

## VETSCRIBE ENGRAVER AGREEMENT

THIS VETSCRIBE ENGRAVER AGREEMENT (This "Agreement"), effective as dated below, is made between VetScribe Solutions, Ltd., an Oklahoma Corporation, of 205 West Maple Avenue, Suite 906, Enid, Oklahoma 73701 ("VSS"), and:

\_\_\_\_\_ a(n) \_\_\_\_\_  
(Business Name) (State)

corporation of \_\_\_\_\_ ("Customer").  
(Business Address)

### RECITALS:

Customer desires and agrees to purchase un-engraved VetScribe tags ("Tags") from VSS for resale by Customer. Customer desires to use the VetScribe Engraving Machine (the "Engraver") solely for the purpose of engraving rabies and ID Tags at Customer's primary business address above listed (the "Location"), and VSS desires to provide the Engraver to Customer for that purpose, all subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the promises set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby agreed to and acknowledged, the parties, intending to be legally bound, agree as follows:

### AGREEMENT:

1. Delivery of Engraver to Location. VSS will provide the Engraver at no charge to Customer during the term of this Agreement as defined in **Section 10**. VSS or its authorized agent will, at a mutually-agreeable time, deliver the Engraver to the Location. Customer agrees to: (i) install the Engraver in a prominent place in the Location; (ii) take all measures necessary to protect the Engraver from all loss, theft, damage, deterioration and destruction, ordinary wear and tear excepted; (iii) comply with all federal, state and local laws, rules, codes, ordinances and regulations applicable to the use and operation of the Engraver; (iv) comply with all instructions, manuals and procedures provided by VSS regarding the use, operation and care of the Engraver; and (v) promptly notify VSS in the event that the Engraver is damaged, destroyed or stolen, is out of service, malfunctions or exhibits any other problem. Customer acknowledges that VSS is the exclusive owner of the Engraver and that this Agreement imparts no right, title or ownership in the Engraver to Customer beyond the rights expressly granted by this Agreement.

2. Purchase of Tags. Upon execution of this Agreement, Customer shall place an initial minimum order of 500 Tags. Customer acknowledges, as evidenced by Customer's initials hereinafter supplied, that Customer shall purchase a minimum of 1,000 Tags per Contract Year as defined in **Section 10**. However, Customer's initial minimum Tag order shall be applied to Customer's 1,000 Tag requirement in the first Contract Year. Customer further acknowledges, as evidenced by Customer's initials hereinafter supplied, that it must purchase 1,000 Tags per Contract Year as defined in **Section 10** as a condition precedent to renewal of this Agreement at the end of any Contract year. VSS shall have the right to terminate this Agreement and remove the Engraver from the Location immediately upon written notice to Customer if Customer fails to purchase a minimum of 1,000 Tags during any Contract Year from VSS.

\_\_\_\_\_  
(initial)

3. Setup Fee. VSS shall charge Customer a one time setup fee of \$275.00 which includes: (i) initial shipping and handling of the Engraver within the continental United States; (ii) a starter set of promotional materials; (iii) programming and setup of the Engraver; and (iv) customer support and technical upgrade disks. The setup fee is nonrefundable.

4. Restrictions. Customer shall not remove the Engraver from the Location without prior written consent of VSS. Customer will not tamper with, modify, remove any markings from, abuse or otherwise misuse the Engraver or permit any third party to do so. Customer will not permit any third party to use the Engraver. Customer will not use the Engraver to engrave objects other than Tags. Customer will keep the Engraver free and clear of all liens, charges and encumbrances and will not sell, assign, transfer, hypothecate, grant a security interest in or otherwise make any disposition of any interest in the Engraver.

5. Taxes. Customer agrees that it is solely responsible for and shall timely pay to the appropriate government authority all sales, use, excise, transaction, privilege and other taxes associated with the purchase and resale of Tags if applicable. At VSS' request, Customer shall provide a copy of its current sales tax certificate or documentary evidence of Customer's tax exempt status and/or Customer's tax I.D. number.

6. Maintenance. From time to time, VSS or its authorized agent may perform routine maintenance on the Engraver. Customer will afford VSS or its authorized agent free access to inspect the Engraver and perform such routine maintenance at the Location during Customer's normal business hours. If necessary, VSS may temporarily remove the Engraver from the Location to perform such maintenance. Customer will promptly notify VSS in the event that the Engraver malfunctions or is out of service, in which case VSS will, at its option, either (i) repair the Engraver, (ii) replace the Engraver with a working model, or (iii) terminate this Agreement for convenience in accordance with **Section 10**.

7. No Warranties. CUSTOMER ACKNOWLEDGES AND AGREES THAT VSS IS PROVIDING THE ENGRAVER TO CUSTOMER ON AN "AS IS" BASIS AND EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES WITH RESPECT TO THE ENGRAVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF TITLE, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE OR PERTAINING TO ANY LEVEL OF PROFITS OR REVENUE CUSTOMER MAY DERIVE FROM ITS USE OF THE ENGRAVER.

