

MDG Warranty Terms and Conditions

(1) DEFINITIONS

The words MDG, we, us and our refer to MDG Computers Inc., operating as MDG or any parties to whom the Account or Agreement may be Transferred to. The word Agreement refers to this computer equipment warranty. No other representations whether implicit or explicit shall become a part of this Agreement. The word Account refers to the computer equipment credit financing account established by the MDG Purchase and Payment Agreement including any renewal or replacement. The words Account holder, Customer or you refer to any and each person who signed an Agreement, applied for the Account, whose name is on the Account or who has control or responsibility for the Account to agree that by signing on this Agreement these terms shall constitute estoppel in any action for recession or action to otherwise invalidate or vary the terms of this agreement.

(2) CHANGES TO CONDITIONS

THESE TERMS AND CONDITIONS ARE SUBJECT TO CHANGE WITHOUT PRIOR NOTICE AT ANY TIME, IN MDG'S SOLE DISCRETION.

(3) CHANGE OF TERMS

We reserve the right, and you hereby consent, to change the terms of this agreement, including coverage, rights on default and default terms. You hereby consent to any such changes and agree that such changes shall not constitute a material change, unforeseen events, nor any condition upon which a remedy may be granted at law including, but not limited to, damages and recession. Furthermore you agree that by signing on this Agreement these terms shall constitute estoppel in any action for recession or action to otherwise invalidate or vary the terms of this agreement.

(4) CHANGES TO THIS AGREEMENT

We may make changes to this Agreement by giving you subsequent notice of the change mailed to the last reported address or in some other way, unless advance notice is required by law. It is your responsibility to notify MDG of any changes of address or contact information. Benefits, services and coverages associated with the system may also change or end by giving you notice. Except if we change this Agreement in writing, any waiver by use of any provision of this Agreement will not be considered a precedent for waiving the same or any other provision.

(5) LIMIT OF LIABILITY

WE WILL NOT BE LIABLE FOR ANY DAMAGES (INCLUDING SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES) RESULTING FROM:
UNAVAILABILITY FOR USE OF PRODUCTS;
LOST OR CORRUPTED DATA OR SOFTWARE;
PRODUCTS SOLD THROUGH ANY OTHER DIVISION OF MDG COMPUTERS INC.;
DATA LOSS;
PROVISION OF SERVICES OR SUPPORT; OR
LOSS OF BUSINESS.

EVEN IF WE KNEW THAT DAMAGE WAS LIKELY OR THE DAMAGE WAS A RESULT OF OUR NEGLIGENCE OR THE NEGLIGENCE OF OUR EMPLOYEES, AGENTS, ASSIGNEES OR REPRESENTATIVES. CUSTOMER AGREES THAT FOR ANY LIABILITY RELATED TO THE PURCHASE OF PRODUCTS OR SERVICES, MDG IS NOT LIABLE OR RESPONSIBLE FOR ANY AMOUNT OF DAMAGES ABOVE THE AGGREGATE DOLLAR AMOUNT PAID BY THE CUSTOMER FOR THE PURCHASE OF SUCH PRODUCTS AND/OR SERVICES UNDER THIS AGREEMENT.

(6) WARRANTY AND REPAIRS

A. As part of the service process MDG may delete and refresh the computer system to its original, equivalent, or other pre-determined software environment. MDG IS NOT RESPONSIBLE FOR ANY LOSS OF YOUR DATA. PLEASE BACK UP ALL FILES BEFORE SERVICES ARE PERFORMED AND REMOVE ANY NEEDED DATA FROM PARTS OR PRODUCTS RETURNED TO MDG. It is the customer's responsibility to reinstall all data and software programs.

B. MDG WARRANTS AGAINST FAILURE OF HARDWARE AND DEVICES CONTAINED IN THE TOWER ONLY. THE LENGTH OF THE WARRANTY SHALL BE INDICATED ELSEWHERE IN THIS AGREEMENT AND SHALL BEGIN AT 12:00AM EST ON THE DAY FOLLOWING THE DATE THIS AGREEMENT IS PROCESSED BY MDG ("COMMENCEMENT DATE") AND CEASE AT 11:59PM EST ON THE TERMINATION DATE.

