

A. Exclusions from Coverage:

Service provided by Paxar under a Preferred or Vantage Agreement shall not include the following with the exception of Items #3 and #4, which are covered under a Preferred Plus Agreement:

1. Repair of damage or increase in service time caused (in Paxar's sole judgment) by Customer's failure to provide a suitable installation environment for the equipment, including, but not limited to, an adequate power system.
2. Repair of damage or increase in service time caused (in Paxar's sole judgment) by use of equipment for other than the ordinary purpose for which the equipment is designed.
3. Repair of damage or increase in service time caused (in Paxar's sole judgment) by accidental damage or Acts of God, including, but not limited to fire, flood, water, wind, lightening or transportation.
4. Repair of damage or increase in service time caused (in Paxar's sole judgment) by neglect, misuse or abuse of the equipment by Customer or any alteration made to the product by Customer without the prior written consent of Monarch.

B. Use of Non-Paxar Supplies:

Paxar does extensive research to develop supplies that perform optimally with Paxar® equipment. Paxar supplies are recommended for use in Paxar equipment. In the event that non-Paxar supplies are used in Paxar equipment, and such non-Paxar supplies result in a malfunction or damage to the equipment (in Paxar's sole judgment), charges for parts and labor to return the equipment to operating condition shall be borne by Customer.

C. Warranty

Paxar warrants that the services provided pursuant to this Agreement shall be performed in a reasonable and workmanlike manner and shall be free from defects in material and workmanship for a period of 30 days for labor and 90 days for parts after acceptance of the work. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PAXAR NEITHER ASSUMES NOR AUTHORIZES THE ASSUMPTION FOR PAXAR OF ANY OBLIGATION NOT SPECIFICALLY SET FORTH HEREIN.

D. Exclusive Remedy/Limitation of Liability

1. Paxar's total liability to Customer and Customer's exclusive remedy for damages, regardless of injury, property damage or schedule delay shall be limited to the twelve (12) months' service charges for the specific equipment that caused the damages or that is the subject matter or related to the claim or cause of action.
2. IN NO EVENT SHALL PAXAR BE LIABLE TO CUSTOMER FOR ANY CONSEQUENTIAL, INCIDENTAL OR SPECIAL DAMAGES, REGARDLESS OF THE THEORY OF LAW ON WHICH THE CLAIM IS BASED.

E. Miscellaneous

This Agreement is subject to acceptance by Paxar at Dayton, Ohio. The terms of this Agreement can only be modified or amended by the written mutual agreement of the parties.

This Agreement shall be governed by the laws of the State of Ohio, without resort to its conflict of law rules.

A waiver of any breach of a provision of this Agreement must be by written instrument, specifically referring to the existence of a breach by the other party. A waiver of any breach of a provision of this Agreement by a party shall not constitute a waiver of any other rights that a party may have.

This Agreement constitutes the entire Agreement between the parties and supersedes any previous Agreement or understanding whether oral or written. Any additional or conflicting terms contained in a purchase order or other document submitted by Customer are void and of no effect.

Paxar is not responsible for any failure to render services due pursuant to this Agreement caused by factors or circumstances beyond Paxar's control.

Any controversy or claim arising out of or relating to this Agreement or the breach, termination, or validity thereof, shall be settled by arbitration by a sole arbitrator. The selection of the arbitrator and the arbitration procedure shall be in accordance with the current Commercial Rules of the American Arbitration Association. The arbitration will occur in Dayton, Ohio. The decision and award of the arbitrator shall be final and binding, and the award rendered may be entered in any Court having jurisdiction thereof.