



SOUTHEASTERN

LAUNDRY EQUIPMENT SALES

SCHEDULE B

Extended Warranty Standard Terms and Conditions

1 Definition and Interpretation

1.1 In these Conditions, the following words and expression shall have the following meanings except where the context otherwise requires:

“Additional Charge” means a charge payable by the Customer for additional services outside the scope of the Services in accordance with SLES’ prevailing rates for such services.

“Agreement” means the Extended Warranty (including its Schedules) for the Services entered into by SLES and the Customer and includes these Conditions.

“Conditions” means these Standard Terms and Conditions which are incorporated into and form part of the Agreement.

“Customer” means the person or persons, firm or company named on the cover page of the Agreement.

“Equipment” means the equipment listed on Schedule A.

“Fees” means the fees payable for the Services and parts as specified in Section 3 of the Agreement.

“Maximum Monthly Cycle Count” means the maximum number of laundry cycles that may be run on a particular piece of Equipment each month as forth on Schedule A of this Agreement.

“Non Essential Service Call” means any request by the Customer for Equipment service that involves services which are not included under the terms of this Agreement or which are unnecessary.

“Party” means the Customer or SLES, and “Parties” means both.

“Services” means the repair and other services provided in respect of the Equipment as set forth in these Conditions.

“Service Time” means the period set out in Clause 2 herein.

“Site” means the premises where the Services are provided.

“SLES” means Southeastern Laundry Equipment Sales, Inc. including its successors, agents and assigns.

“Term” means the duration of the Agreement as set out in Section 2 of the Agreement.

1.2 The headings in these Conditions are for convenience only and shall be ignored in construing these Conditions and shall not affect their interpretation.

1.3 Words (including words defined in the Agreement) importing the singular also include the plural and vice-versa where the context requires.

1.4 SLES shall provide the Services to Customer in accordance with this Agreement. In the event of any inconsistency between these Conditions and other documents forming part of the Agreement, the following order to priority shall apply:

1.4.1 any written agreement between the Parties where the Parties agree that any of the provisions in these Conditions should be superseded with an express reference to this Clause 1.4;

1.4.2 this Agreement, and

1.4.3 these Conditions.

2 Service Time

The Services shall be performed within the Service Time, which shall be between 8:00 a.m. and 5:00 p.m., Monday through Friday, federal holidays excluded unless otherwise agreed in Schedule A.

3 Exclusions & Additional Services

3.1 The Services do not include:

a) The cost of any Equipment or part whether spare part, consumable or otherwise supplied, unless otherwise provided in Schedule A.

b) The upgrading of or retrofitting of improvements or major modification to the Equipment.

c) The routine maintenance of the Equipment.

3.2 SLES may at the Customer's option provide any of the excluded services referred to in Clause 3.1 of these Conditions or any other services requested by the Customer, at the applicable Additional Charge. SLES shall inform the Customer of the associated Additional Charge, and the Customer shall accept the Additional Charge in writing before the services are performed. The Additional Charge shall be payable by the Customer in accordance with Clause 5.2 of these Conditions.

4 Customer's Responsibilities

4.1 The Customer shall ensure that SLES' personnel have full and safe access to the Equipment at all reasonable times for the purpose of providing the Services. The Customer shall also ensure that such access conforms to any specification's issues by SLES from time to time.

4.2 The Customer will ensure that SLES' personnel or representatives are provided a safe and secure work environment at all times while they are on the Site to enable work to be carried out.

4.3 The Customer shall provide on request a suitably qualified or informed representative, agent or employee to accompany SLES' personnel when providing the Services or to render such assistance or to give such advice as will enable SLES' personnel to exercise unrestricted access to the Site and the Equipment and otherwise to perform the Services effectively.

4.4 All such assistance to be provided by the Customer under this Clause 4 or in general shall be at the Customer's sole cost and expense.

4.5 Nothing in this Agreement shall relieve the Customer from its obligations to perform, and Customer hereby agrees to perform, normal day to day maintenance on the Equipment as per the operator's manuals supplied by the manufacturer of the Equipment and/or SLES including but not restricted to normal cleaning procedures, checks and adjustments designed for proper operational use.

4.6 During the Term of this Agreement, the Customer shall not perform or attempt to perform any modifications to, repair of, experiments on the Equipment other than day to day maintenance and the Customer shall not permit any other person except

SLES' personnel or representatives to perform repair services on the Equipment unless prior written consent has been obtained from SLES.

4.7 The Customer shall notify SLES immediately if any Equipment malfunctions, becomes inoperable or if the Customer has reason to believe that the Equipment is not operating properly. If any Equipment malfunctions, becomes inoperable or if the Customer has reason to believe that the Equipment is not operating properly, the Customer shall immediately stop using the Equipment. If the Customer continues to use Equipment that is not operating properly or otherwise neglects, abuses, misuses or overused any Equipment, SLES shall have the right (in addition to any other remedies available hereunder) to invoice the Customer for any damage caused by any such neglect, abuse, misuse or overuse.

