# **Block Time Service Agreement**

# **Overview:**

Matrx Systems has developed a Block Time Service program for clients that request or require ongoing Mac related support. Block time is the purchase of technical service, maintenance, support, or network consulting hours. These prepaid hours are credited to your account; as time is used for any of these services, Support Work Orders are created and provided for your tracking and management. You will receive copies of SROs at the completion of each day's tasks reflecting time on site and explaining services performed.

# **Advantages:**

The purchase of Block Time has significant advantages that include priority treatment in non-scheduled support over parties not under agreement. Services can be provided at your facilities or in our shop.

# **Purchase Options:**

Blocks of time can be purchased in the following increments:

20 Hours	120.00 per hour
50 Hours	110.00 per hour
100 Hours	100.00 per hour

Hourly service can also be purchased as needed at \$125.00 per hour at the expiration of the agreement unless a new block of time is in place. Block Time hours must be prepaid for the discount to be in effect.

Time cannot be exchanged for product purchases nor can they be carried forward from year to year.

# **Block Time Service Agreement**

This Agreement for Services (this "Agreement"), made and entered into this 14th day of March, 2011, by and between Matrx Systems (hereafter "Consultant"), a Limited Liability Corporation with offices 5068-R West Chester Pike, Newtown Square, Pennsylvania, and Godfrey (hereinafter "Customer"), a company with offices at 40 North Christian Street, Lancaster, PA 17602-2828.

#### Witnessed:

Whereas, Customer desires to engage Consultant from time to time to perform technical service, maintenance and support, and Consultant will provide such services on a Block Time Service Arrangement. This Block Service Agreement will extend for 50 hours, prepaid, charged at a rate of \$110.00 per hour totaling \$5500.00. Services and support covered under this Agreement will be performed during normal business hours (Monday through Friday 9:00 a.m. – 5:00 p.m.). Service provided after hours or on Saturday will be billed at the rate of time and one half or \$165.00 per hour. Service requested and provided on Holidays or on Sundays will be billed at double time or \$220.00 per hour. Saturday, Sunday and Holiday hours will be billed at rate plus round trip travel time. Saturday and Sunday hours must be pre-arranged.

Hourly service can also be purchased as needed at the standard onsite rate of \$125.00 per hour at the expiration of the agreement unless a new block of time is in place. Block Time hours must be prepaid for the discount to be in effect.

Emergency Rates "911" — Emergency support calls are those that are not scheduled in advance, are "drop everything" calls, or are not scheduled in advance and require a representative to cancel, or prematurely depart an appointment with another client. Emergency Rates "911" are billed at 1.75 times the standard onsite rate of \$125 per hour or \$218.75 per hour. There is a 1-hour minimum on-site charge plus travel time.

Time cannot be exchanged for product purchases nor can they be carried forward from year to year.

# Section 1. Scope

- **1.1 Scope**. Consultant shall, subject to the terms and conditions mutually agreed upon by both parties to this Agreement, provide:
  - Mac related technical service, maintenance and support,
  - network consulting
  - software training

on an as needed basis or as requested by the Customer. All service requests will receive a guaranteed four (4) hour response time. All work performed by Consultant shall be documented and submitted to the Customer.

- **1.2 Term**. This Agreement shall become effective on the date set forth above, and unless modified by mutual agreement of the parties, shall continue in effect until the contract hours as state above are completed.
- **1.3 Termination.** This Agreement may be terminated by either party for any reason upon thirty (30) days advance written notice. Upon receipt of such notice, Consultant shall advise Customer of the extent, to which service hours have been completed through such date. Unused prepaid time will be refunded.
- **1.4 Stoppage of Work. Delinquency**. Consultant may, at its option, in addition to any other available remedies, terminate this agreement or suspend services in the event that any invoice is outstanding for more than thirty (30) days following the date of invoice, provided that it first give Customer seven (7) days prior notice to cure the default. Any prepaid time remaining will be used to satisfy any outstanding invoices before refunds are issued.
- **1.5 Survival**. In the event of any termination of this Agreement, Sections 3 and 5 hereof shall survive and continue in effect.

