered by this Agreement
- (e) "Covered Series" means the specific product line that is covered by this Agreement.
- (f) "Initial Bundled Prints" means the initial prints provided free of charge to the Customer on a one-off basis upon the commencement of the Term as set out in the columns titled "Initial Bundled Prints" in the tables under paragraph (B) overleaf. Unutilized Initial Bundled Prints are not transferable to other devices, including Covered Device(s) and may be carried over from month to month but any unutilized Initial Bundled Prints remaining at the expiry of the Term or the termination of this Agreement shall be forfeited automatically and the Customer shall not be entitled to be compensated for the loss of any Initial Bundled Prints lost in this manner.
- (g) "Maintenance Activation Form" or "MAF" is in the form substantially set out in Exhibit A, and may be subject to any amendments or changes by AHKL from time to time. The MAF shall be executed by the Customer and AHKL in respect of each Covered Device.
- (h) "Minimum Charge" means the "Charges Per Print" multiplied by the "Monthly Committed Volume" of a Covered Device.
- (i) "Monthly Bundled Prints" means the monthly prints provided free of charge to the Customer for the Term of this Agreement as set out in the columns titled "Monthly Bundled Prints" in the tables under paragraph (B) overleaf. Unutilized Monthly Bundled Prints are not transferable to other devices and may not be carried over from month to month, including Covered Device(s) and any unutilized Monthly Bundled Prints remaining at the expiry of the Term or the termination of this Agreement shall expire automatically and the Customer shall not be entitled to be compensated for the loss of any Monthly Bundled Prints lost in this manner.
- (j) "Monthly Committed Volume" means the monthly minimum volume committed by the Customer in respect of the respective Covered Device(s) for the Term of this Agreement as set out under paragraph (B) overleaf. In the event that the actual print volume of any Covered Device is less than the Monthly Committed Volume, the Customer will be invoiced at the "Charges Per Print" multiplied by the "Monthly Committed Volume" in respect of that Covered Device.
- (k) "Monthly Subscription Charges" means the recurring fixed charge payable on a monthly basis to AHKL for the Term of this Agreement as set out under paragraph (A) overleaf.
- (l) "Valid Consumable Request" means a request for consumable replacement by the Customer via telephone or alert message received from any remote monitoring tool approved or installed by AHKL.

2. Agreement Structure: This Agreement is made up of (i) these terms and (ii) all related MAF.

3. Covered Device: Each Covered Device shall be validated by a MAF that is properly endorsed and stamped by both Customer and AHKL. Each MAF shall clearly define the unique identifier, usually the serial number, of the Covered Device that is covered by this Agreement. Devices without a valid and properly endorsed MAF shall not be covered by this Agreement.

4. Responsibilities of AHKL:

- (a) AHKL shall provide the Customer with maintenance services so that each Covered Device will be reasonably fit for the purpose that such Covered Device is generally used for and in consideration, the Customer will pay the Charges to AHKL in accordance with this Agreement.
- (b) AHKL shall, at suitable intervals use reasonable endeavors to service and maintain each Covered Device to keep it in working order.
- (c) AHKL shall, at the request of the Customer, provide telephone support to troubleshoot and resolve any technical issue relating to any Covered Device(s) remotely.
- (d) In the event that a resolution of the technical issue, in the judgment of AHKL, is not possible via telephone or any other remote medium, AHKL shall dispatch a reasonably competent service technician to attend to the affected Covered Device(s) during regular business hours of AHKL i.e. Mondays to Fridays (public holidays excepted) from the hours of 8.30am to 5.30pm. and if requested by the Customer, such technician, subject to availability, shall attend outside the regular business hours of AHKL subject to payment by the Customer of the overtime rates (if any) for the technician and transport charges. However, AHKL provides no warranty that any Covered Device(s) shall be restored to working order by any particular time.
- (e) Subject to Clause 4(f) below, AHKL shall deliver consumables for each Covered Device within 1 business day from the time a Valid Consumable Request is logged with AHKL's Call Center or received from any remote monitoring tool approved or installed by AHKL.
- (f) Notwithstanding Clause 4(e), AHKL hereby reserves the right not to issue, deliver or supply any consumables in respect of any Covered Device in any of the following events:
 - (i) the Covered Device has not been used for a period exceeding 30 calendar days;
 - (ii) the remote monitoring device affixed to the Covered Device is modified, tampered with or the settings changed in any manner; or
 - (iii) the usage readings of the Covered Device have not been taken for a period exceeding 60 consecutive calendar days.
- (g) AHKL shall provide all parts which AHKL deems necessary to maintain the Covered Device(s) in good working order. All parts shall be provided on an exchange basis and all parts removed for replacement shall become the property of AHKL.
- (h) If AHKL determines that the repair of any Covered Device cannot be completed at the Customer's premises, it shall have the right to move the Covered Device to its own premises and return the Covered Device to the Customer's premises once the Covered Device has been repaired.

