

## Service Agreement

This Service Agreement (hereinafter this "Agreement") is made and entered into by and between Asus Computer International, (hereinafter "ACI" or "ASUS"), a corporation organized and existing under the laws of the state of California, United States of America, with its principal office at 800 Corporate Way, Fremont, CA. 94539 and Pana Community Unit School District #8 (hereinafter "ASP"), a business organized and existing under the laws of the State of Illinois, USA with its principal office 14 East Main Street, Pana, Illinois, USA 62557.

### 1 Scope of Agreement

ACI hereby appoints the ASP (Authorized Service Provider) as one of its service providers for ASUS branded Products (hereinafter "Products" – see Appendix A for a list of products) within the respective operating territory (hereinafter "Territory" – see Appendix B for a list of territory designation). The ASP shall provide repair services for entitled ASUS Products to End-Users (hereinafter "Customers") within the Territory, only for entitled ASUS Products which the ASP has purchased from ACI. The ASP will provide full insurance coverage for the Product during the entire repair process. The appointment of the ASP is non-exclusive, and ASUS reserves the right to appoint, at any time, additional authorized service providers wherever located. Nothing in this Agreement will prevent the ASP from providing products or services of other suppliers or manufacturers even if such products or services are similar to the Products and services hereunder.

### 2 Terms of Agreement

This Agreement shall commence on November 1, 2017 and will terminate on November 1, 2018 unless it is terminated by either party prior to such date pursuant to Section 10 herein. Failure to complete training will render this Agreement null and void. Furthermore, this Agreement will expire automatically, without prior notice, on November 1, 2018. However, it may be renewed through negotiations and written agreement signed by both parties. Negotiations for this Agreement renewal will begin at least one month prior to expiration. The ASP will need to contact their respective ACI Account Manager to commence any extension negotiations.

### 3 ASUS Responsibilities

ACI agrees to provide all the relevant technical service and product information to the ASP, including but not limited to product user manual(s), product service guide(s), repair parts list, repair notice(s) and other relevant technical information as deemed necessary for the ASP to carry out repair service effectively.

## **4 The ASP Responsibilities**

### **4.1 ASP Service Team**

The ASP's service team will provide service and support of the Products within the Territory in compliance with ACI's training and guidelines. The service team shall be composed of trained personnel to repair Products, order parts, and close warranty claims in accordance with system process guidelines and/or training documentation. The ASP shall agree to use commercially reasonable efforts to achieve quality and Customers' satisfaction. Once the parties agree it meets its intended purpose, the ASP will use the ASUS RMA tool to administer warranty claims and order in-warranty parts.

#### **4.1.1 Training**

The ASP, upon review and acceptance of ASUS training will comply with the ASUS training and certification program for the term of the Agreement. Training must be completed within 15 business days once training has started, otherwise this contract will be null and void. All training, associated certification, and technical documentation will be provided by ASUS to ASP at no charge.

For any new or change of ASP service team staff and/or contact window (refer to Appendix D), the ASP agrees to (1) notify ACI customer service or technical support (refer to Appendix D) at least 5 business days after such changes are known and (2) provide necessary training to carry on ASP responsibilities. Training of new ASP service team staff can be arranged with ACI if scheduled in advanced depending on availability. ACI reserves the right to put a temporary hold on the account and suspend service repairs immediately with ASP if deemed necessary or until successful completion of said training.

#### **4.1.2 Exams**

Passing related exam(s) are required before the ASP service team can proceed with ASP repair service.

#### **4.1.3 Service Team Review**

Mandatory re-training may be deemed necessary if ASP performance is unsatisfactory and/or for any new ASP service team staff based on quarterly review.

### **4.2 Appointments with Customers**

The ASP shall provide repair services for entitled ASUS Products to Customers within the Territory, only for entitled ASUS Products which the ASP has purchased from ACI. Within the period of warranty, if the Customer has any technical problems for the product serviced by the ASP, they shall contact the ASP for technical support.

