

**MAINTENANCE PERFORMANCE GUARANTEES**

**Be sure to separate your lease agreement from your service agreement. Never bundle the two together.**

**1. VOLUME PERFORMANCE.** “Service Provider” guarantees the performance of all Hardware will generate the below referenced volume over a five year period starting on the date of installation of Hardware.

- If Hardware fails to perform to Total Copy Expectancy as stated below, “Service Provider” will replace the product with a same or better Hardware with same or better functionality for the period of time remaining.

Segment (B/W)	PPM	Total Life Expectancy
1	11-20	450,000
2	21-30	900,000
3	31-40	1,500,000
4	41-69	4,500,000
5	70-90	9,000,000
6	91-109	36,000,000
Production	110+	120,000,000+

Segment (Color)	PPM	Total Life Expectancy
1	11-20	300,000
2	21-30	450,000
3	31-40	600,000
4	41-69	1,800,000
5	70-90	6,000,000
Production	90+	12,000,000

**2. UPTIME PERFORMANCE.** “Service Provider” guarantees the performance of Hardware to the extent the Hardware will be able to perform 95% of a normal working month, which shall be 168 hours.

“Service Provider” agrees to maintain an average Hardware “Uptime Percentage” of ninety-five percent (95%) for each piece of Hardware. This means Hardware is operating in compliance with the specifications detailed in its manual at least 95% of the time on a rolling 90-day average. The Uptime Percentage shall be calculated on a rolling 90-day basis as follows:

$$Uptime\ Percentage = \frac{\text{Business Hours of Operation} - \text{Hardware Downtime}}{\text{Business Hours of Operation}}$$

Should “Service Provider” fail to achieve an Uptime Percentage of 95% during any 90-day period for any single piece of Hardware, “Service Provider” will provide Customer a refund equal to half of the total cost of maintenance for the 90-day period, for each piece of Hardware below the 95% average. The refund will be given within 45 days’ of “Service Provider” reporting

such failure or within 45 days' of Customer reporting such failure. The Customer will have the option of receiving a credit to their account or a check, for the amount owed.

- 3. EXCESSIVE MAINTENANCE REQUESTS.** In the event "Service Provider" has received three (3) requests for the maintenance on any particular Hardware in any consecutive thirty (30) day period, "Service Provider" shall, upon receipt of a fourth (4<sup>th</sup>) request for maintenance, (unless any such maintenance is due to an Excluded Cause as defined in Section four (4.)) promptly, and in good faith, work with Customer and/or Customer's designee, to determine the cause of such failure, and replace the Hardware with another Hardware of same or better functionality within 10 business days.

In the event "Service Provider" has not restored Hardware to good working order within sixteen (16) Business Hours after commencement of remedial action, unless any such maintenance is due to an Excluded Cause, (as defined in Section four (4.)) "Service Provider", upon Customer, or Customer's designee's request, will provide a temporary replacement of the Hardware of same or better functionality, until the Hardware in need of repair is restored to good working order.

- 4. EXCLUDED CAUSES.** Unless otherwise agreed to in writing "Service Provider" does not have an obligation to maintain such Hardware due to an Excluded Cause.

- EXCLUDED CAUSES include:
  - Damage caused by external causes outside "Service Provider"'s control including accident, disaster, electrical fault, power surges, lightning, internet connection fault, vandalism or burglary
  - Hardware Maintenance outside of Business Hours
  - Using incompatible materials in such Hardware
  - Unauthorized repairs or repair of damage caused by non- "Service Provider" personnel installing or modifying the Hardware
  - Customer or third party's abnormal use, storage or handling of the Hardware and/or any repair or damage caused by such use, storage or handling;
  - Any malfunction or specific requirement of any other item of hardware or software the Customer has linked to the Hardware
  - Customer changing its customer environment (other than as agreed in writing)
  - Maintenance necessitated by a virus or denial-of-service attack (or similar) in the customer environment
  - Hardware re-installation, decommissioning, re-commissioning or relocations not performed by "Service Provider"