C. WHAT IS COVERED:

- (1) ONLY COMPONENTS AND DEVICES INTERNAL TO THE COMPUTER UNIT ITSELF ("TOWER" OR "DESKTOP") ARE COVERED FOR WARRANTY AND REPAIRS. PURSUANT TO CLAUSE (10) OF THIS AGREEMENT MDG WILL NOT WARRANT OR REPAIR PERIPHERAL DEVICES ALTHOUGH INCLUDED IN THE COMPUTER "PACKAGE".
- (2) REPLACEMENT OF HARDWARE AND DEVICES CONTAINED IN THE TOWER AND DETERMINED TO BE FAULTY BY MDG AFTER INSPECTION PURSUANT TO THE WARRANTY LENGTH AND TERMS PROVIDED FOR ELSEWHERE IN THIS AGREEMENT.
- (3) INSTALLATION OF HARDWARE AND DEVICES CONTAINED IN THE TOWER AND DETERMINED TO BE FAULTY BY MDG AFTER INSPECTION PURSUANT TO THE WARRANTY LENGTH AND TERMS PROVIDED FOR ELSEWHERE IN THIS AGREEMENT.

D. WHAT IS NOT COVERED:

- (1) MALFUNCTIONS OR FAILURES DUE TO IMPROPER USE, INCORRECT SOFTWARE OR HARDWARE CONFIGURATION, MODIFICATIONS, FAILURE OR IMPROPER INSTALLATION OF AFTERMARKET DEVICES OR PERIPHERALS.
- (2) DAMAGE RESULTING FROM MISUSE OR MINOR IMPERFECTIONS WITHIN DESIGN SPECIFICATION OR THAT DO NOT MATERIALLY ALTER FUNCTIONALITY.
- (3) MISUSE, ABUSE, ACCIDENTS, UNAUTHORIZED SERVICE OR PARTS, OR THE COMBINATION OF MDG BRANDED PRODUCTS WITH OTHER PRODUCTS.
- (4) ANY EQUIPMENT WHOSE SERIAL NUMBERS HAVE BEEN MODIFIED, CHANGED, OR REMOVED,
- (5) AESTHETIC OR COSMETIC ELEMENTS OR COMPONENTS INCLUDING, BUT NOT LIMITED TO, THE CASE, DRIVE OR DEVICE COVERS OR PAINT OR FINISH ON SUCH.
- (6) ANY DAMAGE OR FAILURES RESULTING FROM ELECTRICAL SURGES, POWER OUTAGES, OR OTHER ELECTRICAL IRREGULARITIES AND FROM CUSTOMER'S FAILURE TO HAVE THE SYSTEM AND ALL PERIPHERAL DEVICES INSTALLED THROUGH AN APPROVED SURGE-SUPPRESSION DEVICE.
- (7) ANYTHING LISTED UNDER "WHAT IS COVERED" IF MDG DETERMINES THAT THE COMPUTER HAS BEEN OPENED, SERVICED, OR MODIFIED WITHOUT PRIOR WRITTEN AUTHORIZATION BY MDG OR BY AN MDG AUTHORIZED RETAILER.
- (8) ANY PERIPHERAL DEVICES AS DESCRIBED IN CLAUSE (10) OF THIS AGREEMENT.
- (9) ANY SOFTWARE OR SOFTWARE-DERIVED ERRORS, DAMAGE, OR LOSS INCLUDING, BUT NOT LIMITED TO, VIRUSES, AD-WARE AND/OR SPYWARE.

E. IF A SYSTEM, COMPONENT, OR DEVICE IS FOUND NOT TO BE COVERED UNDER WARRANTY, SERVICE WILL BE BILLED AT \$90.00 CDN PER HOUR FROM MDG OR THE GOING STORE RATE IF SERVICE IS CONDUCTED AT AN MDG AUTHORIZED RETAILER PLUS APPLICABLE TAXES WHETHER OR NOT THAT DEVICE IS THE CAUSE OF THE PROBLEM EXPERIENCED BY . BEFORE WORK MAY COMMENCE THE CUSTOMER WILL BE NOTIFIED AND AUTHORIZATION TO SERVICE MUST BE PROVIDED BY THE CUSTOMER. EXCEPTION: AFTERMARKET EQUIPMENT INSTALLED BY AN MDG AUTHORIZED RETAILER, ALTHOUGH NOT PART OF THE ORIGINAL COMPUTER, WILL NOT VOID THE EXISTING WARRANTY SO LONG AS SUCH ITEMS ARE NOT THE CAUSE OF CUSTOMER'S PROBLEMS.