## **Section 2. Payment Terms**

- **2.1 Basis for Charges.** All charges and fees shall be based on Consultant's time and materials. Charges for time will be determined by the hourly rate set forth above. Charges for materials shall be based on Consultant's costs and may include such items as travel expenses, shipping and specially ordered products as reasonably incurred by Consultant in furtherance of its performance hereunder.
- **2.2 Timing of Invoices and Payment.** Consultant shall submit an invoice to Customer at the on-set of this Agreement for the hours contracted for above. Consultant shall submit invoices to Customer on a periodic basis for any material furnished and other expense incurred hereunder. Customer shall pay each invoice within 21 days of the date reflected on the invoice.

## Section 3. Additional Value from Hiring & Remedies

- **3.1 Additional Value from Hiring.** Customer acknowledges that Consultant provides a valuable service by identifying and assigning personnel for Customer's work. Customer further acknowledges that Customer would receive substantial additional value, and Consultant would be deprived of the benefits of its work force, if Customer were to directly hire, solicit or contract Consultant's personnel, whether as agents, employees, contractors or subcontractors, after they have been introduced to Customer by Consultant. During the term of this agreement and for a period of six (1) year thereafter, Customer shall not, without prior written consent of Consultant, solicit, hire or contract, or cause its clients to solicit or hire, whether as agents, employees, contractors or subcontractors, any personnel of Consultant who are or were employed by Consultant during the term of this Agreement.
- **3.2 Hiring Fee.** In the event that Customer hires any personnel of Consultant in violation of section 3.1 of this Agreement, Customer shall pay Consultant, on the date of such hiring, an amount equal to seventy five percent (75%) of the total two years compensation Customer pays such personnel as a fee for the additional benefit obtained by Customer.

### Section 4. Disclaimer of Warranty and Limitation of Liability

- **4.1** Consultant expressly disclaims any and all warranties concerning the products or services to be rendered hereunder, including (without limitation) any warranty of merchantability or fitness for a particular purpose.
- **4.2 Consequential Damages.** In no event shall consultant be liable for any indirect, consequential, special exemplary or incidental damages of whatever kind and however caused, even if Consultant knew of the possibility of such damages.
- **4.3 Loss of Data.** In no event shall Consultant be liable to Customer for loss of data or records of Customer, it being understood that Customer shall be responsible for enduring proper and adequate back-up and storage procedures.
- **4.4 Force Majeure.** Consultant shall not be liable to Customer for any failure or delay caused by events beyond Consultant's control including, without limitation, Customer's failure to furnish necessary information or specifications, labor disputes, accidents, equipment, or technical failures.

## **Section 5. Dispute Resolution**

Any and all disputes arising out of or in connection with the execution, interpretation, performance, or non-performance of this Agreement shall be solely and finally settled by a single arbitrator in accordance with the Commercial Rules of the American Arbitration Association (the "Rules"), provided however, that in the event of conflict between the Rules and the terms of this Agreement, the terms of this Agreement shall govern. Each party agrees that, unless otherwise required in order to comply with deadlines under law, that it will not attempt to submit any matter to arbitration unless and until:

- It has given the other party written notice of its grievance;
- The other party has failed to provide a prompt and effective remedy;
- It has requested senior executives for both parties to meet and discuss the matter in order to consider informal and amicable means of resolution; and either such meeting failed to occur within fifteen (15) days of such request or the meeting did not produce a mutually satisfactory resolution of the matter.

Each party shall, except as otherwise provided herein, be responsible for its own expenses, including legal fee, incurred in the course of any arbitration proceedings. The fees of the arbitrator shall be divided evenly between the parties.

#### Section 6. Miscellaneous

- **6.1 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.
- **6.2 Remedies.** All remedies available to either party for one or more breaches by the other party are and shall be deemed cumulative and may be exercised separately or concurrently without waiver of any other remedies. The failure of either party to act in the event of a breach of this Agreement by the other shall not be deemed a waiver of such breach or a waiver of future breaches, unless such waiver shall be in writing and signed by the party against whom enforcement is sought.
- **6.3 Entire Agreement.** This Agreement and any exhibits annexed hereto, together with the Statements of Work issued from time to time hereunder, constitute the entire agreement between the parties. No change, waiver, or discharge hereof shall be valid unless it is in writing and is executed by the party against whom such change, waiver, or discharge is sought to be enforced.
- **6.4 Severability.** The invalidity, illegality or unforeseeable of any provision of this Agreement shall not affect the validity, legality, or enforceability or any other provision of this Agreement, which shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Customer:	Consultant: Matrx Systems, LLC.
By: (signed name)	By:
(printed name)	Бу:
Title:	Douglas E. White, President