- “Service Provider” shall perform maintenance necessitated by Excluded Causes at “Service Provider” then published time and materials rates. “Service Provider” will quote an estimate of the cost for such maintenance in advance and will not perform maintenance until such estimate is accepted in writing.
- 5. MAINTENANCE RESPONSE TIMES.** “Service Provider” guarantees that an on-site response time to address Hardware not performing to its manufacturer specifications will not exceed an average of 4 hours over a rolling 90-day period. It is the responsibility of “Service Provider” to track on-site response time. Tracking of the response time shall begin from the time the maintenance call is placed until the time the technician arrives on site. Should “Service Provider” fail to achieve this minimum target during any 90-day period, “Service Provider” will provide Customer a refund equal to half of the total cost of maintenance for the 90-day period. The refund will be given within 45 days’ of “Service Provider” reporting such failure or within 45 days’ of Customer reporting such failure. The Customer will have the option of receiving a credit to their account or a check, for the amount owed.
  - 6. PARTS AND SUPPLIES.** All materials, including repair parts and consumables, used to operate or repair such Hardware shall be acceptable according to manufacturer’s specifications and shall be new and covered by the manufacturer’s warranty.
  - 7. PRODUCT UPDATES.** During the term of the agreement, in the event “Service Provider” introduces new models, products series, lines or likewise to their copiers, multifunctional devices, facsimiles, printer equipment, or software that replaces currently-listed models and are of substantially similar performance and specifications, Customer and Customer’s designee shall be notified thereof and new Hardware shall be added to “Service Provider” agreement at the same or better discount off manufacturer or list price.
  - 8. METER READS.** “Service Provider” shall make every effort to obtain automated meter reads. In such instances where an automated meter read can not be obtained, “Service Provider” shall make every effort to obtain through an online portal, maintenance records, phone calls, and email. If the meter readings are not received 7 days after the end of the billing period, Customer agrees to pay for maintenance based on the average copy volume billed within the last 12 months and “Service Provider” will make appropriate adjustments to the next billing cycle to account for such over or under charge.
  - 9. TRAINING.** “Service Provider” will make every reasonable effort to provide on-site Customer training on each newly-installed Hardware within 24 hours of the installation of Hardware. Customer will make every reasonable effort to contact the “Service Provider” office to advise them that Hardware has been delivered and installed, which will prompt the dispatching of a Customer trainer to the installation site. On-site training will be provided throughout the term of the agreement, including but not limited to the following: end user training, training for

specific jobs, applications, and/or finishing functions, follow-up training as needed and specialized training for IT.

## **MAINTENANCE TERMS & CONDITIONS**

- 1. PAYMENT TERMS.** Payment is due and payable within 45 days from the invoice receipt date. Customer reserves the right to audit and recover any erroneous billing or discrepancies going back to the execution date of an agreement between Customer and “Service Provider”. In any case of late payment by Customer, “Service Provider” may charge Customer a late charge equal to one percent (1%) of the amount due as reasonable collection fees, not to exceed the maximum amount permitted by law.
  
- 2. START DATE & CONTRACT TERM.** This Agreement shall start on the date of install for all newly installed Hardware (known as ‘Start Date’). The term (known as the ‘Initial Term’) of this Agreement is five (5) years or put another way, sixty (60) months beginning from the Start Date.
  
- 3. COST-PER-IMPRESSION MAINTENANCE CHARGES**
  - 3.1. BASES.** Maintenance charges must be on a cost-per-impression basis only and must not include any allowances, bases, minimums or additional services fees associated with base charges.
  
  - 3.2. INCLUSIONS.** Cost-per-impression maintenance charges must include all labor, supplies & toner. Cost-per-impression maintenance charges must also include all the cost of shipping supplies, including the cost of shipping toner.
  
