



## HARDWARE SERVICE AGREEMENT

**TIMETRAK® SYSTEMS, INC.** (here after referred to as TimeTrak), located at 933 Pine Grove Ave., Port Huron, Michigan 48060; agrees to provide necessary service for the company listed on the invoice provided with this service agreement (hereafter referred to as User), under the terms and conditions of this Agreement, for the equipment and charges for the date range listed on attached invoice.

**1. ELIGIBILITY.** Any equipment presently under TIMETRAK warranty is eligible to be covered under the terms of this Service Agreement. Equipment not presently under TIMETRAK warranty may be eligible provided that the equipment is first inspected by TIMETRAK and any repair which, in the opinion of TIMETRAK, is required to restore the equipment to satisfactory condition is performed. Such inspection and repair will be billed at the prevailing standard TIMETRAK labor and material rates. By written agreement, the parties may, from time to time, add or delete equipment to be covered by this Agreement.

### 2. TERMS OF AGREEMENT

This Agreement shall begin on the Effective Date shown and will continue for the period indicated and on a year-to-year basis thereafter, or until one of the parties shall give the other sixty (60) days written notice of its Intention to modify or terminate this Agreement either at the end of the initial term or at the end of any year thereafter. Prices are subject to change without notice. In the event of default, this Agreement may be terminated by the non-defaulting party immediately after 30 days written notice of default and failure of the defaulting party to cure the default within the 30 days.

### 3. TIMETRAK SYSTEMS RESPONSIBILITIES

- A. For the annual charges set forth in this Agreement, TIMETRAK will provide the following services:
- 1. Preventive maintenance** - provided during normal working hours, where recommended by the equipment manufacturer. As used in this Agreement "normal working hours" shall mean 8:00 AM to 7:00 PM E.S.T., Monday through Friday excluding holidays. TIMETRAK is not obligated to provide more than one preventive maintenance per year for the equipment.
  - 2. Unscheduled, Depot Remedial Service** - provided during normal working hours following User notification that a unit of equipment is inoperative. If a request for remedial service made during normal working hours cannot be completed during normal working hours, remedial services will be either (1) deferred until the successive normal working hours, or (2) at the request of the User, outside normal working hours. Service performed outside normal working hours shall be billable at two hundred (200) dollars per hour, here after referred to as Usual Rates.
  - 3. Temporary Installation / Implementation of essClocTrak** – TimeTrak’s Premier Care Service Plan offers free temporary use of essClocTrak for customers whose clocks have failed and desire a Software Clock they can make available on any PC across their network. Customers that have not opted for the Premier Care Hardware Service Plan have the option to request installation and temporary use of an essClocTrak software clock solution for an installation fee of \$50 per incident.
  - 4. Loaners and Advance Replacements** – TimeTrak’s Premier Care Service Plan offers free loaner and advance replacement clocks (same model clock or best similar model clock). Customers that have not opted for the Premier Care Hardware Service Plan have the option to request Loaners and Advance replacement clocks for a monthly rental fee. In some situations, advanced replacement clocks may be sent at TimeTrak’s discretion if the issue is determined to be of a nature that the clock is not repairable, to speed resolution of the issue.
  - 5. Shipping Charges** – TimeTrak’s Premier Care Service Plan covers all shipping costs between TimeTrak and customer related to repair and replacement of covered clocks. Customers on TimeTrak’s Essential Care Plan pay the cost to ship clocks to TimeTrak, and TimeTrak pays the cost to ship repaired or replacement clocks to the customer. Customers that have not opted for the Premier or Essential Care plans, pay all shipping costs to and from TimeTrak.
  - 6. Discounted Replacement Clocks** – TimeTrak’s Premier Care Service Plan offers customers a 50% discount on the purchase of replacement clocks in the case of acts of god/abuse whereby the clock is unrepairable. Customers that have not opted for the Premier Care plan do not qualify for discounts on replacement clocks.



7. **LIMITATIONS** – The following services are not included in the charge set forth in this Agreement and, if performed by TIMETRAK, will be charged at the Usual Rates for such services.
- a. Remedial services performed outside normal working hours.
  - b. Remedial services required because of causes external to the equipment, including but not limited to fire, lightning, water, smoke, accident, vandalism or similar casualty, operator abuse, power interruption or surge, improper humidity or temperature control or relocation of the equipment.
  - c. Installation or relocation services.
  - d. Replacement of expendables or operating supplies, such as paper or ribbons.

**4. USER RESPONSIBILITIES**

The User agrees to:

- A. Make or attempt no unauthorized repairs or modifications to the equipment during the term of this Agreement except as specified and approved in advance by TIMETRAK.
- B. Maintain site environment conditions throughout the period of this Agreement in accordance with the specifications established by the equipment manufacturer.

**5. PRICE AND PAYMENT**

- A. User agrees to pay the Charges specified in this Agreement in advance on an annual basis as invoiced by TIMETRAK.
- B. The charges set forth will be valid for the date range listed on the attached invoice or following invoices for future annual periods.
- C. **TAXES.** All Charges are exclusive of federal, state, municipal or other governmental excise, sales, use, occupation or similar taxes, and are therefore subject to increases equal in amount to any tax TIMETRAK may be required to collect or pay in connection with the services performed hereunder.