#### **4.3 Warranty Validation**

If the Customer is not able to provide the purchase invoice for the new product, the ASP should use the serial number of the Product to verify the warranty entitlement.

The ASP shall verify the invoice and/or the Authorized RMA number, and ensure that the serial number of the Product is correct and in accordance with the information provided by ACI. If the ASP finds any discrepancy between the document it has received and the actual product, the ASP will notify the Customer of said discrepancy immediately. In the case of Customer induced physical damage to the Product as a result of misuse and/or other causes not attributable to ACI, then the ASP shall offer Out of Warranty service with prior agreement from the customer, the ASP will do so at their own expense. Upon Customer's confirmation of prescribed quotation, the ASP shall process with repair service. Only when the Product is within the warranty period, may the ASP issue an RMA number and begin warrantable repair service.

Eligible Products covered under the ASUS Accidental Damage Protection (ADP) will be exclusively handled by ACI, not the ASP, in the event that the Customer wishes to exercise the ADP option.

#### **4.4 Warranty Preservation**

The ASP is required to use ASUS component parts to preserve warranty.

### **5 In Warranty Services Provided by the ASP**

#### **5.1 Repair Time and Service**

The ASP shall use commercially reasonable efforts to repair the in-warranty Products and close the RMA as stated in Appendix A after receipt of part from ACI. ASUS shall ship out all readily available parts requested by the ASP assuming that such requests are received and acknowledged by ASUS prior to noon PST (Monday – Friday, excluding holidays) on the day of the request. ASUS will then overnight the requested parts to the ASP for repair. If ASUS fails to deliver properly requested parts on-time the TAT section 9 will not apply or count towards the down time experienced due to the delay.

#### **5.2 Packaging**

The ASP should utilize the original packaging in order to ensure the safe storage and shipment of repaired ASUS products when applicable. In the event that the original ASUS packaging is in a state of disrepair or completely unusable please ensure that the proper packaging and insulation materials are utilized to avoid damage to any repaired ASUS product during storage and shipment.

#### **5.3 Damage or Loss**

The ASP shall be solely responsible for the compensation of spare parts or new Products to Customers in the event that damage or loss occurs at any point of the repair process (including transportation when applicable).

#### **5.4 Charges to Customers**

The ASP shall not charge ASUS Customers for any in-warranty services or repairs covered by the manufacturer's limited hardware warranty. Customer induced physical damage and/or out of warranty Products are not included under this clause. The ASP is allowed to charge the Customer for non-warranty services such as software repairs (OS debug, virus cleaning, software updating or maintenance, etc.).

### **6 Out of Warranty (OOW) Services Provided by ASP**

Creating a RMA is not required to perform OOW services. Any and all parts and materials, including all shipping costs, consumed by the repair and service of an Out of Warranty product shall be the sole responsibility of the ASP should they choose to proceed with said repairs and services. Parts and materials shall be purchased at the sole expense of the ASP via the ASUS store.

### **7 Purchase and Delivery of Parts**

#### **7.1 Sales of Spare Parts**

Sales of select parts and accessories may be permitted. Direct sales of the following repair only parts to customers are excluded but not limited to: CPU, memory, hard disk, motherboard, VGA board, and LCD. If the ASP breaches this duty, ACI may terminate this Agreement.

#### **7.2 Parts for Out of Warranty Service**

The ASP may purchase spare parts related to Out of Warranty Service from ASUS. Out of Warranty repair parts purchased from ASUS feature a 14-day limited guarantee from the order date unless stated otherwise. Motherboard and LCD panels purchased from ASUS have a 90-day limited guarantee from the order date. Recovery media and software purchased from ASUS are non-refundable and non-exchangeable.

#### **7.3 Return of In-Warranty Repair Parts**

The ASP agrees that all defective in-warranty repair parts will be returned to ACI within ten (10) business days of receipt of a good replacement part. ASP may be invoiced for part(s) unable to return within thirty (30) days. ACI will cover the shipment costs for sending/returning the repair/defective parts between the ASP and ACI, excluding Out of Warranty parts and services. OOW parts are not required to be returned.

