

VILLAGE ISLAND CO LTD – Terms of Warranty & Support

In the terms below, Village Island Co., Ltd., here referred to as "VI".

These Terms of Warranty and Support, here referred as "**Terms**", apply to VI product(s) purchased by the purchaser, here referred to as "**Buyer**". These Terms may not apply to VI software-only products, which may be covered by separate agreements, warranty, or other documents. Buyer should be cautious that specific condition detailed in VI quotations may supersede these Terms.

Buyer acknowledges and agrees to these Terms by proceeding with the purchase order, or by using the product. Buyer agrees to the following:

- 1. For a period of 12 months from the date of delivery to the purchaser, VI guarantees that the product will be free of defects due to bad components or bad workmanship in the manufacturing process that result in product failure during normal usage. If Buyer has agreed or purchased a warranty and support extension quoted by VI for the related to the product, the warranty and support period for that product shall be extended by the number of extra warranty months purchased under that warranty extension, and all references herein are modified accordingly.
- 2. Buyer may extend the warranty and support up to 4 (four) times by period of 12 month for a cost of 15% of the product standard list price. Such warranty and support extension may only be purchased with official purchaser order submitted 3 (three) months before the end of the current warranty period. The warranty and support are extended only to the original Buyer of the product, and is nontransferable. There are no third-party beneficiaries. Depending on the product, warranty and support extension may only be available at product purchase timing. To confirm your specific extension options, check with us at product purchase time.
- 3. VI will remedy defects that qualify either, at VI's sole option, by repairing the defective product or by replacing it free of charge, provided that the defect is not caused by one of the conditions listed in Article 4. If a replacement of the defective product is not available, such as due to a discontinuation of the manufacture of the product, VI may replace the product with a product of substantially similar quality and functionality, as determined in the reasonable discretion of VI. If a product is discontinued, VI will make reasonable efforts to provide a replacement with substantially similar functionality, subject to availability for up to 3 years after discontinuation.
- 4. The faults covered by warranty exclude defects or damages attributable to installation, abnormal use, misuse, neglect, alteration, abuse, exposure to moisture, improper use of an electrical source, operator error, undue physical or electrical stress, noncompliance with any instructions provided by VI, normal surface weathering, or defects or damages caused by accidents or fire or other casualty, or any other causes or occurrences



beyond VI's control. Warranty does not cover firmware or software updates unless explicitly stated in the product documentation, or performed by any party other than VI or its authorized service providers. Warranty is void if a product is altered, modified, or repaired by any party other than VI or its authorized service providers.

- 5. The repair or replacement of a defective product will be carried out by VI at one of VI's sites or by one of VI's authorized agents or distributors at their respective location. In order to have a defective product covered under this warranty repaired or replaced, Buyer will follow the following procedures:
 - Initially, Buyer must contact the seller from whom Buyer acquired the defective VI product, who may be VI itself, or an authorized agent or distributor of VI. The seller will provide initial support regarding any defects or questions.
 - b. If the defect cannot be remedied through this initial support process, the seller will provide the purchaser information on where the product may be sent for repair or replacement, and provide an RMA number assigned by VI to identify the warranty or support request. Then within 30 days, the purchaser will ship the product to the designated address with the assigned RMA number. The seller may require that the product be first returned to the seller before being sent to VI.
 - c. Buyer is responsible for shipping the defective product to VI's site. The defective product must be shipped to VI for repair or replacement prior to the expiration of the warranty period, as indicated by a valid post-mark or other evidence, for this warranty to apply. Only the defective VI product should be returned to VI. VI is not responsible for other products or accessories returned with the defective product. The defective product shall be accompanied by a clear error description that enables VI to reproduce the fault.
 - d. If VI finds that a supposedly defective product returned to VI is fully functional and operating normally, VI may at its discretion charge a USD 300 inspection fee and all shipment costs. VI typically will not charge the inspection fee and shipment costs unless there are multiple unwarranted returns of Components by a customer.
 - e. Assuming the warranty or support apply and is still in effect, VI shall at its option repair or replace a returned product within a maximum of three weeks after VI has received the product. These three weeks are counted as normal business/office operation day of VI.
 - f. VI will arrange for shipment back to the purchaser free of charge if the repair or replacement is covered by warranty. VI will be also responsible for the cost of shipping the defective product to VI's site if the product is reported as Dead on Arrival (DOA) within 10 working days from the delivery of the product to the purchaser and returned to VI within seven days from the issuance of the RMA number. In this instance, at VI's option, the seller of the product may handle the shipping of the product or VI may instruct the purchaser to ship the product and subsequently provide reimbursement for reasonable shipping charges.
 - g. Labor to remove and reinstall a defective product is not included in this warranty, and will be at Buyer's expense.



- 6. The following support scheme applies if i. Buyer is in order of warranty as described in Article 1. And 2., or ii. in order of support only as it may be agreed separately between Buyer and VI. Accordingly, VI enables support as following:
 - a. Support service from VI includes:
 - (1) Email support: support@village-island.com
 - (2) Phone support: +81 3 6409 6206
 - (3) On-line support: making use of Remote Desktop, Teamviewer, Skype and similar tools.
 - b. Support services are performed from Monday to Friday, during business hours (9AM 18PM, Japan Time, JST), except national holidays.
 - c. The correct handling of technical support requests relies on Buyer providing a set of information (but not limited to) such as:
 - Type of issue and its impact
 - VI Product for which help is request and how to access it remotely
 - Preliminary investigations performed by Buyer
 - Screen shots, picture of the problem, logs from the VI product
 - d. VI shall acknowledge every technical support request from Buyer by the next business day. Such response is not the resolution of the issue.
 - e. VI distinguishes 4 levels of severity for issues
 - (1) Info: for request for information on product features or roadmap. The expected answer is informational
 - (2) Minor: for minor issue not affecting the product operation, nor customer service. Typical example is erroneous info reported by the equipment itself or in the control interface.
 - (3) Major: for major issue preventing the customer from using the product to its normal performances, and which may impact the Buyer service operation. Typical example is unstable output from the product, but which can be recovered from a machine reboot.
 - (4) Critical: for major issue preventing the customer from using the product to its normal performances, <u>and</u> resulting in loss of service or business operation for the Buyer

