

Terms of Engagement



In this document, all references to “TechPal” refer to TechPal, Inc., a California Corporation. Second-person references such as “you,” “your” and “others” refer to the client. References to “each party” or similar indicate both parties to this agreement.

The purpose of this letter is to explain the terms and conditions under which TechPal will provide services to you. You expressly agree that your retention of TechPal to perform services on your behalf constitutes consent to the terms contained herein.

TechPal agrees that, pursuant to this agreement, it will provide you with technical expertise relating to computer hardware, and in some cases software, at your request (the “Services”). As consideration for TechPal’s provision of the Services, you agree that you will pay the hourly rate, described below, within the time agreed. You understand that additional charges will apply if TechPal is not paid at the time it renders the Services to you, or at a time otherwise mutually agreed in writing. TechPal may offer a discounted rate for hours pre-purchased in bulk ahead of time, in its sole discretion.

TechPal offers onsite and remote technical consulting & training services in three tiers, as follows:

I - Systems & Network:

- A. *Personal:* All home users, with 3 or fewer computers, 1 networking device and no systems running server operating systems. These systems are not being used for business. This service is provided at \$100/hour during TechPal’s normal business hours.
- B. *Professional:* All users with fewer than 11 computers, multiple network devices and/or 1 server. This service is provided at \$130/hour during TechPal’s normal business hours.
- C. *Premium:* All users with 11 or more computers, multiple network devices and/or more than 1 server. This service is provided at \$160/hour during TechPal’s normal business hours.
- D. *Remote support:* Billed in 30 minute increments, starting with the initiation of phone call or remote control session greater than 5 minutes.

II - Daylite, Billings & LightSpeed Consulting:

- A. *Onsite Setup & Support:* Offered at \$175/hour 1st hour, with additional hours during the same visit at \$160/hour.
- B. *Licenses:* Techpal earns a small commission from the sales of licenses. Should you purchase your Daylite or LightSpeed licenses through TechPal, you will receive a discounted rate of \$135/hour.

III - Training:

- A. *Personal*: Individualized training is provided for products and services that TechPal works with. It is offered at the prevailing rate for the specific service for which the training is requested, as described above.
- B. *Scheduled*: Classroom based training is offered at TechPal's facility in Los Angeles, California. TechPal can provide custom classroom training sessions at its facility or yours. The rates vary depending on the specifics of the sessions and will be negotiated prior to initiation of such training.
- C. *Online*: Web based training is offered both as a scheduled and personalized service. Prices vary depending on the specifics of the sessions and will be negotiated prior to initiation of such training.

TechPal, at its discretion, may provide after-hours and/or weekend consulting at a 25%-50% per hour surcharge, depending on time of day.

TechPal provides an estimate of how long individual tasks will take; however, you understand that there are many unknowns when rendering the Services, and that the estimates TechPal provides are not binding or otherwise guaranteed in any way. You may direct TechPal to stop work at any time or at a future time that you specify, and TechPal will discontinue further work as directed; however, regardless of whether any task(s) remain incomplete at the expiration of that time, you remain obligated to pay for TechPal's actual time worked and expenses incurred as of the date that TechPal's Services are terminated. Additionally, you acknowledge that directing TechPal to discontinue performance of the Services does not relieve you of your obligation to pay for its minimum number of hours, as described herein. Payment is due at the time Services are rendered, unless alternative arrangements are made ahead of time.

In addition to time actually spent at your location, you agree to compensate TechPal for any time that its representatives are actively working on tasks for you, including without restriction, programming, analysis, conferences, teleconferences, acquisition of hardware or software, travel time, and any other time spent by TechPal on your behalf.

TechPal does not sell hardware or software with the exception of Daylite & LightSpeed. As such, in the event you request that TechPal acquire third-party products on your behalf, TechPal does so as your agent, and you agree to reimburse TechPal upon request for all expenses related to such purchases. Each party agrees that such reimbursement to TechPal does not constitute a sale by TechPal.

TechPal's standard minimum onsite appointment time is 1 hour during normal business hours and 2 hours for after-hours/weekends for all Greater Los Angeles clients (up to 20 miles from Silver Lake, California) ("TechPal's Local Service Area").

For clients outside of TechPal's Local Service Area, minimum billing is 2 hours for normal business hours and 3 hours for after-hours/weekends. For long distance and out of state clients, you may also incur charges for travel time to and/or from your location with your prior approval, in addition to

any travel expenses TechPal's representatives necessarily incur including but not limited to airfare, hotels, meals, vehicle rental and gasoline, and you agree to pay these hourly fees and expenses.