## 8 Warranty Services

New ASUS products are covered under a limited warranty covering hardware, manufacturing, and/or power related issues (excluding power surges and/or electrical spikes). Customer induced physical damage shall be excluded from this guarantee. Please contact ASUS for the most up to date product warranty terms based on specific model or part number. The ASP must identify and determine warranty entitlement based upon the ACI RMA system and/or the Product's invoice. Refer to Appendix C for the current warranty terms.

### 8.1 ASP Service Hours

#### 8.1.1 Minimum Service Hours

The ASP must be available for service during the following hours from 9:00 A.M. to 6:00 P.M., Monday ~ Friday (local time).

#### 8.1.2 Holidays

Unless otherwise agreed by both parties, the ASP is not obligated to provide service during the public holidays in the Territory.

### 8.2 *Quality of the Repairing Service*

#### 8.2.1 Performance Standards

The ASP shall use commercially reasonable efforts to ensure that all in-warranty repair service requests will be completed within the Product's prescribed Turn Around Time (TAT) window. The repair TAT is calculated from the received date of the requested repair parts and the repair completion date of the Product.

#### 8.2.2 Warranty

ASP further warrants:

- (1) Equipment Maintenance. ASP will maintain test and repair equipment in good working order. ASP will also maintain storage facilities for work in process.
- (2) Licenses and Permits. ASP will secure and maintain in good standing all licenses and permits required by federal, state, or local authorities and will require each of its technicians to obtain any required licenses and permits.
- (3) Laws and Regulations. ASP will comply with all applicable federal, state, and local laws and regulations in performing its responsibilities under this Agreement.
- (4) Policies and Procedures. While on ACI's premises and/or fulfilling its obligations under this Agreement, ASP and persons employed or conducting business with ASP will comply with all policies and procedures promulgated by ACI.
- (5) Non-Infringement. ASP warrants and represents that, in the course of complying with its obligations and duties under this Agreement, it will not violate or infringe upon any patent, copyright, trade secret or other property or contract right of any other person.

(6) Professional and Workmanlike Manner. ASP warrants and represents that all services provided hereunder will be performed in a professional and workmanlike manner, and will be consistent with industry standards.

**8.2.3 Returns for Multiple Repairs**

The ASP agrees that if the Products return for repair for the same problems according to the customer's descriptions within 3 months, ACI reserves the right whether to recognize the repairing service or not. If ACI refuses to recognize the repair, the ASP shall repair the defective Products at its own expense.

**8.2.4 Loss or Stolen Product**

In the event that any Product or part is lost, stolen, or damaged beyond repair while in the possession of the ASP, then ACI shall charge the ASP the full retail price of said Product or part.

**8.2.5 Customers Complaints and Safety Problems**

The ASP shall, within a commercially reasonable time, report to ACI all suspected defects of the Products or safety problems and keep ACI aware of Customer complaints. ACI shall inform the ASP of the recommended corrective actions to be taken.

**8.2.6 Inspection**

The ASP agrees to allow representatives of ACI to inspect the ASP's facilities at mutually agreeable times and dates and to observe the ASP's activities in the conduct and performance of service on the Products. ACI must provide notice to the ASP of such visits with at least two (2) working days lead time. The ASP agrees to allow representatives of ACI to inspect and/or copy the ASP's records pertaining to the ASP's services performed on the Products.

**8.2.7 Surveys**

ACI is entitled to conduct surveys on a regular basis to inspect the level of customers satisfaction regarding the in-warranty services performed and received. The ASP will assist ACI in providing customer names, addresses, and phone numbers. ACI agrees to keep the existence and results of any such survey confidential.