  - 3.3. PRICE INCREASES.** Cost-per-impression maintenance charges must be fixed for the Initial Term. Pricing for maintenance for all remanufactured, reconditioned, used, customer provided or other non- “Service Provider” Hardware will be determined in the document governing such Hardware. After the initial term cost-per-impression charges may increase by no more than 5% once per year. After the initial term, fixed price plans shall not increase by more than the following:

Year	60 Month Maintenance Contract Term
Year 1	Priced per Initial Term
Year 2	Priced per Initial Term
Year 3	Priced per Initial Term
Year 4	Priced per Initial Term
Year 5	Priced per Initial Term
Year 6 (Renewal)	5%*
Year 7 (Renewal)	5%*
Year 8 (Renewal)	5%*

\*denotes a renewal period after the initial term of 60 months has expired

4. **RENEWAL.** Customer shall have the option to renew this Agreement for one (1) subsequent one (1) year period (the “Renewal Term”) provided that Customer sends written notice to “Service Provider” stating its desire and intention to renew this Agreement on the same terms and conditions as stated in this Agreement. This Agreement shall not automatically renew at the expiration of the Initial Term. Any additional renewals beyond the Renewal Term shall require the consent of both parties. Customer shall have the right to terminate this Agreement during the Initial term or any renewal term without penalty with 30 days written notice.
  
5. **NON-EXCLUSIVE AGREEMENT AND NO MINIMUM COMMITMENT.** Customer’s relationship with “Service Provider” is non-exclusive and Customer may utilize other suppliers to provide Hardware and other products, including those that are competitors to “Service Provider”. In addition, Customer does not make any representation, warranty, guarantee, promise or commitment to “Service Provider” concerning any type of minimum “volume” or other “purchase” commitments through this Agreement.
  
6. **NATIONAL ACCOUNT REPRESENTATION.** “Service Provider” will provide a national account representative who will be a single point of contact for the master account and will manage the terms of the Agreement from a national perspective. The contact role may only be played by multiple people provided all people playing the role of contact are completely versed in all account issues, are granted the same rights and authorities within “Service Provider”’s organization, are able to fill in for other persons as required, and are accessible through a single telephone number and a single email address. Supplier will provide Customer the contact hierarchy as it will exist for Customer and will supply a new hierarchy anytime a change is made to Customer’s account representation.
  
7. **QUARTERLY SERVICE REVIEW.** “Service Provider” will meet with Customer on a quarterly basis to review certain Key Performance Indicators (KPIs). All KPIs will be determined and mutually agreed upon by Customer and “Service Provider”, but will include open and completed Hardware orders in the quarter, on-time and late deliveries, survey result summaries (as identified in Section 8 below), and other quarterly statistics of “Service Provider”’s service level commitments to Customer.

- 8. SURVEYS.** “Service Provider” shall conduct quarterly surveys to all Customer user sites to gauge user satisfaction of Hardware and other products provided. Customer will approve survey questions and provide feedback prior to dispersing surveys. All results of such survey will be provided to Customer at the “Service Provider”’s quarterly performance review meetings.
- 9. INVOICE CONTENT & AVAILABILITY.** Each invoice delivered by “Service Provider” to Customer shall set forth at a minimum the following fields, or any other information that may be reasonably requested by Customer:
- 9.1. “Service Provider”’s invoice number;
  - 9.2. Date invoice was issued;
  - 9.3. Payment due date;
  - 9.4. Account and/or Contract number;
  - 9.5. Address of Hardware location;
  - 9.6. Serial number for each piece of Hardware;
  - 9.7. Make/model for each piece of Hardware;
  - 9.8. Meter Type (B/W or Color);
  - 9.9. Start Meter Read;
  - 9.10. Start Meter Read Date;
  - 9.11. End Meter Read;
  - 9.12. End Meter Read Date;
  - 9.13. Cost-per-impression rate;
  - 9.14. Maintenance amount owed for each piece of Hardware, as a separate line item;
  - 9.15. The rate and amount of any taxes being billed, as a separate line item; and
  - 9.16. The total amount of the invoice

Copies of invoices as issued must be made available online via a web portal and Customer, and/or Customer’s designee/s must be provided proper login credentials (i.e. username and password) to access such invoices at no cost to Customer or Customer’s designee/s.

