

HARDWARE SERVICE AGREEMENT

1.0 DEFINITIONS

- 1.1 Software: any software product licenced by B.K. Technology Ltd and noted in attachment B.
- 1.2 Hardware: the computer hardware supplied by B.K. Technology Ltd at the system location and with the serial numbers noted in attachment A.
- 1.3 Firmware: the computer firmware for the software and hardware supplied by B.K. Technology Ltd.

2.0 TERM

- 2.1 This Service Agreement shall be effective when signed by both parties
- 2.2 The initial term begins on the Commencement Date and ends on the Expiry Date specified in attachment A.
- 2.3 Unless either party gives written notice at least (90) days prior to the end of the term, this Service Agreement shall be renewed automatically for an additional twelve months period at the B.K. Technology charges in effect for similar service on the date of renewal.
- 2.4 Either party may terminate this Service Agreement after the initial term upon ninety (90) days' prior written notice.

3.0 ELIGIBILITY FOR SERVICE AGREEMENT

To be eligible for the service under this Service Agreement, a System must satisfy each and all of the conditions set forth in Section 3.0

- 3.1 The System whose serial number is noted in Attachment A and it's Software supplied by B.K. Technology Ltd must be installed by B.K. Technology Ltd.
- 3.2 The system must be unmodified, properly maintained and operated according to B.K. Technology Ltd's specifications and must be in good operating condition at the commencement date of the System Maintenance Services (hereinafter defined).
- 3.3 The System must include at least the minimum hardware configuration and prerequisite software specified in Attachments A and B.

- 3.4 B.K.Technology may at it's option , examine and test the System to determine its serviceability prior to the commencement of System Maintenance Services. If the System does not meet eligibility requirements , or is not operational at the time this Service Agreement is signed , any repairs, modifications, adjustments, and updates which B.K.Technology Ltd determines to be necessary shall be made at B.K.Technology Ltd's then - current time and material rates.
- 3.5 To be eligible for Cover Maintenance as defined in para- 4.1.1 a Service Agreement for Software Services must be in force with B.K.Technology Ltd.

4.0 SERVICE RESPONSIBILITIES OF B.K.Technology Ltd

B.K.Technology Ltd, or its designated representative, will provide the following services to Hardware and software.

4.1 Hardware Maintenance Services

"Hardware Maintenance Services" shall consist of Covered Maintenance, Billable Call Maintenance and Product Support Centre-Based Services.

4.1.1 The term "Covered Maintenance" as used herein means B.K.Technology Ltd's normal periodic Hardware maintenance performed by B.K.Technology Ltd to repair defects and malfunctions in Hardware. Covered maintenance shall be provided during the hours of 9.00am to 5.00pm local time, Monday- Friday, except public holidays. B.K.Technology Ltd will respond to a request for Covered Maintenance within 18 working hours of receiving a call for assistance. The term "Local Time" as used herein refers to the time zone in which the Customer's hardware is located. Public holidays are those which are recognized by B.K.Technology Ltd from which the Covered Maintenance shall include replacement of unserviceable parts, except for supplies of expendable parts, including but not limited to, B.K.Technology Ltd's Mini-Cell , ancilliary Test Probes, Calomel Electrodes. All replaced parts shall become the property of B.K.Technology Ltd.

4.1.2 The term " Billable Call Maintenance" as used herein means any on-site Hardware maintenance, other than Covered Maintenance, performed by B.K.Technology Ltd or it's designated representative. It includes, but is not limited to, the following types of maintenance:

- a) work requested by the Customer for rearrangement, such as additional wiring.
- b) electrical work external to the Hardware.
- c) refurbishment of Hardware including but not limited to painting or sheet metalwork.
- d) adding or removing accessories, attachments or other devices.

- e) work on Hardware necessitated by maintenance or repair performed by other than authorized B.K.Technology Ltd personnel or resulting from improper operation by non- B.K.Technology Ltd personnel
- f) specific requests by customer for maintenance in addition to Covered maintenance requirements including on-site software support.
- g) work outside the hours of cover contracted for and detailed in clause 4.1.1.
- h) work on Hardware necessitated by connection of the non B.K.Technology Ltd approved Test Probes.

In the case of Billable Call Maintenance , replacement of unserviceable parts shall be at B.K.Technology Ltd's out of warranty exchange part prices current at the time of replacement. All replaced parts shall become the property of B.K.Technology Ltd.

5.0 DISASTER RECOVERY

- 5.1 In the event of a disaster of where the Hardware develops a defect or malfunction which causes the System to be unusable by the Customer then B.K.Technology Ltd will make available to the Customer within 72 (seventy two) hours a replacement system.
- 5.2 Customer shall be entitled to use such System free of charge until the Hardware malfunction or defect has been remedied if the defect or malfunction wholly caused by B.K.Technology Ltd's failure to provide Hardware Maintenance Services with reasonable care and skill.
- 5.3 Except as provided in clause 5.2 B.K.Technology Ltd shall be entitled to charge Customer for use of the Replacement System on a time and materials basis including all costs and expenses incurred by B.K.Technology Ltd relating thereto. Such charge will reflect current industry practice in the provision of the services described in this clause 5.0 but shall not exceed £500.00 per day for a maximum of 90 days by which time B.K.Technology Ltd will replace the equipment if requested to do so.