## **9 Turn Around Time (TAT)**

If the ASP repair service turn around time (TAT) is not met as specified in Appendix A then ACI reserves the right to terminate this contract, and discontinue ASP service and access to ASUS repair parts. In addition to termination, any pending Customer's products under open repair status must be closed out. The foregoing provisions apply when Customer's Product, all requested repair parts, and technical information to carry out the repair, were readily available and in possession of ASP, and ASP nonetheless exceeded the TAT.

## **10 Termination**

### **10.1 Termination**

- ACI may terminate the Agreement with a written notice to the ASP with at least sixty (60) days lead time, if the ASP:
  - (i) fails to successfully complete training or certification, or
  - (ii) fails to remedy a breach capable of being remedied within sixty (60) days, or
  - (iii) fails to fulfill ASUS performance standards, or
  - (iv) has financial difficulty, becomes insolvent or has a petition for dissolution or liquidation filed with respect to it.
- The ASP may terminate the Agreement with a written notice to ACI with at least sixty (60) days lead time, provided ACI does not remedy the breach within such sixty (60) day period, if ACI:
  - (i) Fails to honor the charges for transportation services of the products, or
  - (ii) Fails to supply or maintain the spare parts inventory for the repair services, or
  - (iii) Has financial difficulty, becomes insolvent or has a petition for dissolution or liquidation filed with respect to it.
- Either party may terminate this Agreement at any time with or without cause with a sixty (60) day written notice to the other party.

### **10.2 Effect of Termination**

Upon termination of this Agreement:

- (i) The ASP agrees to return all the parts that are property of ACI within sixty (60) days of receipt of notice of termination. The return of these parts is at the ASP's expenses.
- (ii) Any pending Customer's products under open repair status must be closed out when Customer's Product, all requested repair parts, and technical information to carry out the repair are readily available and in possession of ASP.
- (iii) The ASP agrees to immediately cease referring to itself as ACI authorized service partner.
- (iv) Neither party shall be liable to the other by reason of the expiration or termination of this Agreement for any reason whatsoever, including, but not limited to, any claim for loss of compensation or profits on account of any expenditures, investments, leases, capital improvements, or any other commitments made in connection with its business made in reliance upon or by virtue of this Agreement.

## 11 Indemnity

11.1 Subject to any limitations and/or other conditions set forth herein, each party to this Agreement (each an "Indemnifying Party") shall indemnify, defend and hold harmless the other party, its affiliates and parent companies, and their officers, directors, and employees (each an "Indemnified Party") from and against any and all third party claims, demands, lawsuits, causes of action, losses, damages, liabilities, costs and expenses (including reasonable attorney's fees and costs), related to or arising out of (i) any material breach by the Indemnifying Party of its obligations hereunder, (ii) any breach of a warranty or covenant made by such party hereunder; (iii) the willful misconduct or gross negligence of the Indemnifying Party; or (iv) an intellectual property infringement in connection with this agreement. The Indemnified Party agrees to notify the Indemnifying Party promptly of any such claims, to permit the Indemnifying party sole control over any litigation or settlements and to reasonably cooperate with the defense of any such claims at the Indemnifying Party's expense. The indemnifying Party may not settle any claim that might reasonably be expected to negatively impact the Indemnified Party's business, reputation or impose an obligation (monetary or otherwise) upon the Indemnified Party, without such Indemnified Party's consent, which consent shall not be unreasonably withheld. ACI shall have no indemnification obligations hereunder to the extent any claim is caused by (i) the modification or alteration of the Products not authorized or instructed by ACI in writing; or (ii) the combination of Products with other parts, components, devices, or equipment not furnished or approved by ACI; or (iii) use of Products in a manner prohibited by ACI specifications.