5. Responsibilities of Customer: The Customer shall:

- (a) acknowledge that any consumable delivered by AHKL, whether new or used, under this Agreement is the property of AHKL;
- (b) acknowledge that AHKL will only deliver new consumables on a replacement basis and the used consumable that has been depleted shall be returned to AHKL upon the delivery of the replacement consumable;
- (c) ensure that each Covered Device is operated properly and by persons who are competent and authorized to operate the same;
- (d) not permit any person without authority from AHKL, to adjust, alter, repair, replace or remove the Covered Device(s) or change the working order, function or quality thereof;
- (e) complete the Relocation Form (available from AHKL at the Customer's request) and give 7 days prior written notice to AHKL if the Customer wishes to relocate the Covered Device(s) from the place of installation to another location. Such relocation shall be carried out by AHKL or its authorized agent and all costs and expenses incurred in relation thereto shall be borne by the Customer;
- (f) permit the personnel authorized by AHKL at all reasonable times to enter or otherwise have access to the Covered Device(s) for the purpose of performing AHKL's obligations hereunder;
- (g) permit AHKL to supply the Customer with recycled, remanufactured or third party manufacturers' toners, print cartridges, consumables and spare parts as AHKL deems fit;
- (h) not sell any new or used consumables and spare parts relating to the Covered Device(s);
- (i) apply or use the consumables and spare parts only on the Covered Device(s) designated by AHKL;
- (j) permit AHKL to install any software or monitoring device(s) within the Customer's premises as AHKL deems fit to have access to and monitor the Covered Device(s) via the internet or any medium as AHKL deems fit;
- (k) notify AHKL for the purpose of maintenance on the Covered Device(s) if the Customer is notified by the control panel of the Covered Device(s) that maintenance is required; and

(l) co-operate with AHKL, provide information and documentation, make available its facilities without charge and ensure that its staff and agents co-operate and provide assistance as AHKL requires during the performance of the maintenance services. AHKL shall not reimburse the Customer for the cost of any consumables used by AHKL in the course of repair or testing of the Covered Device(s).

6. Non-Coverage: The maintenance services provided in this Agreement will not cover the repair of the Covered Device(s) resulting from the following and the cost of any repairs resulting therefrom shall be borne by the Customer:

- (a) damage caused by negligence and/or misuse by the Customer;
- (b) damage caused by any tampering of the Covered Device(s) by any person other than the authorized personnel of AHKL;
- (c) damage caused by riots and strikes, fire, flood, explosions or any acts of God;
- (d) damage caused in transit from the relocation of the Covered Device(s) from the place of installation;
- (e) damage caused by the use of supplies and toners, print cartridges, consumables and spare parts other than those provided by AHKL.

7. Charges

- (a) The Customer undertakes to pay all Charges as set out in paragraphs (A) and (B) (if applicable) overleaf, subject to any adjustments in accordance with Clause 7(c) below (if applicable) according to the Terms of Payment as set out in paragraph (D) overleaf. The Customer shall notify AHKL in writing if it has any objection relating to the Invoice within 30 days from the date of Invoice, failing which, such Invoice and the print volume and charges stated therein shall be deemed to have been irrevocably accepted by the Customer as true and correct. Any Invoice not paid in accordance with paragraph (D) overleaf shall bear interest at the compounded rate of 1.5% per month, for each day that such Invoice remains unpaid, up to and including the day payment is made.
- (b) AHKL reserves the right to impose additional charges, and the Customer agrees to pay such additional charges, in the event of the following:
 - (i) the consumables, toners, print cartridges, and spare parts delivered by AHKL to the Customer are missing, pilfered, misused or the Customer is otherwise unable to account for such materials; and
 - (ii) upon the commencement of this Agreement, AHKL discovers any damage to the Covered Device(s), and/or AHKL determines that any consumables, toners, print cartridges, and spare parts in respect of Covered Device(s) are required to be replaced.
- (c) If upon the expiry of the Term, the Customer has not indicated in writing to AHKL that it wishes to terminate this Agreement or this Agreement has not been otherwise renegotiated, extended or superseded as set out in paragraph (E) overleaf, the Charges applicable shall be increased by 15% for the 6 month period that this Agreement is deemed to be extended for.

