GENERAL

The AXT Service & Operations Division offers technical services to support any equipment sold by AXT. Within the following services AXT will supply quality materials, spare parts and technical expertise which are fit for the purpose and technically competent to carry out the tasks. These services consist of:

- Pre-Installations, site surveys
- Installations
- Preventative Maintenance
- Remedial Support
- Spare Parts
- Software Maintenance
- Consumables
- Operator Training
- Applications Support

In the carrying out of these services it is planned that the following performance characteristics, guidelines and indicators apply.

1) Priorities: Typically we envisage equipment under warranty or with a service agreement to experience a response time within 24 hours and generally on-site within 2 business days. Response time may also be affected by the operational importance of the problem. Site visits are scheduled at mutually agreeable times.

2) Responsibilities: As AXT has defined the levels of materials and expertise we will also
   a. advise on the safe and effective operation of any modifications to the equipment;
   b. exercise due care, skill and diligence;
   c. adopt relevant industry best practice;
   d. have the necessary expertise, experience, capacity, tools, equipment and facilities to perform its obligations and responsibilities at a high standard of industry practice;
   e. warrant that all workmanship carried out and spare parts and materials supplied will be free from defect and perform satisfactorily where the equipment is current and the parts are new.

It is also envisaged that the customer provides:
   a. timely access to the equipment;
   b. advise AXT promptly of all malfunctions of the equipment through its duly designated and authorised representatives acquainted with the equipment;
   c. advise AXT before making any modifications on, or alteration or addition to, the equipment;
   d. a continually suitable environment prescribed by the manufacturer of the equipment, e.g. maintenance of the proper climate of the room where the equipment is situated, the electrical supply requirements of the equipment, the maximum dust level required for the equipment;
   e. AXT personnel full access to the EQUIPMENT and within its area of coverage to enable AXT to perform the activities.

3) Service Warranties: AXT warrants all supplied service parts and labour as below.
   a. Parts Warranty is 90 days unless otherwise specified and applies only to the re-supply and may exclude freight. Unused parts may be returned with a 20% restocking if unused, unopened and in the original packing.
   b. Service labour is 90 days and applies to onsite labour and workshop labour.
   c. Third-party products such as attachments, water chillers, UPS etc which are serviced by the original manufacturer carry the manufacturers conditions of warranty. There are no AXT guarantees on these items.
   d. Consumables are not covered by any warranty but may be returned with a 20% restocking fee if unopened and in the original packing.

   NOTE: Travelling time and travelling expenses are NOT covered under any warranty.

4) Maintenance: Regular maintenance is excluded from warranties and is generally in the form of;
   a. Preventative maintenance which unless otherwise specified is required at least annually, or
   b. Operator maintenance which is the regular cleaning of operational items, the replacement of consumables and small checks and alignments.

5) Freight: A packing and handling fee applies for all orders. Prepaid freight charges are based on AXT shipping economy freight with our choice of carrier unless otherwise noted. Express freight may incur additional charges. Customers may choose to nominate
their own carrier and manage collection of parts from AXT’s Australian offices if the necessary shipping documents are provided in advance.

6) Service items: To carry out the tasks AXT will generally
   a. Provide a skilled field service engineer within a reasonable proximity.
   b. Maintain a selection of consumables and spare parts.
   c. Ensure technical support is available.
   d. Ensure 24 hour – 7 day access to technical support is available. Calls out of business hours may be charged after the first 15 minutes at the after-hours rate in 30 minute intervals.
   e. Provide advice and telephone assistance if the advice is within the skills of the enquirer.
   f. Perform necessary actions as they deem fit. Objections to these actions must be made to the engineer at that time of the observation so that an explanation or alternative action may be undertaken.

7) Site access: All site qualification and prequalification requested by the customer will be charged to the customer at the standard rate. Notification of any site access requirement must be made in advance of the arrival.

8) Quotations: Are typically ‘Estimates’ where actual quantities as identified on the service report at the rates shown will be charged be they more or less than the quoted amount. Estimates are usually within 30% but if it’s envisaged to be much more a follow-up quotation may be provided. For workshop repairs a minimum charge of 3 hours applies whether the quotation is accepted or not. Unless otherwise stated all prices exclude the GST of 10%.

9) Confidentiality: AXT shall ensure that all its employees, agents, representatives and technical personnel authorised by it to perform any services shall keep all information and data they may acquire by reason, or as a consequence, of the performance of the service strictly confidential and they will not divulge or in any manner pass on to third parties any such information or data, nor use such information or data in any way to the prejudice of the customer.

10) Engineer performance: All work is performed with due care and diligence. Engineers are trained regularly by the manufacturer to ensure the latest techniques and developments are employed during service activities.

Labour is charged at the standard rate per ½ hour or part thereof. If indicated, the maximum chargeable travel time is per calendar day. Standard working days are Monday to Friday excluding Public holidays. A standard day is 7.5 hours with a maximum working day of 12 hours which includes travel. Travel or work outside the hours of 7am to 5pm as at the point of origin of that day may be charged at the after-hours rate. Telephone assistance will only be provided if any directions are within the skill of the enquirer.