11.2 EXCEPT FOR EITHER PARTY'S BREACH OF SECTIONS 14, 15.3 OR 15.4, AND EXCEPT FOR EACH PARTY'S INDEMNIFICATION OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES (INCLUDING LOST BUSINESS PROFITS, LOSS OF DATA, INTERRUPTION IN USE, OR UNAVAILABILITY OF DATA). IN NO EVENT SHALL ACI'S LIABILITY TO ASP FOR ALL CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED IN THE AGGREGATE THE TOTAL AMOUNTS PAID BY ONE PARTY TO ANOTHER PURSUANT TO THIS AGREEMENT.

THE EXPRESS WARRANTIES IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, REGARDING THE MERCHANDISE, AND SELLER SPECIFICALLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.



## **12 No Agency**

It is expressly understood and agreed that the ASP and ACI are, and at all times during the term of this Agreement, shall be an independent contractors. Nothing in this Agreement shall in any way be deemed or construed to constitute the ASP or ACI as partners, joint ventures, agents, employees, or representatives of the other party. Neither party shall have the right or authority to act for, incur, assume, or create any obligation, responsibility, nor liability implied, in the name of, or on behalf of the other party in any manner whatsoever.

## **13 No Assignment**

This Agreement is personal to the ASP. ACI has entered into this Agreement in reliance on the particular skills, knowledge, experience and creditworthiness of the ASP. The rights of either party under this Agreement may not be assigned, transferred, or conveyed without the consent of the other party. This approval requirement shall not apply in connection with a merger, acquisition or reorganization.

## **14 Environmental Requirement**

The ASP shall abide by all international environmental, pollution prevention, and waste disposal regulations. If requested by ACI, the ASP shall submit to ACI promptly, upon request, all relevant documentation and data as to evidence compliance with above regulations and standards.

## **15 General**

### ***15.1 Contact Windows***

Every notice or demand to be given by one party to the other shall be sent to the respective contacts in Appendix D.

### ***15.2 Good Faith***

Each party shall cooperate with each other in good faith to establish a mutually close and prosperous relationship. If problems should be encountered with respect to any aspect of this Agreement or if the parties should encounter any problems not covered by this Agreement, the ASP and ACI shall discuss them in cooperative and sincere spirit and attempt to arrive to a mutually acceptable solution.

### ***15.3 Confidential Information and Materials***

Both parties agree to hold the information marked with "Confidential" or similar wording and provided by the other party in confidence, or if disclosed orally or by observation, such information is confirmed in a writing within 30 days of disclosure ("Confidential Information"), and not to release or disclose to any third party without the prior approval of the other party, nor use such Confidential Information for any purpose other than fulfilling such party's obligations hereunder.

However, no obligation of confidentiality applies to any of the following information:

- 15.3.1 Already possessed by the receiving party without obligation of confidentiality,
- 15.3.2 Independently developed by the receiving party,
- 15.3.3 Becomes publicly available through no fault of the receiving party,
- 15.3.4 Required to be provided by Law or Court Order, provided the receiving party gives the disclosing party prior written notice, and takes reasonable steps necessary to protect such information.

#### ***15.4 Customer Privacy***

If the Product contains any personal data of the Customer, the parties should treat it as confidential and use no less than reasonable care to ensure the non-disclosure and non-use of such personal data. Each party agrees to not collect, use, store, disclose, or transfer any personal data that is found in the Product. Each party agrees to treat such personal data in accordance with all applicable laws. Each party will immediately inform the other party in writing upon discovering a disclosure or use of such personal data in violation with the terms of this Agreement. The parties agree that a breach of any of the obligations under this Section 15.4 shall be considered a material breach.

#### ***15.5 Amendments***

This Agreement may be modified only by a written agreement duly signed by each party's authorized persons.

#### ***15.6 Insurance***

The parties hereby warrant that they have and shall during the term of this Agreement, keep adequate and appropriate insurance against all losses, claims, demands, proceedings, damages, costs, charges, and expenses for injuries or damage to any person or property which may occur as a result of negligence of such party in the carrying out of its service and repair of ASUS products, including without limitation, workers compensation, public liability, property damage and any other insurable risk customarily insured for in Territory.