F. MDG reserves the right to substitute components with new or like-new components, devices or hardware of equal or greater specifications without notification to the customer as part of its repair and warranty process. Customer will be deemed to have accepted any such changes as part of their request for service. Warranty term shall not be extended for substitute or new components but shall be determined as of the Commencement date.

G. All equipment and devices removed or replaced become the property of MDG. Should customer wish to retain original equipment they will be billed for the replacement or substitute components installed in the computer during repair at the regular MDG sale price. MDG will not be responsible to re-install or make operational any such removed and retained equipment.

H. MDG DISCLAIMS ALL OTHER WARRANTIES AND CONDITIONS, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER'S REMEDY AND MDG'S LIABILITY FOR WARRANTY CLAIMS IS LIMITED TO REPAIR AND REPLACEMENT AS SET FORTH IN THIS AGREEMENT. MDG MAY, AT ITS SOLE DISCRETION, MODIFY ITS WARRANTY AT ANY TIME WITHOUT PRIOR NOTICE TO THE CUSTOMER.

I. Some provinces may not permit exclusion of certain implied warranties, conditions or limitations on length of implied warranties or conditions in consumer transactions. In such provinces the foregoing disclaimers may not apply but will apply to the maximum extent permitted by law.

(7) SCOPE OF SERVICE

THE SERVICE PLAN SELECTED IS RECORDED ON YOUR INVOICE OR ELSEWHERE IN THIS AGREEMENT.

A. RETURN TO DEPOT

Return-to-Depot ("RTD") service is only available to computers purchased from MDG. RTD service is not available to customers purchasing from MDG Authorized Retailers. If RTD service is required, MDG will issue a Return Merchandise Authorization ("RMA") and will schedule and pay for a delivery carrier to pick up the computer for delivery to MDG for servicing. Customer is responsible for packaging the Tower and any peripheral devices requested by MDG Technical Support Personnel in original or equivalent packaging. MDG shall not be liable to pay for or repair any damage directly or indirectly due to customer's failure to properly package the equipment. CUSTOMER WILL BE LIABLE TO PAY SHIPPING CHARGES IF MDG DETERMINES THAT THE CUSTOMER'S WARRANTY SUBMISSION HAS BEEN IN BAD-FAITH AND THE SYSTEM HAS BEEN DAMAGED BY WILLFUL ACT OF THE CUSTOMER IN ORDER TO OBTAIN WARRANTY SERVICE. This plan is in addition to and does not supersede the terms of this Agreement and the Purchase and Payment Agreement.

B. STORE SERVICE PLAN

Store service is available to all MDG customers. The customer is entitled to have the MDG Authorized Retailer conduct repairs at no charge during the warranty term. For current locations and phone numbers of MDG Authorized Retailers please visit <http://www.mdg.ca/storelocator>. This plan is in addition to and does not supersede the terms of this Agreement and MDG's Warranty.

C. PARTS ONLY SERVICE PLAN (EXTENDED WARRANTY ONLY)

Defective parts shall be replaced on an exchange basis upon authorization from MDG. Upon authorization from MDG parts will be shipped via appropriate means and shall include a pre-paid shipping container(s) for return of defective or replaced parts. As per Clause 6, above, the original warranty shall apply to all replacement parts and shall not extend beyond the original termination date for the system. This plan is in addition to and does not supersede the terms of this Agreement and MDG's Warranty.

D. ON SITE SERVICE PLAN (EXTENDED WARRANTY ONLY)

For On-Site service Customer must contact MDG to obtain an RMA number. An MDG Technician will attempt to determine whether the problem is software or hardware related. Hardware failures or related problems will be addressed under this warranty subject to all exclusions contained herein and, in particular to Clause 6 E. Software-related problems including, but not limited to, viruses and spyware, software installation and software installation, will be billed at \$125.00 CDN/Hour calculated to the nearest fifteen (15) minutes. This plan is in addition to and does not supersede the terms of this Agreement and MDG's Warranty.

(8) SOFTWARE

As per clause 6, all software provided is subject to the license agreement accompanying the individual software. You agree to be bound by any such license agreements once the package(s) is opened or seal(s) is broken. MDG makes no representations and does not warrant any software under this Agreement or its Warranty. Any warranties contained in the software license agreement are the responsibility of the individual software companies unless otherwise agreed to by MDG in writing.