8. Liability. Customer shall be liable to VSS for any damage to or destruction or theft of the Engraver, including any engraving fixtures used therein, ordinary wear and tear excepted. CUSTOMER'S LIABILITY TO VSS SOLELY IN CONNECTION WITH ANY DAMAGE, DESTRUCTION OR THEFT OF THE ENGRAVER SHALL BE \$5,000. IN NO EVENT SHALL VSS' CUMULATIVE LIABILITY TO CUSTOMER IN CONNECTION WITH THE PROVISION OF THE ENGRAVER TO CLINIC, THIS AGREEMENT, OR BOTH, EXCEED THE PRICE PAID BY CUSTOMER FOR 1,000 TAGS.

9. Indemnity. Customer shall defend, protect, indemnify and hold harmless VSS, its directors, officers, employees, representatives and agents, and each of them, from and against any and all liabilities, claims, demands, damages, losses and expenses of any kind or description, including, without limitation, judgments and amounts agreed upon in settlement and attorneys' fees, caused by, arising out of, resulting from, attributable to or in any way incidental to VSS' provision of the Engraver to Customer, Customer's use of the Engraver and/or Customer's sales of Tags (each, a "Loss"), except to the extent that any such Loss is directly attributed to VSS' negligent acts or intentional misconduct.

10. Term of Agreement; Termination. This Agreement shall take effect on the date of delivery of the Engraver to Location and remain in effect for successive one-year terms (each, a "Contract Year") until (i) a party gives the other party a written non-renewal notice at least thirty (30) days prior to the end of a Contract Year, in which case this Agreement shall expire at the end of such Contract Year; or (ii) VSS terminates this Agreement in accordance with **Section 2** or this **Section 10**. In addition to VSS' termination rights under **Section 2**, VSS may terminate this Agreement for breach, immediately upon written notice to Customer, if Customer (i) breaches **Section 4** of this Agreement, or (ii) fails to cure any other breach of this Agreement within ten (10) days written notice from VSS specifying the breach. In addition, VSS may terminate this Agreement for convenience, at any time, upon five (5) days written notice to Customer. Upon any termination or expiration of this Agreement, Customer shall cease using the Engraver and VSS or its authorized agent will remove the Engraver from the Location at Customer's sole expense, including, but not limited to, shipping costs, handling fees, cost of packing materials and collection fees. If VSS terminates this Agreement for convenience, VSS will, at Customer's option, repurchase any unused Tags from Customer at the original sales price. If this Agreement expires or VSS terminates this Agreement for any other reason including for breach or pursuant to **Section 2 and/or Section 4**, VSS will have no obligation to repurchase any unused Tags from Customer.

11. Insurance. Customer represents and warrants that it presently has in force, and will maintain during the Term of this Agreement in accordance with **Section 10**, general liability insurance and other insurance coverage customary for business operations comparable to Customer's covering personal injury, bodily injury and property damage in amounts sufficient to cover any damage to, theft of, or destruction of, the Engraver and any third-party claims arising from the use of the Engraver and Customer's engraving or sale of Tags.

12. General. All notices required or permitted to be given under this Agreement shall be in writing and will be deemed to have been given when delivered personally or when sent via United States mail, registered or certified, postage prepaid, to the address first specified above, or to such other addresses as may be designated by the respective parties in writing. This Agreement will be governed by and construed in accordance with the laws of the State of Oklahoma. All actions and proceedings arising from or related to this Agreement will be litigated in local, state or federal courts located in Oklahoma and the parties hereby consent and submit to the jurisdiction and venue of any such court. This Agreement constitutes the entire agreement between the parties relating to its subject matter, and there are no agreements or understandings between the parties, express or implied, except as are explicitly set forth in this Agreement. No waiver of any provision for default under this Agreement or failure to insist on strict performance under this Agreement will affect VSS' right thereafter to enforce such provision or exercise any right or remedy in the event of any other default, whether or not similar. This Agreement will be binding upon and enforceable only by the parties, their respective successors and permitted assigns. Customer shall not assign or transfer any interest in or obligation under this Agreement without the written consent of VSS. This Agreement will not be modified or amended except by a writing signed by both parties. The provisions of **Section 5, 6, 7, 8, 9, 10** and this **Section 12** shall survive any termination or expiration of this Agreement.

AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

**VETSCRIBE SOLUTIONS, LTD.**  
AN OKLAHOMA CORPORATION  
205 West Maple Ave. - Suite 906  
Enid, Oklahoma, 73701  
1-866-782-9220

**CUSTOMER**

BY: \_\_\_\_\_  
VetScribe Sales Representative

BY: \_\_\_\_\_  
Sign Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name