

Parts Agreement for Commercial Self-Service Repair Programs

This agreement ("Agreement") is entered into between Epson America, Inc. ("Epson") and the undersigned customer below ("Customer") in connection with Epson's commercial self-service repair program ("Self-Service Program"). In connection with Epson's Self-Service Program, Customer will be able to purchase Epson parts ("Parts") directly from Epson at a discount, and Epson will extend credit to Customer for such purchases according to these terms.

1. Parts: Customer shall use only Epson genuine parts for all service. Parts may be purchased only for the repair of Epson products. Parts purchased by Customer may not be resold. When Customer replaces any parts, including print heads, removed parts must be returned to Epson. Violation of this provision is considered a breach of this Agreement and Epson reserves the right, at its discretion, to terminate your Self-Service Program, refuse further Parts sales, charge Customer for unreturned Parts, or increase the cost of print heads to Customer until such Parts are returned to Epson.

A. A limited number of spare print heads, to be determined by Epson, may be carried by Customer.

B. Parts prices are discounted during the term of a Self-Service Program; exact pricing will vary based on Epson's prices in effect at the time of Customer's order. If Customer's Self-Service Program is terminated or expires, Parts costs will revert to Epson's standard Parts costs, which are in effect at the time.

C. Epson warrants that all Parts will be free of defects in materials and workmanship for a period of ninety (90) days after shipment. Epson shall replace, without cost, any defective Parts submitted to Epson with a Return Material Authorization (RMA). Epson's limited warranty for Parts shall not apply to any Parts that have been altered, improperly handled, improperly used, or improperly maintained. EXCEPT AS SET FORTH ABOVE, EPSON DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE. EPSON SHALL NOT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY SPECIAL OR CONSEQUENTIAL DAMAGES FOR BREACH OF WARRANTY. EPSON'S LIABILITY IS EXPRESSLY LIMITED TO REPAIR OR REPLACEMENT OF DEFECTIVE PARTS AND SHALL NOT EXCEED THE PURCHASE PRICE OF SUCH PARTS.

2. Credit Agreement: Customer agrees that extension of credit by Epson America, Inc., or Epson Canada Limited shall be subject to and in consideration of the following:

A. Payments of all amounts due as evidenced by the account, shall be made no later than the due date as indicated on each invoice under the heading "terms." Exceptions will be indicated on the invoice.

B. Should it be necessary to assign the account balance to a licensed collection agency or attorney for legal action, all subsequent collection charges, costs, and legal fees shall be paid by the Customer.

C. Customer understands that Epson will make its usual credit investigation and hereby waives any claim of privacy as to the information derived there from and authorizes Customer's bank to release information as desired by Epson.

D. The Customer and the undersigned individually warrant that the undersigned is duly authorized and empowered to borrow and to execute and carry out the terms of this agreement and all documents and instruments delivered by it pursuant to this agreement.

E. The undersigned agrees that all credit extended shall be deemed subject to the terms herein agreed to and such other terms as may be imposed from time to time by Epson.

In consideration for the extension of credit, Customer hereby grants and assigns to Epson a continuing purchase money security interest in all inventory, equipment, and goods manufactured by or distributed by Epson, whenever sold, consigned or delivered, directly or indirectly, to or for the benefit of Customer by Epson, wherever located, now owned and hereafter acquired including but not limited to all Products bearing the Epson brand, accessories, supplies and parts including reposessions and returns; and all proceeds thereof; and all existing or subsequently arising accounts and accounts receivable and supporting obligations that may from time to time hereafter come into existence from the sale or other disposition of the Products ("Collateral"). Such security interest shall secure payment and performance of all obligations of Customer to Epson for Customer's acquisition, whether by sale, consignment, or delivery, of the Products from Epson. Epson's purchase money security interest is explicitly limited to outstanding obligations between Epson and Customer.

Customer shall obtain, and keep in continuous force, insurance for the Collateral in an amount and of a type that is reasonably acceptable to Epson until this Security Agreement is terminated. Customer will notify Epson in writing fifteen (15) days prior to any of the following: (1) Change(s) or additions to location of any material or substantial portion of the Collateral, (2) any event (such as fire or levy) that could materially affect the Collateral, (3) change(s) in location of chief executive offices (if an unregistered entity), (4) change(s) in state of incorporation (if a registered entity), (5) change(s) in state of residence (if an individual), or (6) change(s) in name of Customer's business. Customer shall make the Collateral available for Epson's inspection during normal business hours on reasonable notice.

3. Training. It is critical that self-service customers be trained prior to any self-service activities. Customer represents and agrees that its service staff will be trained by Epson (and promptly reviews any service bulletins provided by Epson). Parts purchases may be suspended if Customer breaches this provision.

4. Term and Termination. This Agreement commences on the date signed by Epson, shall continue for one (1) year, and shall automatically renew for one (1) year periods unless terminated. Either party may terminate at any time, with or without cause upon thirty (30) days written notice to the other, or upon three (3) days' notice in the event of a breach.

CUSTOMER:

(Name of Company)

(Authorized Signature)

(Print Name and Title)

(Date)

EPSON AMERICA, INC.:

(Authorized Signature)

(Date)