8. Insurance: AHKL shall not be responsible or liable for any insurance coverage for the Covered Device(s) and the Customer shall take up its own insurance policy to cover such risks as it deems fit.

9. Tax: The parties agree that all sums expressed to be payable by the Customer under this Agreement (the "Agreed Sum") shall be exclusive of any applicable goods and services tax and any other levy whatsoever (collectively the "Taxes") which may from time to time be imposed or charged by any government, quasi government, statutory or tax authority (the "Authorities") on or calculated by reference to the amount of the Agreed Sum (or any part thereof) and the Customer shall pay all such Taxes or reimburse AHKL for the payment of such Taxes or the Agreed Sum grossed up, as the case may require, in such manner and within such period as to comply or to enable AHKL to comply with any applicable orders or directives of the Authorities and the relevant laws and regulations whilst ensuring that AHKL is ultimately entitled to be paid and appropriate wholly for itself an amount or amounts equal to the Agreed Sum.

10. Review of Charges: AHKL reserves the right to vary the Charges, or the basis thereof, at any time upon 30 days prior written notice. However, if during any one calendar year, the Charges are increased by AHKL (whether by one or more separate variations) by more than 10% the Charges payable on 1st January of that year; the Customer shall be entitled to terminate this Agreement by giving not less than 30 days prior written notice to AHKL.

11. Force Majeure: AHKL shall not be liable for failures or delays in performing its obligations hereunder arising from any cause beyond its reasonable control, including but not limited to acts of Gods, acts of civil or military authority, fires, restrictions, wars, riots, earthquakes, storms, typhoons and floods and in the event of any such delay the time for AHKL's performance shall be extended for a period equal to the time lost by reason of the delay which shall be remedied with all due dispatch in the circumstances.

12. Termination

- (a) Notwithstanding paragraph (E) overleaf and without prejudice to the rights or remedies which AHKL may have against the Customer, AHKL shall have the right at any time by giving notice in writing to the Customer to terminate this Agreement forthwith in any of the following events:
 - (i) if the Customer commits a breach of any of the terms and conditions herein;
 - (ii) if the Customer does not pay the Charges within the payment term stated in paragraph (E);
 - (iii) if the rental agreement relating to the Covered Device(s) (if any) is terminated for any reason whatsoever; or
 - (iv) if the Customer becomes insolvent or if an order is made or a resolution is passed for the winding up of the Customer or if an administrator, receiver or judicial manager is appointed in respect of the whole or any part of the Customer's assets or business, or if the Customer makes any composition with its creditors or takes or suffers any similar or analogous action in consequence of debt.
- (b) Notwithstanding paragraph (E) overleaf, AHKL shall have the right to terminate this Agreement by giving to the Customer not less than 30 days' written notice of termination.

13. Suspension: Without prejudice to the right of AHKL to terminate this Agreement at any time by giving notice pursuant to Clause (12) above, if the Customer does not pay the Charges within the Terms of Payment in Paragraph (D) stated overleaf of the date of the Invoice, AHKL shall have the right at any time by giving notice in writing to the Customer to immediately suspend the provision of all maintenance and other services and the provision of supplies and toners, print cartridges, consumables and spare parts under this Agreement until AHKL receives payment of the Invoice. During such period of suspension, the obligations of the Customer under this Agreement shall continue and remain in full force and effect.