#### ***15.7 Severability***

If any of the provisions contained in this Agreement shall be or become invalid, illegal or unenforceable under the governing laws, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired.

#### ***15.8 Applicable Law***

This Agreement shall be governed and construed by the applicable laws of the state of California, without reference to its conflict of laws provisions. Any legal action related to this Agreement shall be instituted only in the federal or state courts located in California, USA.

IN WITNESS WHEREOF, the parties herein have duly executed this Agreement by their respective authorized representative.

## Appendix A

### List of Products and TAT Table

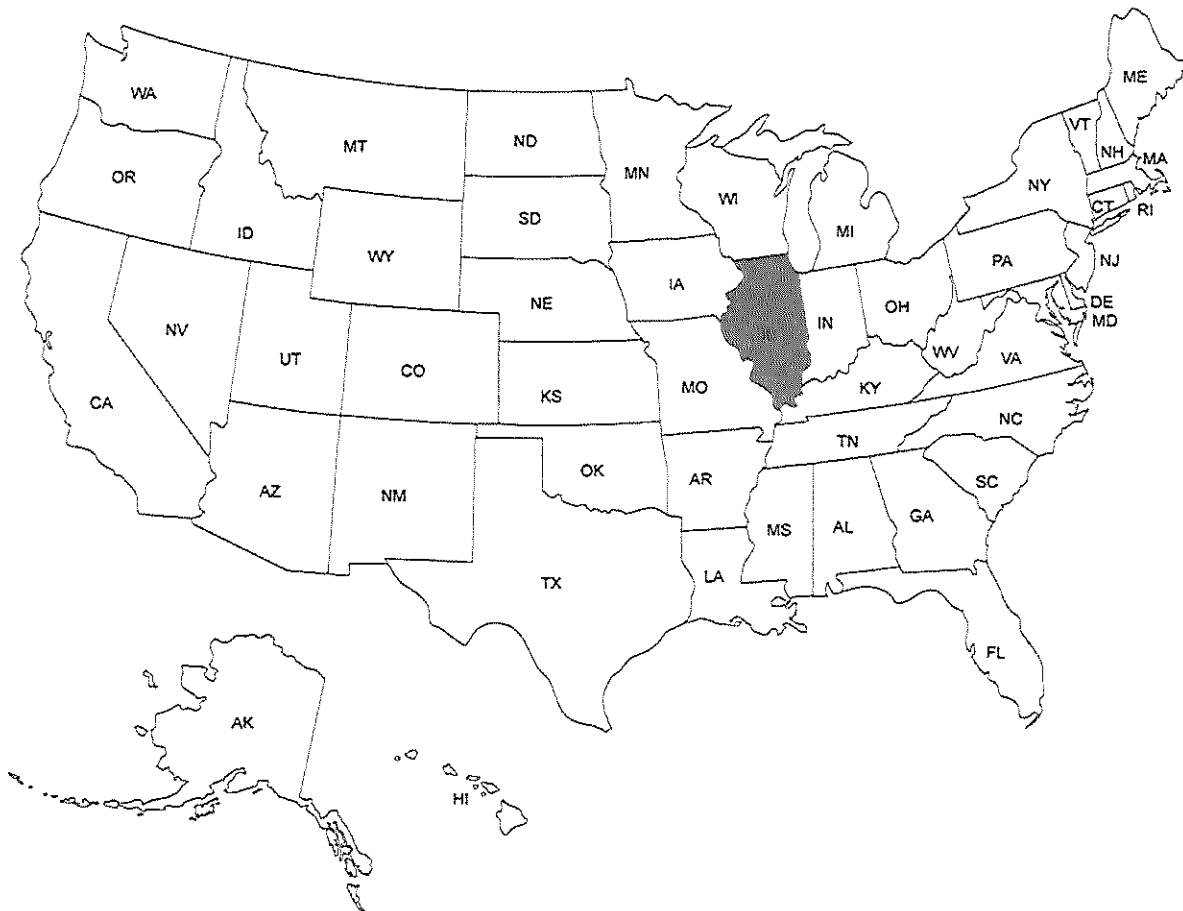
Product Type	Turn Around Time (TAT)
Notebook (Commercial)	Within 3 working days
*TAT is calculated from date unit and spare parts are received to date RMA is closed.	