The various severity levels are handled according to the following table. These are internal guide lines for VI. There may be case where the delay may not be respected. Below, "Workaround" means the capacity to return the product to its normal operation. "Workaround" and "Resolution" may not mean free-of-charge repair/replacement/upgrade.

| Severity | First Response | Workaround | Resolution |
|-----------|--------------------|--------------------|--------------------|
| | (in Business Days) | (In Business Days) | (In Business Days) |
| (1) Info | 3 | Not applicable | Not applicable |
| (2) Minor | 2 | 15 | 15 |
| (3) Major | 1 | 10 | 30 |





| (4) Critical 1 5 45 |
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|---------------------|

Compliance to these commitments depends on Buyer providing remote access to the VI product. When applicable, the remote access shall provide a minimum of 2mbps bandwidth in both ways (symmetrical). Without such remote access, VI may be discharged from the above Workaround and Resolution time constraint.

- f. Buyer has the option to order VI on-site work for support, investigation and product maintenance. Such on-site work depends on the availability of VI support engineers. Such on-site work implies travel fees and accommodation fees which are at Buyer's expenses. VI may offer specifically periodic on-site routine support and maintenance, as detailed in the original offer or quotation which Buyer shall refer to.
- g. Buyer may have the option to purchase yearly extension for support (without warranty), when offered so
 VI. In such case, repair may not happen for free and these Terms remain valid except the Article 1, 2, 3,
 and 4 which are related to warranty.
- h. Buyer is responsible to organize redundancy within its own system, through the means of hot- and coldstand-by, and back-up equipment or component with the purpose of replace function of the faulty equipment. VI can't be hold responsible for delay to restore operation when Buyer failed to organize common sense redundancy within its installation.
- 7. If the VI product has been integrated with other components into an integrated system, this warranty and support does not extend to the other components of the integrated system or the integrated system as a whole. The warranty and support expressly excludes defects or damages attributable to improper installation of the VI product into the integrated system by a seller other than VI, incompatibility of the VI product with the other components of the integrated system, or defects or damages due to any other misuse, neglect, or alteration by a seller other than VI who integrates the VI product into the integrated system, or any other noncompliance by the seller with any instructions provided by VI.
- 8. VI is not responsible or liable for any data stored on any product that is lost, deleted, or is otherwise inaccessible. Data may be deleted from the product during repairs. Buyer should remove or make a backup copy of any data stored on the product prior to sending the product to VI, any of its agents or distributors, or any other seller. VI will preserve the electronic licenses for any VI software products that are stored on a defective product, but is not responsible or liable related to any other electronic licenses. Buyer is responsible to keep updated back-up copies of his stored data, configuration files, disks, etc.
- 9. THE ENTIRE LIABILITY OF VI WITH RESPECT TO THIS PRODUCT SHALL BE LIMITED TO THE PRICE OF THE DEFECTIVE VI PRODUCT. IN NO EVENT SHALL VI OR ITS AGENTS OR EMPLOYEES, BE LIABLE UNDER ANY CIRCUMSTANCES OR UNDER ANY LEGAL THEORY, WHETHER IN CONTRACT, IN TORT, IN NEGLIGENCE, OR OTHERWISE, FOR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES (INCLUDING DAMAGES FOR LOSS OF USE, INFORMATION, GOODWILL, PROFIT, WORK STOPPAGE, DATA, BUSINESS OR REVENUE) ARISING OUT OF THE USE OF, OR



INABILITY TO USE THIS PRODUCT OR ARISING OUT OF ANY DEFECT IN THE PRODUCT, EVEN IF VI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SUCH DAMAGES ARE FORESEEABLE. VI IS NOT LIABLE IN ANY MANNER RELATED TO PRODUCTS OTHER THAN THOSE PRODUCTS SOLD BY VI (INCLUDING ANY OTHER COMPONENTS COMBINED WITH A VI PRODUCT INTO AN INTEGRATED ITEM), AND VI CANNOT BE HELD LIABLE FOR DAMAGE DONE TO OR CAUSED BY THIRD PARTY PRODUCTS.

- 10. OTHER THAN AS SPECIFICALLY SET FORTH ABOVE, VI MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE REGARDING THE PRODUCT; AND ALL SUCH REPRESENTATIONS AND WARRANTIES, INCLUDING (WITHOUT LIMITATION) ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED BY VI.
- 11. These terms may be modified unilaterally by VI, without prior consent of Buyer. Buyer may consult VI for latest change to these terms and conditions. VI will keep posted on its website the latest revision of this document.
- 12. Prior to purchase, Buyer is required to check and acknowledge the specific conditions indicated in offer or quotation which may supersede these Terms.
- 13. These terms give the purchaser specific legal rights. Some states and countries may have laws that provide additional rights or restrict the application of certain provisions of these Terms.
- 14. These terms shall be interpreted under and governed by the laws of the Japan, and in the event of any dispute between the parties, the parties irrevocably submit to the personal jurisdiction of a court with appropriate subject matter jurisdiction in Tokyo, Japan, waive any objection to jurisdiction or venue in such courts, and waive any claim that such forum is an inconvenient forum. The application of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

(The below is left blank intentionally)