11) Engineer resources such as tools and test equipment are maintained to specification through regular inspection and calibrated where necessary.

12) Payments and invoicing: Without exception all payments are due 30 days from the invoice date.

13) Non acceptance of these terms and conditions forfeits the 30% discounts on labour and travel labour.

RATES & CHARGES

The following rates and charges are in Australian dollars and may be subject to Australia’s Goods and Services Tax. AXT reserves the right to update these rates from time to time without notification.

Standard Labour: $149 per half hour or part thereof.

Standard Travel Labour: $149 per half hour or part thereof.

Mileage: $1 per kilometre.

Expenses: Cost plus 12%, unreceipted.

After Hours Labour: $195 per half hour or part thereof.

After hours travel labour: $195 per half hour or part thereof.

SERVICE CONTRACTS

AXT have 3 main service contracts combining labour, travel labour, travel expenses and materials. Combinations of service contracts assist in tailoring to your requirements.

A 5% discount on non-included labour and travel labour applies for service contract customer contracts.

1) Preventative Maintenance (PM)

A fixed price agreement to perform the mandatory actions to maintain the instrument to its specification. This typically consists of materials, on-site labour with travel labour and travelling expenses for non-portable
equipment. Maintenance schedules are defined by the manufacturer and usually found in the service manual. Actions include but not limited to testing, checking, lubricating and replacing consumables such as grease and oil. Remedial actions are excluded.

2) Premium - Parts and labour (UL)
A fixed price agreement which includes parts, labour, travel time and travel expenses to perform PMs and carryout any remedial services.

3) Flexi PLUS Account (FP) formerly Service PLUS
An account where deposited funds are maintained and accessed to pay for activities. Labour and travel labour attract a further 25% discount resulting in a total discount of 30%.

Flexi PLUS is like a bank debit card. The following rules apply when using your ‘Flexi PLUS Account’ contract to credit invoices.

i. Benefit is 30% discount on labour and travel labour.
ii. Contributions must be made at least 3 months in advance before the funds are available for use. note 1
iii. If there are insufficient funds to cover an entire invoice then the funds are not available for use. note 1
iv. You can contribute funds to the contract at any time.
v. Remaining funds in the contract carry over when the contract is renewed.
vi. Failure to renew the contract by the renewal date results in forfeiting all remaining funds.
vii. To renew the contract you must contribute the “Renewal Amount” within any 12 month period.

note 1: If the Flexi PLUS funds are not available for use then the invoice labour and travel Labour are repriced with a 5% discount and will be invoiced.

Travel: Travel labour and travelling expense service provisions are deemed either ‘Local’ or ‘Remote’. Variations are separately addressed.

Optional Extras
- Certification (CT) to a certified reference standard
- Unlimited onsite labour (LO) coverage.
- Unlimited service parts (PO) coverage.

GENERAL, SERVICE CONTRACT AND WARRANTY
EXCLUSIONS
Unless specifically noted the following exclusions apply for all services which includes any associated labour, travel labour, materials and expenses

a. Consumables, which include, but are not limited to, rotating anodes, x-ray tubes, detector wire & windows, filaments and cathodes.
b. Detectors, high voltage cables, analysing crystals, vacuum pumps, removable optics, photo-multipliers, collimators, slits, monochromators, sample holders, sample changers, sample magazines, software, computers, XRD (X-ray diffraction) reaction chambers, XRD low/high vacuum attachments, closed circuit water pumps, water chillers, power conditioners, UPS’s, computer peripherals, otherwise as identified by quote or agreement.
c. Damage caused by inadequate utilities, external supplies or environmental conditions.
d. Repair or damage and/or increase in service time or service calls resulting from or caused by the use on the equipment of improper and/or unauthorised supplies and other media and/or accessories;
e. Increase in service time caused by accident or force majeure, transportation or movement by the customer or its employees, agents, and/or representatives of the customer, neglect, abuse or misuse of the equipment, alterations, attachments, conversion or removal of features of the equipment not advised to AXT, or the customer’s failure to provide a suitable operating environment for the equipment including but not limited to stable electrical power, supply, air-conditioning and/or humidity control;
f. Repair of damage or increase of service time of the equipment due to the use of the equipment for the purposes other than for which it was designed;
g. Repair or damage resulting from the acts of services performed by persons other than AXT’s duly authorised employees, agents or representatives;
h. Painting or refurbishing the equipment, performance of services connected with relocation of the equipment, adding or removing accessories, attachments or other devices to the equipment not advised to AXT;
i. Electrical work external to the equipment including rectifiers, batteries, regulators, external step-up/step-down mains supply transformers, and/or uninterruptible power supplies or conditioners;
j. Equipment inspection, observations or technical services beyond those required by AXT to provide adequate maintenance services;
k. Modification, conversion, or upgrading of the equipment not deemed applicable or mandatory by AXT;
l. Changes in facility assignments and database updates outside of the agreed customer database.