### Product Model

C202SA-YS02-GR

**Appendix B**

***Territory Designation – Illinois, USA***



## Appendix C

### *New Product Warranty Terms*

Product	System Warranty	Battery Warranty (if applicable)	AC Adapter (if applicable)
Notebook (Commercial)	1, 2, or 3 Year(s) Limited*	Warranty term may vary depending on specific model	

*\*Warranty terms vary depending on specific model*

## Appendix D

### ASP Contact Windows

Dedicated ASP Support

Email: [asp\\_cc@asus.com](mailto:asp_cc@asus.com)

Phone: (510)-791-3708

Contact Purpose	Hours: Monday to Friday, 9:00 AM PST to 6:00 PM PST		Hours: 7:30 AM CST to 3:30 PM CST	
	ASUS Direct Contact	ASUS Escalation Contact	ASP Direct Contact	ASP Escalation Contact
In-Warranty Parts Status	Dedicated ASP Support <a href="mailto:asp_cc@asus.com">asp_cc@asus.com</a> (510)-791-3708	Sandy Tiao Service Support Manager <a href="mailto:Sandy_Tiao@asus.com">Sandy_Tiao@asus.com</a> (510)-739-3777 Ext.64529	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533
Out-of-Warranty Parts Purchase	Dedicated ASP Support <a href="mailto:asp_cc@asus.com">asp_cc@asus.com</a> (510)-791-3708	Sandy Tiao Service Support Manager <a href="mailto:Sandy_Tiao@asus.com">Sandy_Tiao@asus.com</a> (510)-739-3777 Ext.64529	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533
RMA Technical Questions	Dedicated ASP Support <a href="mailto:asp_cc@asus.com">asp_cc@asus.com</a> (510)-791-3708	Sandy Tiao Service Support Manager <a href="mailto:Sandy_Tiao@asus.com">Sandy_Tiao@asus.com</a> (510)-739-3777 Ext.64529	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533
Contract and Process Documents	Yousef Hammad Service Analyst <a href="mailto:Yousef_Hammad@asus.com">Yousef_Hammad@asus.com</a> (510)-739-3777 Ext.64502	Jaime Morquecho Program Manager <a href="mailto:Jaime_Morquecho@asus.com">Jaime_Morquecho@asus.com</a> (510)-739-3777 Ext.64805	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533
RMA Tool Training	Dedicated ASP Support <a href="mailto:asp_cc@asus.com">asp_cc@asus.com</a> (510)-791-3708	Tommy Chiang <a href="mailto:Tommy1_Chiang@asus.com">Tommy1_Chiang@asus.com</a> (510)-739-3777 Ext.64890	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533	Scott Savage <a href="mailto:ssavage@panaschools.com">ssavage@panaschools.com</a> 217-562-6533

**Signature Page**

This Agreement may be signed in counterpart copies with the same effect as if the signature to each such counterpart copy were upon a single instrument. Each counterpart shall be deemed an original as to any party whose signature it bears and all of such counterparts taken together shall constitute one Agreement.

Both parties are in agreement that ASP Repair Service at service center(s) listed below shall and only will start after successful completion of the training program on or before December 1, 2017.

**Pana Community Unit School District #8**  
14 East Main Street, Pana, Illinois, USA 62557

In addition, both parties have approved this agreement on the dates below their signatures.

ASP Representative:

ACI Representative:

Signature: Jason Bauer  
Name: Jason Bauer  
Title: Superintendent  
Date: 10-31-17

Signature: \_\_\_\_\_  
Name: Steve Chang  
Title: President  
Date: \_\_\_\_\_