5 Payment, Charges and Fees

5.1 The Customer shall pay all Fees at the rate and in the manner specified in Section 3 of the Agreement.

5.2 The Customer shall pay any Fees, Additional Charges and any cost wherever and howsoever incurred within (30) days from the date of SLES' invoice for such Fees and Additional Charges. If the customer fails to make full payment on the due date, then without prejudice to any other right or remedy available to SLES, SLES shall be entitled to:

a) terminate the Agreement or suspend any further Services or other obligations to the Customer under the Agreement (without being liable to Customer for any losses so caused);

b) at its sole discretion, apply any monies received from the Customer in relation to the Agreement or any other contract or agreement between the Customer and SLES, including but not limited to deposits or security payments, towards the payment of the relevant invoice; and/or

c) charge the Customer the late charge set forth in Section 3 of the Agreement.

5.3 The Customer shall not be entitled to withhold from, set off against or otherwise reduce any payments due to SLES unless agreed in writing by SLES.

5.4 SLES will invoice, and the Customer shall pay, for any Nuisance Services Calls at the normal rate (i.e., undiscounted) SLES charges for service calls.

6 Maintenance Equipment

SLES shall provide all the necessary tools, equipment, testing and diagnostic apparatus which SLES requires in order to perform the Services unless otherwise agreed.

7 Customer Records & Service Reports

The Customer shall keep such records relating to the use and performance of the Equipment as may be directed by SLES from time to time. The Customer shall permit SLES to have access to such records at all reasonable times, including all periods during which the Services are being performed or preparations are being made for the Services to be performed.

8 Confidentiality

Each Party agrees not to, and shall ensure that its employees, agents and advisors do not, disclose to third parties, any confidential or proprietary information arising or disclose pursuant to this Agreement (including information not generally known to the public, such as without limitation technical, development, marketing, sales, operating, performance, cost, know-how, business and process information or computer programming techniques), except: (i) with the prior written permission of the Party to whom such information belongs; (ii) as required by applicable law or regulation or pursuant to a court order or direction of any government authority or regulatory body or stock exchange; or (iii) where the information is already known to, or obtained by independent means, or independently deployed, by the recipient, or is already in the public domain through no fault of the recipient.

9 Liability of the Parties

9.1 The Customer shall keep SLES, its personnel and agents fully and effectively indemnified against any loss of or damage to any property or injury to or death of any person caused by any negligent act or omission or breach of this Agreement by the Customer, its employees, agents or servants, and shall pay to SLES all reasonable costs, charges and losses sustained or incurred by SLES as a result of SLES being prevented or delayed from performing its obligations under this Agreement by reason of any act or omission of the Customer, its employees, agents or servants.

9.2 Except as expressly provided in this Agreement, all terms, conditions, warranties, undertakings or representations whether express, implied, statutory or otherwise relating in any way to the Services or to this Agreement are excluded. Without limiting the generality of the foregoing, SLES shall not be under any liability to the Customer for any loss of profit (actual or anticipated), loss of use, loss of production, loss of contracts, loss of opportunities, loss of revenue, cost of capital, costs of replacement, loss of goodwill, loss of reputation, loss from any third part contracts, loss due to business interruption, loss of interest, loss of power, contractual claims from third parties or any indirect, incidental, special or consequential losses or damages arising from or in connection with its performance or non-performance under this Agreement and whether based upon contract, tort, or any other legal theory. This Clause 9.2 shall apply to the benefit of SLES' personnel, SLES' affiliates and SLES' subcontractors.

9.3 Notwithstanding any other provision of this Agreement SLES' total cumulative liability for any act or omission, whether in contract, tort (including negligent or strict liability) or any other legal or equitable theory during the Term of this Agreement shall not exceed in the aggregate, 10% of the Fees payable under this Agreement during the preceding twelve (12) period of the Term. This Clause 9.3 shall apply to the benefit of SLES' personnel, SLES' affiliates and SLES' subcontractors.

10 Warranties

10.1 SLES warrants that: (i) it will provide the Services in a proper, workmanlike and professional manner at all times; (ii) the express warranties set forth herein shall not replace or supersede any warranty provided by the manufacturer of the Equipment.

10.2 **SLES MAKES NO WARRANTIES REGARDING THE EQUIPMENT, INCLUDING WITHOUT LIMITATION, THAT THE EQUIPMENT IS MERCHANTABLE OR THAT THE EQUIPMENT IS FIT FOR A PARTICULAR PURPOSE.** The Customer hereby acknowledges that SLES is not the manufacturer of the Equipment, nor the manufacturer's or the vendor's agent, that the Customer has selected Equipment based upon its own judgement, and that the Customer hereby disclaims any reliance upon any statements or representations made by SLES concerning the Equipment.