14. Consequences of Termination: In the event of premature termination of this Agreement, the Customer shall forthwith pay to AHKL a sum equal to (a) all outstanding Charges which are due and payable as at the date of such termination in respect of the Covered Device(s), plus (b) the aggregate total Minimum Charge(s) for the unexpired term of this Agreement as at the date of such termination in respect of the Covered Device(s), plus (c) the retail price of all existing supplies and toners, print cartridges and consumables provided by AHKL in respect of the Covered Device(s). Any unutilized Initial Bundled Prints and Monthly Bundled Prints shall be forfeited and non-transferable, plus (d) HKD 2,500 per machine in respect of the Covered Device(s), plus (e) the monthly subscription(s) for the unexpired term of this Agreement as at the date of such termination in respect of the Covered Device(s).

15. Limitation of Liability

- (a) In the event AHKL is under any circumstance liable for any defect or deficiency in the services or any performance of or lack of or delay in performance with respect to the services to be provided under this Agreement, AHKL's only liability shall be (at the election of AHKL in its sole discretion) to repeat the performance of the services to the best of its ability or to replace or repair the item on which the services were performed or required to be performed within a reasonable time. Save as expressly set forth above, AHKL shall not be liable to the Customer for any loss or damage arising out of or in connection with any breach by AHKL of this Agreement, or in tort (including negligence) or breach of statutory duties, or arising out of or in connection with the performance of or lack of or the delay in the performance of any services or the state, condition, use, application and/or exploitation of any item or any matter whatsoever, save for death or personal injury resulting from the negligence of AHKL.
- (b) Notwithstanding anything to the contrary herein, AHKL shall not be liable for any consequential or indirect loss or damage (including without limitation loss of profits, loss of business or loss of goodwill) arising out of or in connection with the matters aforesaid or any matter whatsoever.
- (c) In no event shall AHKL be liable for any damages whatsoever whether direct, indirect, consequential, incidental, special or punitive (including without limitation lost revenues, profits or data) that are directly or indirectly attributable to the use of or the inability to use the service and/or Covered

Device(s), whether liability is based on breach of contract, breach of warranty (express, implied or otherwise) or otherwise, and whether asserted in contract, tort (including negligence and strict liability) or otherwise, and irrespective of whether AHKL has been advised of the possibility of such damages or if such damages were foreseeable.

(d) Without prejudice to the foregoing, and to the extent permitted under the law, AHKL's liability for any cause under or relating to these terms and conditions shall not exceed the aggregate sum equal to the Charges payable under these terms and conditions during the contracted period prior to the time the cause of action arose.

16. Limitations/Exclusions: Notwithstanding anything else contained herein, the provision of maintenance services in respect of the Covered Device(s) under this Agreement at any time, whether during or after any applicable warranty period, shall be subject to the following:

(a) The maintenance services for any hard drives, floppy drives, CD-ROM drives, network boards, printer boards, colorpass, color rip, and DIMM and SIMM RAMs comprised in the Covered Device(s) excluding monitors and other display devices, shall be included as part of the maintenance services for the one year warranty period only, following which such maintenance services will be subject to additional charge.

(b) AHKL shall only be obliged to provide maintenance services in respect of any software ("Software") supplied with hard drives, floppy drives, CD-ROM drives and DIMM and SIMM RAMs comprised in the Covered Device(s) for a period of ninety (90) days from the Effective Date. AHKL may, but shall

not be obliged to, provide upgrades and enhancements to the Software from time to time, without additional charge to the Customer. The Customer shall immediately install and use any upgrades or enhancements to the Software provided by AHKL during the terms of this Agreement.

(c) AHKL shall not be responsible for and is not obliged to provide free toners, print cartridges, consumables and spare parts and labour to rectify any damage to or breakdowns of the Covered Device(s) resulting from:

(i) negligence and/or misuse by the Customer;

(ii) any tampering of the Covered Device(s) by any person other than authorized personnel of AHKL;

(iii) any riots and strikes, fire, flood, explosions or any acts of God;

(iv) any movement of the Covered Device(s) from the Place of Installation to location not carried out by AHKL or not carried out with the prior written consent of AHKL and any repairs necessitated thereby will be borne by the Customer; or

(v) the use of supply and toners, print cartridges, consumables and spare parts other than those provided by AHKL.