- 10. INVOICE DELIVERY.** All paper invoices shall be delivered to the following address:

XXXXXXXXXX

C/O:

- 11. ELECTRONIC REPORTING.** Reporting, as identified below, shall be sent to Customer, and/or Customer’s designee/s on a reoccurring basis and shall include the parameters and requirements below/ Noncompliance to the provisions below will result in a 10% rebate of the average invoiced dollar amount over the most recent 3 months of usage:

- 11.1. **FREQUENCY OF REPORTING.** Reporting will be provided to Customer and/or Customer’s designee/s on a monthly basis no later than the 10<sup>th</sup> business day of each month for the prior month’s usage period.
- 11.2. **DELIVERY METHOD.** Reporting will be delivered via e-mail to [Name@CompanyName.com](mailto:Name@CompanyName.com) and any other named email addresses as requested by Customer in writing. Reports shall be sent as an unlocked and editable .XLSX (Excel) or .CSV file.
- 11.3. **COST OF REPORTING.** Standardized and customized reporting shall be provided at no additional cost to Customer or Customer’s designee/s.
- 11.4. **CONTENTS OF STANDARD REPORTING.** Standard reporting will include, at a minimum, the following fields:

Maintenance Reporting

- 11.4.1. Usage Period (date range)
  - Usage Period Start Date
  - Usage Period End Date
- 11.4.2. Affiliate Name
- 11.4.3. Hardware Location
  - Address
  - City
  - State
  - Zip Code
- 11.4.4. Hardware Serial Number
- 11.4.5. Hardware Model
- 11.4.6. Begin Meter Read (B/W)
- 11.4.7. End Meter Read (B/W)
- 11.4.8. Monthly Base Cost (B/W)
- 11.4.9. Monthly Base Prints Included (B/W)
- 11.4.10. Cost per Print (B/W)
- 11.4.11. Overage Charge (B/W)
- 11.4.12. Begin Meter Read (Color 1)
- 11.4.13. End Meter Read (Color 1)
- 11.4.14. Monthly Base Cost (Color)
- 11.4.15. Monthly Base Prints Included (Color 1)
- 11.4.16. Cost per Print (Color 1)
- 11.4.17. Overage Charge (Color 1)

- 11.4.18.** Begin Meter Read (Color 2)
- 11.4.19.** End Meter Read (Color 2)
- 11.4.20.** Monthly Base Cost (Color 2)
- 11.4.21.** Monthly Base Prints Included (Color 2)
- 11.4.22.** Cost per Print (Color 2)
- 11.4.23.** Overage Charge (Color 2)
- 11.4.24.** Taxes
- 11.4.25.** Total Charge

Service Call Reporting

- 11.4.26.** Usage Period (date range)
  - Usage Period Start Date
  - Usage Period End Date
- 11.4.27.** Hardware Serial Number
- 11.4.28.** Open Date/Time of each Service Call by each piece of Hardware
- 11.4.29.** Reason for Service Call by each piece of Hardware
- 11.4.30.** Close Date/Time by each piece of Hardware
- 11.4.31.** Uptime percentage by each piece of Hardware

**11.5. REQUESTS FOR CUSTOMIZED REPORTING.** Should Customer, or Customer’s designee, from time to time request reporting outside of the Standard Reporting contents as described in number (11.4.) above, “Service Provider” shall provide requested reporting within 5 business days and issue all customized reporting electronically via the delivery method as stated in number (11.2.) above.

**11.6. ACCESS TO ONLINE PORTAL REPORTING.** If “Service Provider” provides online portal access to Customer and Customer’s designee/s, “Service Provider” will not be held responsible to send reporting as outlined above in numbers (11.1. – 11.4.) as long as the following requirements are met:

- Reporting through the online portal is available no later than the 5<sup>th</sup> business day of each month for the prior month’s usage period.
- Reports can be exported into an unlocked and editable .XLSX (Excel) or .CSV file.
- Access to online portal reporting is provided at no additional cost to Customer or Customer’s designee/s.
- Reporting provides the same content as outlined in number (11.4.) above.