**6. WARRANTY**

- A. **PARTS.** If a part supplied by TIMETRAK proves defective in material or workmanship, within 90 days after the installation by TIMETRAK, TIMETRAK shall, in its discretion, either repair or replace the part.
- B. **REPAIRS.** If a TIMETRAK performed repair proves defective in material or workmanship, within 90 days after date of repair, TIMETRAK, at its discretion, will either repair or replace the product.
- C. The foregoing warranty is exclusive, and in lieu of all other warranties, expressed or implied. **NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR USE APPLIES.**

**7. TERM AND TERMINATION** -- This Agreement shall remain in effect for the date range shown on the attached invoice until terminated. After this Agreement has been in force for 12 months, this Agreement may be terminated, with or without cause, in whole or in part, by either party upon sixty (60) days prior to written notice of termination. In the event of default, the non-defaulting party may terminate this Agreement at any time after thirty (30) days written notice of default and failure of the defaulting party to cure the default within the thirty (30) days.

**8. TIMETRAK HAS THE RIGHT TO SUBCONTRACT**, in whole or in part, the maintenance work called for in this Agreement. TIMETRAK shall not, however, be relieved of any liability under the terms of this Agreement on account of a subcontract.

**9. CHANGES AND ATTACHMENTS; SAFETY** -- Any changes in the equipment or attachments made by or on behalf of the User may result in an adjustment of the charges to reflect added costs because of such changes or attachments. TIMETRAK may discontinue maintenance services with respect to any equipment which, in TIMETRAK's reasonable opinion, constitutes a safety hazard.

**10. PARTS** -- In performing services hereunder, TIMETRAK may use parts which are new or used. If so specified in this Agreement, replacement parts supplied in connection with the services will be supplied without additional charge. Unless otherwise agreed in writing, all parts and assemblies replaced by TIMETRAK at any time shall become the property of TIMETRAK.



**11. MOVEMENT OF EQUIPMENT** is not covered under this Agreement. Such movement must be performed by USER's personnel. In the event that equipment is moved or relocated and in the opinion

of TIMETRAK such movement or relocation of equipment is directly or indirectly responsible for damage to, or malfunctions of the equipment, User will be billed at the Usual Rates for time and materials required to restore equipment to satisfactory operating condition.

**12. LIMITATIONS OF LIABILITY**

- A. In no event (whether in contract, tort, strict liability or otherwise) will TIMETRAK be liable for special, incidental, or consequential damages, including, but not limited to, loss of use of any property, loss of profit or revenue, business interruption, or loss of stored data, or claims of the User for such damages.
- B. TIMETRAK's liability on any claim of any kind (whether in contract, tort, negligence, strict liability or otherwise) for any loss or damage arising out of, or connected with, or resulting from this Agreement or from the performance or breach thereof, or from all services covered by or furnished under this Agreement, shall in no case exceed an amount equal to the Annual Charge for this Agreement..
- C. TIMETRAK does not assume, and shall have no liability under the terms of this Agreement, for failure to provide, or for delay in providing, maintenance service for the equipment due directly or indirectly to causes beyond the control of and without the fault of TIMETRAK, including but not limited to, acts of God, acts of public enemy, acts of the United States, acts of the User or its agents, employees or subcontractors, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather conditions, or defaults of TIMETRAK subcontractors due to such causes.

**13. NONPUBLICITY** -- Neither party shall refer to this Agreement in advertising or similar publicity without the express written consent of the other party.

**14. ADDITIONAL SERVICES AVAILABLE FOR PURCHASE** – TimeTrak agrees to offer customer under contract for hardware service these additional services:

- After hours support at \$200 per hour.
- On Site Clock Installation (Quote provided based on each unique situation)
- Vandalism Coverage on Specific Models – repair or replacement of clock (if required with a different model) for any cause.

TimeTrak reserves the right to cancel such coverage in what TimeTrak deems abusive situations and refund a pro-rated amount of the annual charge for Vandalism Coverage (custom Quote provided on request)

**15. COMPLETE AGREEMENT** -- This Agreement contains the complete agreement between the parties and no modification, amendment, rescission, waiver or other change will be binding on either party, unless assented to in writing by the party's authorized representatives. Any oral or written representation, warranty, course of dealing or trade usage not contained or referenced herein will not be binding on TimeTrak. No provisions of any purchase order or similar document issued by TimeTrak which are in conflict with this Agreement shall change the provisions of this Agreement or TimeTrak's obligations. In the event that the User issues a purchase order or similar document, the Terms and Conditions in such document are superseded by Terms and Conditions set forth herein.

Hardware Service provided by:

Service Provided to:

**TimeTrak Systems Incorporated**

**Customer Named on Invoice**

933 Pine Grove Ave.  
Port Huron, MI 48060  
810-984-1313 (ext. 2 for support)  
support@timetrak.com