(d) Unless otherwise agreed by the parties in writing, the maintenance services provided by AHKL do not include parts, materials or components which are not proprietary to Manufacturer or which are manufactured by other third party manufacturers ("Third Party Components") including, without limitation software, hardware, firmware, film, tape and any other peripherals comprised in the Covered Device(s) or used in connection with the Covered Device(s). The Customer acknowledges that the Third Party Components are supplied "as is" from the respective third party manufacturers, providers and/or vendors and any warranties (if any) relating to the Third Party Components, shall be provided by the respective third party manufacturers, providers and/or vendors and not by AHKL. The Customer shall look solely to the respective manufacturers of the Third Party Components for any maintenance and support services in respect of such Third Party Components. In no event shall AHKL be liable for any damages, loss or expense including without limitation, direct, indirect, special or consequential damage or economic loss arising from or in connection with any Third Party Components.

(e) For the avoidance of doubt, AHKL reserves the right not to provide maintenance and other services under this Agreement for any of the following:

(i) (re)configuring of any hardware or software after the acknowledgement of receipt and acceptance of Covered Device(s) in good condition by the Customer;

(ii) compatibility of any software or hardware with any computer or other equipment;

(iii) installation, troubleshooting or commissioning of software (including LAN/WAN systems and/or application software programs) whether or not purchased from AHKL and hardware not purchased from AHKL;

(iv) LAN/WAN systems purchased from AHKL (which shall be warranted by a separate maintenance contract; if any);

(v) computer maintenance and cleaning;

(vi) virus prevention and eradication;

(vii) recovery of crashed or deleted software programs or data;

(viii) software maintenance or hardware configuration, customization or training

(ix) the Covered Device(s) is not being used in accordance with the manufacturer's published instructions

(x) the Covered Device(s) have been abused or mistreated, including being subject to unusual physical or electrical stress;

(xi) the Customer alters the Covered Device(s) or allows any repairs or alteration to the Covered Device(s) by any persons other than AHKL and its authorized representatives;

(xii) damage due to Customer's negligence, alteration, unauthorized repair, installation, upgrade or acts of God; or

(xiii) any configuration of Customer settings if AHKL is aware or has reason to believe that the Customer is using any software without a valid licence.

(f) In providing the maintenance services under this Agreement, AHKL may, in its sole and absolute discretion, loan or provide an alternative Covered Device to the Customer.

(g) AHKL takes no responsibility for any data belonging to the Customer that may be held in any Covered Device.

17. Transfer and Assignment: The rights and obligations of the Customer arising out of this Agreement shall not be assigned or transferred by the Customer without the prior written consent of AHKL.

18. Notices and Service: All notices and other communication required or made hereunder shall be in writing and delivered personally or sent by prepaid registered post to the intended recipient at its address set out above (or to such other address as a party may from time to time notify the other). Any such notice or communication shall be deemed to have duly served (if delivered personally) immediately or (if given or made by letter) 48 hours after posting and in proving the same it shall be sufficient to show that the envelope containing the same way duly addressed, stamped and posted.

19. Governing Law: This Agreement shall be governed by, and construed in accordance with the laws of Hong Kong and in relation to any legal proceedings arising out of or in connection with this Agreement ("Proceedings"), the parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong and waive any objection to Proceedings in any such courts on grounds that the Proceedings have been brought in an inconvenient forum.

20. Amendments: This Agreement contains the entire agreement between AHKL and the Customer may not be modified or amended unless such modification or amendment is approved in writing by the duly authorized representatives of the parties, provided that in the case of AHKL, such authorized representative shall be a person holding the office of general manager or his superior.

21. Confidentiality: The Customer shall keep confidential and shall not at any time during the Term or within one year from the expiry or termination of this Agreement disclose or permit to be disclosed the terms of this Agreement, or any negotiations discussions or agreements for a renewal of this Agreement, or any matter in relation to this Agreement, except with the prior written consent of AHKL or as required by law or to the extent that such information has become public knowledge not due to the Customer's breach of this undertaking.

22. Breach of Contract: In the event of any breach by Customer of the terms and conditions stated in this agreement, AHKL, reserves the right to seek recourse for any damages.

23. Exclusion of Contracts (Rights of Third Parties) Act: A person who is not a party to this Agreement may not enforce any of its terms under The Contracts (Rights of Third Parties) Act (Cap 53B) and notwithstanding any term of this Agreement, the consent of any third party is not required for any variation (including any release of compromise of any liability) or termination of this Agreement.