(9) MDG SOFTWARE AND PERIPHERAL PRODUCTS

Warranties and technical support provided on third-party products purchased through MDG or as a part of MDG's packages are provided by the original manufacturer and not by MDG. These products may be returned only in accordance with the return policy outlined in this Agreement although MDG may, at its sole discretion, accept returns in accordance with a customer satisfaction policy in place at the time without giving rise to any rights, substantive or otherwise, above and beyond those contained in this Agreement.

(10) ASSIGNMENT

You may not assign this Agreement without MDG's written consent. We may transfer, sell or otherwise assign all of our rights under this Agreement. If we do so, we may disclose information about you and the Account to anyone to whom we assign our rights.

(11) HEADINGS

The headings to each section of this Agreement are added for convenience and do not change the meaning of any provision of this Agreement.

(12) SEVERABILITY

If it is found by a court that any portion of this Agreement is invalid or unenforceable, the remainder of the Agreement will not be affected.

(13) GOVERNING LAW

The parties do hereby affirm that they wish the terms of this Agreement will be governed by and interpreted in accordance with the laws of the Province of Ontario and Canada, as applicable. The parties do, furthermore, agree and affirm that it shall be either the courts in Mississauga or Oakville in the province of Ontario that shall have exclusive or joint jurisdiction over all matters related to this Agreement and that any claims arising between the parties shall be made before and resolved by the Oakville or Mississauga courts.

(14) FOR QUEBEC ONLY

It is the express wish of the parties that this Agreement and any directly or indirectly related documents be drawn up in English. Les parties ont exprimé la volonté expresse que cette convention et tous les documents s'y rattachant directement ou indirectement soient rédigés en anglais.

(15) USE OF INFORMATION

In this section, the words "MDG", "we", "us" and "our" mean MDG Computers Inc., operating as MDG, and any authorized retailers, subsidiaries, agents, assignees or transferees appointment by MDG Computers Inc. The word "Information" means your personal information (except health information). It includes Information provided to us by you, including through the products and services you use, and obtained from others with your consent (whether implied or direct). Use of Information - We may use Information: to establish and serve you as our customer; to determine whether any products or services of MDG are suitable for you and offer them to you; or when required or permitted by law. If you provide us with your Social Insurance Number, we may use it to verify your identity and to keep your Information separate from that of other customers with a similar name, including Information obtained through credit approval process. We may share Information within MDG Computers Inc. and with agents, assignees, subsidiaries and authorized retailers. Collection and Use of Credit Information - We may obtain Information about you from parties outside MDG, including through a credit check, and verify Information with them. You authorize those parties to give us the Information. We may disclose Information to: other lenders and credit bureaus - this helps establish your credit history and supports the credit process; any authorized user whom you request be given access or be named on the Account.

(16) ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties for the sale of a Computer System by MDG to the Customer. All representations, conditions, understandings and warranties in respect of the subject matter of this Agreement whether past or contemporaneous are merged herein or superseded hereby. No contrary or additional terms or provisions shall apply to this Agreement notwithstanding any oral or written statement made or provided by MDG, its staff, agents, sales persons, managers, or representatives, including but not limited to any statement, invoice, sales order, purchase order, or other document, unless such terms or conditions are agreed to in writing by MDG.

(17) TITLE: RISK OF LOSS

Title to all products is F.O.B. MDG's Place of Business and, therefore, passes to the Customer on shipment from MDG's facility. Loss or damage occurring during shipping is the Customer's responsibility. Title to software remains with the applicable licensor(s). Ship dates are estimates only and incomplete, partial, or late shipment does not give rise to any rights of recession or cancellation of this agreement. MDG is not liable for delays in shipment or failure to ship by the estimated ship date.

(18) INCORPORATION BY REFERENCE

This Warranty provides the terms and conditions for Warranty Coverage referenced in the Agreement for Purchase and Sale. This Warranty adopts all terms and provisions of the Agreement of Purchase and Sale and shall not be read create rights in the customer beyond those expressly provided for in the Agreement for Purchase and Sale and as set forth below. Additional copies of the Terms and Conditions of this Warranty can be obtained at www.mdg.ca. Additionally, these Terms and Conditions and copies of the Agreement of Purchase and Sale Terms and Conditions can be obtained by calling Customer Service at 1-800-665-8505.