6.0 RESPONSIBILITIES OF THE CUSTOMER

As a condition to receiving service under this Service Agreement.

- 6.1 Customer agrees to maintain a current backup copy of the Software, other software, and Customer data to prevent inadvertent data loss during service.
- 6.2 Customer will provide written descriptions of problems at B.K.Technology Ltd's request.
- 6.3 Customer will perform system tests upon request of B.K.Technology Ltd's service personnel.
- 6.4 Customer will pay the charges set forth in attachments C.

7.0 SERVICE LIMITATIONS

- 7.1 Not included in this "Covered Maintenance" are problems and questions arising from:
- a) modification to the Hardware, Software, Firmware or documentation by anyone other than B.K.Technology Ltd or its designated representatives.
 - b) the attachment to the System of Hardware not approved by B.K.Technology Ltd
 - c) operation or use outside the specifications found in the manufacturer's documentation.
 - d) refurbishing of Hardware, including but not limited to, painting or sheet metal repair.
 - e) repair of damage not caused by B.K.Technology Ltd or its designated representatives, including without limitation, damage resulting from accident, transportation, neglect or misuse, lightening failure or fluctuation of electrical power, spike induced failure due to thyristor controlled lab ovens, air conditioning or humidity control, telephone equipment communication line failure, failure of foreign interconnect equipment, or causes other than ordinary use.
- 7.2 B.K.Technology Ltd shall have no obligation to provide services outside B.K.Technology Ltd's normal business hours. All support shall be performed during the hours from 9.00am to 5.00pm, Monday to Friday, exclusive of public holidays.

8.0 CHARGES

- 8.1 Total charges payable are detailed in Attachment C.
- 8.2 Charges for services provided during the term of this agreement will be invoiced to the Customer on the Commencement Date.
- 8.3 Any charges for services provided under time and material rates or as part of Billable Call Maintenance will be invoiced to the Customer at or soon after the service is provided by B.K.Technology Ltd.
- 8.4 Payment of all charges invoiced to the Customer will be due to B.K.Technology Ltd within thirty (30) days from the date of invoice.
- 8.5 After the initial term and upon ninety (90) days' prior written notice to the Customer, B.K.Technology Ltd may adjust the service charges.
- 8.6 Charges are exclusive of, and Customer is responsible for paying all local taxes including VAT. Such taxes will be added items on all invoices.

9.0 LIMITATION OF LIABILITY

If and to the extent permitted by law and notwithstanding any other provisions of this agreement:

- a) no warranty, condition or other term, expressed or implied, statutory or otherwise, shall apply unless and except to the extent expressly contained in this agreement;
- b) B.K.Technology Ltd shall have no liability for any consequential loss or damage (including but without limitation) business interruption or loss of profits and Customer should insure accordingly; and
- c) Any liability to which B.K.Technology Ltd might otherwise become subject shall, in aggregate, be limited to the cost of replacing the System.

10.0 STANDARD TERMS AND CONDITIONS

Except as specifically modified by this Service Agreement, and except so far as the context otherwise requires, this Service Agreement shall also be governed by B.K.Technology Ltd's "Standard Terms and Conditions of Sale", which are incorporated herein by this reference, and is without prejudice to the applicable software license agreement between B.K.Technology Ltd and the customer.

11.0 FORCE MAJEURE

B.K.Technology Ltd or its designated representatives shall not be liable to Customer for any delay or failure by B.K.Technology Ltd to perform its obligations under this Service Agreement or otherwise if such delay or failure arises from any unforeseeable causes beyond the reasonable control of B.K.Technology Ltd, including, but not limited to, labour disputes, strikes, other or industrial disturbances, acts of God, floods, lightening, shortages of materials, rationing, utility or communications failures, earthquakes, casualty, war, acts of the public enemy, riots, insurrections, embargoes, blockages, actions, restrictions or orders of any government, agency or subdivision thereof.

12.0 GENERAL PROVISIONS

Any notice given by either party to the other under this Agreement shall be in writing and may (without prejudice to the use of any other method) be given by being sent pre-paid first class letter addressed to the other party at its last known relevant place of business and any notice so sent shall be deemed to have been properly and effectively given upon the expiration 48 hours after it shall have been posted.

If either party fails to perform its obligations under this Service Agreement and (except for a breach of 7.4) such failure continues for a period of thirty (30) days after written notice, the other party shall have the right to terminate this Service Agreement immediately upon written notice.

The construction, validity and performance of this Agreement shall be governed by the law of England and Wales and all parties agree to submit to the courts of England. This Agreement sets out the entire Agreement and understanding between the parties with respect to the subject matter of this Agreement and supercedes all oral discussions between the parties, or their agents.

If the Customer shall suffer distress or execution or be made the subject of a bankruptcy order or make an arrangement with creditors or go into liquidation or have a receiver appointed or be unable to pay its debts when due, B.K.Technology Ltd may (without prejudice to any other claim or remedy) forthwith suspend performance of or terminate this Agreement by written notice and shall be entitled to payment forthwith, of all unpaid charges under this Agreement (whether they would be otherwise due or not) and for this purpose the quarterly charge shall be deemed to accrue from day to day.

IN WITNESS WHEREOF, the parties have set their hands effective the day and year first written above.

B.K.Technology Ltd

By:

By:

Title

Title:

Date:

Date: