

# SCHEWANICK COMPUTER SERVICES, INC.

4278 Farmdale Avenue

Studio City CA 91604

(818) 761-8937

## SUPPORT AGREEMENT

This SUPPORT AGREEMENT is between SCHEWANICK COMPUTER SERVICES, INC. (hereinafter, "SCS"), service provider, and ("Customer").

**1. CONDITIONS.** This Agreement will take effect when the Customer returns a signed copy of this Agreement to SCS.

**2. SCOPE OF SERVICES.** Customer is hiring SCS to provide computer support services in exchange for payment as described in the Rate Schedule attached hereto. SCS will provide computer services reasonably required to service your system. Support is provided on-line, by phone, and if required, on-site.

**3. CUSTOMER'S DUTIES.** You agree to cooperate and provide essential information regarding your system and agree that you will provide continuous or frequent back-up to your system to insure the continued integrity and existence of your data. SCS is not responsible for loss or corruption of Customer's data.

**4. DEPOSIT.** Hourly charges will be charged against this initial deposit, with time and charges billed directly after the deposit is exhausted. When the initial deposit is depleted, SCS will have the option to request that it be replaced.

**5. BILLING PRACTICES.** Support services are charged by the hour at SCS's prevailing rates for time spent on your system by SCS personnel. SCS's current hourly rates for support services are set forth on the attached Rate Schedule. Please note that the Rate Schedule also provides for periodic increases upon written notice.

SCS charges for time spent in developing software, diagnosis, correction, developing methods of operation, and communication with you and others. Travel time, both local and out of town, is also charged. However, out of town travel is not anticipated.

### **6. COSTS AND OTHER CHARGES.**

(a) In General You agree to pay for costs and expenses which are advanced on your behalf for the acquisition of hardware or software, for fees required by public agencies, long distance telephone calls, messengers, delivery service fees, postage, parking, photocopying, and other reproduction costs. Except for the items listed in the Rate Schedule, all costs and expenses will be charged at our cost.

(b) Consultants or Assistants To further aid in providing support, we utilize consultants, assistants, programmers, or others, whose services are charged at the rates set forth in the "Rate Schedule" attached hereto.

(c) Taxes All taxes incurred as a result of these services are the responsibility of and will be charge to Customer.

**7. SCS BILLING STATEMENTS.** Each Statement is due within ten (10) days of its date. Statements which remain unpaid for thirty (30) days will incur a service charge of 1.5% per month on the outstanding balance, and we reserve the right to discontinue support services.

**8. AUTHORITY.** You give us full authority and access to your system, both hardware and software, including codes necessary to provide support. All codes and data will remain confidential.

**9. TERMINATION.** You may terminate our services upon fifteen (15) days written notice. Upon termination, all charges due and outstanding will become immediately due and payable. Likewise, we may withdraw and terminate support at any time, but upon fifteen (15) days prior written notice. We will return all of your documents in our possession.

**10. DISCLAIMER OF GUARANTEE.** SCS will extend its best effort in providing support to your system and to you. However, we do not promise or guarantee a successful outcome or solution to every claim.

**11. ENTIRE AGREEMENT.** This Agreement contains the entire Agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.

**12. SEVERABILITY IN EVENT OF PARTIAL INVALIDITY.** If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.

**13. MODIFICATION BY SUBSEQUENT AGREEMENT.** This Agreement may be modified by subsequent Agreement of the parties only by an instrument in writing signed by both of them or an oral agreement only to the extent that the parties carry it out.

**14. CHOICE OF FORUM AND CHOICE OF LAW.** This Agreement will be interpreted under the laws of the State of California, and any and all disputes resolved in City of Los Angeles, State of California.

**15. EFFECTIVE DATE.** This Agreement will take effect when you have performed the conditions stated in Paragraph 1, but its effective date will be retroactive to the date we first performed services. The date at the beginning of this agreement is for reference only. Even if this agreement does not take effect, you will be obligated to pay us the reasonable value of any services we may have performed for you.

**16. ATTORNEY'S FEES.** In the event of any dispute between the parties arising out of this Agreement, the prevailing party shall be entitled, in addition to any other rights and remedies it may have, to recover its reasonable attorney's fees and costs.

**17. ARBITRATION.** In the unlikely event that a claim, dispute or question arises out of this Support Agreement which cannot be amicably settled, it will be resolved by mandatory binding arbitration by one arbitrator pursuant to the rules of the American Arbitration Association in Los Angeles, California. Service of the demand for arbitration, the petition to confirm arbitration, and written notice of

the time and place of hearing on the petition to confirm the award of the arbitrator shall be made by ordinary United States mail service to the address provided herein or the cover letter hereto.

### **RATE SCHEDULE**

<u>Support Contract Level Rate</u>	<u>Hourly</u>
Telephone	Regular
On-site	Regular + 50% travel time
Telephone – After Hours	1 ½ Regular
On-site – After Hours	1 ½ Regular + 50% travel time
Telephone Response Time	4 hours
On-site Response Time	24 hours
After Hours Support Available	By Arrangement

Normal working hours are 8AM-5PM Monday through Friday (not including Holidays). Time is billed in quarter (1/4) hour increments.