11 Force Majeure

11.1 SLES shall not be liable to the Customer or be deemed to be in breach of Agreement by reason of any delay in performing, or any failure to perform, any of SLES' obligations in relation to the Services, if the delay or failure was due to force majeure. For the purposes of this clause, force majeure shall mean any unforeseen event beyond the reasonable control of SLES such as, but not limited to any act of God, act of government or any authorities, hostilities between nations, war, riot, civil commotions, civil war, insurrection, blockades, import or export regulations or embargoes, rainstorms, national emergency, earthquake, fires, explosion, flooding, hurricane or other exceptional weather conditions or natural disaster, acts of terrorism, accidents, sabotages, strikes, shortages in material or supply, infectious diseases, epidemics, as well as travel restrictions or travel warnings due to any such events. If any delay in performing, or any failure to perform the Agreement is caused by the delay of a subcontractor of SLES, and is beyond the control without the fault or gross negligence of SLES, SLES shall incur no liability for such delay.

11.2 If such delay or failure continues for at least one (1) month, the other party may terminate this Agreement immediately with written notices. In such event, the Customer shall pay SLES all Fees for any Services already rendered and Additional Charges, costs and expenses incurred prior to termination.

12 Termination and/or Suspension of Services

12.1 In addition to SLES' right to terminate the Agreement under Clause 5.2 of these Conditions, SLES shall be entitled to (i) terminate the Agreement or suspend any further Services under the Agreement without any liability to the Customer, and (ii) demand that the Fees, Additional Charges or balance thereof shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary, and (iii) retain any security given or monies paid by the Customer and apply the said security or monies against the assessed loss and damages, if any, suffered by SLES, in the event that:

- a) the Customer is breach of the Agreement; or
- b) the Customer makes any voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction) or has an order made or resolution passed for such winding-up or shall otherwise become insolvent or make such proposal, assignment or arrangement for the benefit of its creditors or have a receiver or manager appointed over its affairs or have an application made to court for the appointment of a judicial manager or be placed under a judicial management order; or
- c) the Customer ceases, or threatens to cease, to carry on business; or
- d) in the reasonable opinion of SLES, there occurs a material change in the financial position of the Customer which is likely to affect the Customer's ability to perform its obligations under the Agreement;
- e) the Customer fails to perform regular maintenance on the Equipment or otherwise abuses or misuses the Equipment including (without limitation) exceeding any applicable Maximum Monthly Cycle Count set forth in the Agreement; or
- f) SLES reasonably apprehends that any of the events mentioned above is about to occur in relation to the Customer and notifies the Customer accordingly.

12.2 Termination of the Agreement by SLES shall not discharge the Customer from any existing obligation accrued due on or prior to the date of termination.

13 General

13.1 Any notice required or permitted to be given by either Party to the other under the Agreement shall be in writing and signed by the authorized representatives of the Party addressed to that other Party at its registered office or principal place of business or such other address as may at the relevant time have been notified to the Party giving the note. Notes may be delivered by hand, or by prepaid registered post or by facsimile and shall be deemed to have been served:

- a) if by hand, at time of delivery;
- b) if by prepaid registered mail, 3 working days after mailed; and
- c) if by facsimile, on the date printed on the facsimile transfer report produced by the sender's machine.

13.2 No waiver by either Party of any breach of the Agreement by the other Party shall be considered as a waiver of any subsequent breach of the same or any other provision. If either Party delays, neglects or chooses not to enforce its right under the Agreement, it shall not affect its right to do so at a later date.

13.3 If any provision of the Agreement of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part such provision shall be construed, limited or if necessary, severed to the extent necessary to eliminate such invalidity or unenforceability and the validity of the other provisions of the Agreement and these Conditions and the remainder of the provision in question shall not be affected but shall remain in full force and effect.

13.4 This Agreement represents the entire agreement between the Parties concerning the subject matter thereof and may not be changed unless agreed in writing by properly authorized representatives of both Parties.

13.5 The relationship between SLES and the Customer is one of independent contractor and nothing in this Agreement shall be construed as creating any relationship of partnership, employment, joint venture or agency between SLES and the Customer.

13.6 The Agreement (including these Conditions) is deemed to have been made in the city and state of our home office, Marietta, Georgia, and, except for any local filing requirements, the Agreement shall be governed and construed in accordance with laws of the State of Georgia. The Parties hereby irrevocably and unconditionally (a) agree any suit, action, or legal proceeding arising out of or relating to this Agreement (other than any action to enforce any judgement hereunder) shall be brought only in the courts of record of the State of Georgia in Cobb County or the United States District Court for the Northern District of Georgia, Atlanta Division, (b) consent to the exclusive jurisdiction and venue of said courts in any such suit, action or proceeding; and (c) waive any right to trial by jury.

13.7 In the event SLES collects any amount owed by the Customer hereunder by law, all costs of collection, including without limitation, reasonable attorney's fees incurred not to exceed fifteen percent (15%) of the amount owed, shall be paid by the Customer.

13.8 SLES may assign or transfer this Agreement in its sole discretion and the Customer hereby agrees that any such assignee or transferee will have the same rights and benefits that SLES has under the Agreement. The Customer shall not have the right to assign or transfer this Agreement without the prior written consent of SLES. This Agreement and each of its provisions is binding and inures to the benefit of the respective successors and assigns to the Parties.