You agree that even if Services are provided for a shorter time than these minimum appointment times, you will pay for these minimum hours in their entirety.

All invoices and work orders are due and payable upon presentation. TechPal requires a 100% deposit for hardware and software purchased on your behalf by TechPal, as well as a 50% deposit for all estimated labor, prior to commencement of a project. Failure to make payments when due will result in interest on all unpaid amounts owed of 1.5% per month, or the greatest amount allowed under the law.

If TechPal develops any custom solution for you during provision of the Services, each party grants to the other a full unrestricted license for its use and duplication anywhere, including but not limited to the right of resale of the software, without further compensation or obligation, saving only that TechPal shall maintain all copyright and patent rights relating to said solution and TechPal's copyright notice must appear on the solution and on any of its derivative works. Notwithstanding the foregoing, in the event said solution incorporates your proprietary business methods, confidential information or trade secrets, TechPal will refrain from making those specific parts of the software available to others without your specific and separate written permission.

You understand that TechPal has multiple clients, and that because of this TechPal schedules its time to provide the best possible service to each of those clients. Because of this, and because both parties agree there is no employment relationship with one another, you agree that you have no expectation that TechPal will spend full time, or any specific hours, on tasks for you except as necessary by the nature of the tasks. You also agree that you do not expect that TechPal will perform any task in any specific manner, or that TechPal will be required to hire any particular person in order to accomplish said task(s). If you are not an individual, you will designate one or more individuals who have the authority to assign tasks to TechPal, and you agree that TechPal's charges for such tasks will be paid. Notwithstanding the foregoing, TechPal will use commercially reasonable efforts to provide you with the Services contracted for under this agreement.

TechPal requires that you provide at least 24 hours of advance notice in order to cancel any appointments. Failure to provide TechPal with such advance notice will result in a charge for the minimum length of the appointment, as described above. Should you require that TechPal reschedule its existing appointments in order to accommodate your emergency, every effort will be made to do so, and the work will be performed at the higher emergency rate, also described above.

TechPal does not make back-ups of customer data unless specifically requested and compensated. Should you request a backup of data, but fail to follow any subsequent procedure recommended by TechPal, then TechPal has no responsibility for the backup and/or data loss and/or corruption of data.

TechPal warrants the labor performed by its employees and consultants. TechPal does not offer any warranty whatsoever for any third-party products, regardless of whether TechPal recommend that product to you or anyone else or whether TechPal's time spent dealing with such products on your behalf is chargeable as billable time. You must advise TechPal within five business days should there

be a problem with workmanship. If you bring an issue related to the work performed to TechPal's attention within the five-day period, TechPal will first verify whether the problem was due to work performed by TechPal, and then, if in TechPal's good faith determination the problem did arise as a result of the manner in which its employees or consultants provided the Services, the problem will be remedied at no additional expense to you. If, however, TechPal finds that the problem was not a result of its previous work, you will be billed for the additional time, unless you instruct TechPal not to perform the additional work in advance of such performance.

Each party agrees that information identified by the other party as "confidential information" shall not be revealed to any other person or entity except as strictly necessary in the course of the work performed, and that other parties to which the information is to be revealed shall agree similarly to hold the information confidential before such revelation. Information which is in the public domain or which is independently developed or which was already known by either party provided that the source of such information was not bound by an obligation of confidentiality regarding such information shall not be considered confidential.

The parties mutually agree that any dispute over TechPal's provision of Services or fees charged by TechPal will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association ("AAA"). Such arbitration shall be binding and final. In agreeing to arbitration, both parties acknowledge that, in cases where the event is a dispute over fees, each party is waiving its right to have the dispute decided by a court of law before a judge or jury, and instead the parties are accepting the use of arbitration for resolution. Notwithstanding the foregoing, if the disputed amount is within the jurisdiction of the small claims court, such dispute will be resolved in a small claims court. Any such arbitration or court action shall be resolved in accordance with California law and shall take place exclusively in Los Angeles County, California.

You agree that you will pay any and all taxes, except income taxes, imposed or assessed as a result of the Services TechPal performs on your behalf, including but not limited to sales or use taxes. TechPal shall be responsible for any taxes or penalties assessed by reason of any claims that it is your employee, and each party specifically agrees that it is not the others' employees.

TechPal Inc.