



## SANDBOX TECHNOLOGIES

Welcome to Sandbox Technologies! We are happy that you have chosen Sandbox Technologies for your company's I.T. needs.

This letter (this "Service Agreement") shall confirm the mutual understanding of Sandbox Technologies, Inc. (sometimes referred to as "we", "us" or "our" and other times referred to as "Sandbox") and the "Client" identified below. (sometimes referred to as "you" or "your" and other times called "Client") with respect to your engagement of us to provide computer-related consulting services to you.

**1. Services.** During the course of our engagement we may provide a number of services including troubleshooting, hardware and software repairs and maintenance, as well as giving general advice regarding using, maintaining and assisting with the expansion of the System (the "Services"). The Services shall not include off-site or other continuous monitoring of the System, any other detection service or any data back-up activity (other than setting-up the back-up system as required by Client) or analysis as to whether data on the System is in fact being backed-up. As used herein, (i) the term "System" refers to the integrated computer network installation (consisting of desktop computers, servers, network hardware devices and other peripheral devices owned and/or operated by Client) that is located at the Service Location in the condition and configuration as it existed as of the commencement date (as modified by Sandbox during the term of this Agreement and as otherwise modified by Client; provided that Client informs Sandbox of such modification(s)), and (ii) the term "Service Location" refers to the location identified as such in the "Customer Information", attached hereto and incorporated herein by this reference. Although Sandbox will endeavor to repair any damage to the System caused by such changes, Sandbox shall have no responsibility for or with respect to any changes in the System made by Client, or any of its employees, agents, owners or other independent contractors. Client shall promptly inform Sandbox of all changes that are made to the System.

**2. Fees.** Our fees will be based upon our then current hourly billing rates for the various services we provide. (See Section 12 and attached Schedule 1 for a list of current rates.) Our regular hourly rates vary based upon a number of factors, including, without limitation, the type of engagement, the amount of prior notification we receive before scheduling a visit to the Service Location, the time it takes for us to travel to the Service Location (or any other location where Sandbox agrees to provide the Services), and the time at which the Services are provided. In addition to work at the Service Location, we may also need to conduct research or work off site in order to properly address your needs. Our fees in such cases will generally reflect the time period during which such work is performed if such work is deemed necessary or appropriate to servicing your account effectively. Our rates are subject to change without notice, however in the event of a rate change, we will endeavor to notify you in writing at least 30 days prior to the date that such change(s) take effect.

**3. Costs.** In addition to our regular fees, you may be charged for expenses associated with the specific services we render. These expenses can include but are not limited to items such as outside product support call charges, shipping fees, and fees associated with development and/or licensing of and/or using various software utilities, (such as disk repair applications, virus definition updates, remote access software, etc.) Although we may advance many of these costs to you, we may ask that you pay directly any costs in excess of \$200.00.

**4. Hardware.** Charges for software, hardware and computer tools will be billed separately from our regular service call invoices. A 50% deposit is required for all orders, with the balance of payment due on or before delivery. As a convenience to our customers, we accept payment by Visa, Mastercard, American Express and Discover cards.

**5. Billing.** We will bill you on a semi-monthly basis for all fees, expenses and hardware/software purchases. All invoices are due on the due date stated therein; provided that, if a due date is not stated on a particular invoice, that invoice is due 15 days after the invoice date. Invoices not paid on or before the date due will be subject to interest at the rate of 1.5% per month (in the sole discretion of Sandbox) and applicable penalties. Additionally, it is specifically understood between you and Sandbox that, Sandbox will have the right to terminate our services to you if any invoice is not paid within 45 days of its due date. If Sandbox exercises this right, you agree that (in

addition to all interest, penalties, fees and expenses accrued through the date of such exercise) you will be liable for all interest and penalty charges that accrue thereafter. Whether or not a bill is sent, Client is obligated to pay for all goods and services delivered from and after their delivery date. All bills will show the services rendered, by whom, and the time expended in connection therewith. If you have a question or wish to dispute any item(s) billed, you agree to do so within 30 days after the invoice date of the invoice that included such item(s). Invoices not disputed within 30 days shall be considered valid and correct, and will no longer be subject to review or dispute. Returned checks shall be subject to the maximum penalty assessment permitted by law. In the event that a bill is not paid within 45 days after its due date, all discounts otherwise applicable to that bill will be added back to the total, including, without limitation, discounts pursuant to any Service Plan (as defined below), and no further discounts of any kind or character will be available to Client until no bill remains unpaid after its due date.

**6. Suitability.** While computers are our specialty, we make no warranty as to the suitability of any product or service for any specific purpose. You agree that situations may arise wherein we will spend time attempting to identify the source of a problem or problems and determine that the problem or problems are uncorrectable due to the incompatibility or inadequacy of a certain hardware or software product (or products). While we will attempt to identify and correct such problems as quickly as reasonably possible, we will expect payment for time spent performing this work, just as would any other professional. We make no expressed or implied warranty regarding the suitability of services we provide, and hereby disclaim all warranties and conditions with regard to any and all types of service and/or support we may render. In no event shall we be held liable for any indirect or consequential damages or for any damages resulting in the loss of use, profits or data in connection with services or products we provide.

**7. Cost Consciousness.** It is our goal to keep our customers informed as much as reasonably practicable. We find that keeping you informed is the best way to assist you with making appropriate decisions with respect to the System. Sometimes it is more cost effective to replace old or seriously outdated software or equipment than to spend time troubleshooting a problem that may occur. If we identify such a situation, we may advise you of our determination in an effort to help you decide whether we should continue troubleshooting or if an upgrade is appropriate.

**8. Reliance on Third Party Vendors.** We like to think of ourselves as your full service I.S. staff. We are happy to coordinate new technology implementations, equipment procurement, Internet connectivity installations, etc. While we will use reasonable efforts to aggressively manage these types of activities, we unfortunately cannot fully control or guarantee the results of third parties (or our ability to achieve results with respect to third parties, the services they provide and the hardware and software they make, manufacture, prepare, publish or otherwise make available to us and you). These third parties include, without limitation, phone companies, Internet service providers, hardware manufacturers, software publishers and all other individuals and entities that Sandbox may need to work with to install, manage, support, maintain and cause to be operational the System.

**9. Copyrights.** Software piracy is a serious crime. At Sandbox, we are committed to abiding by Federal and state copyright laws and the limitation imposed by software publishers on the number of copies of particular software applications that may be installed and/or operating simultaneously in the System based upon the number of such licenses that you have purchased. By engaging us, you are representing to us that you hold the same ideals, and that you are managing those licensing rights and your compliance with applicable copyright laws directly. You agree that we are not responsible in any way for any copyright violation(s) or any violation of any licensing agreement that may occur in connection with you, or your business or the System. We are happy to install and configure software on various computers at your request, however by signing this Agreement, you are representing to us that you have obtained valid licenses (in sufficient quantities) for any such software. Please make sure your employees are aware of this policy and do not put our helpful associates in an uncomfortable position by asking them to do something that would possibly be illegal or cost them their job.

**10. Response Time.** Keeping the System operational is important to us. There may be times when you require someone to provide Services to the System in an emergency situation or to add a new user to the System with little advance notice. While we attempt to respond to emergency service requests within four hours, our stated emergency response time to be at the Service Location is within 24 hours. While we make reasonable efforts to respond within our stated 24 hour response time, no guarantee exists that we will respond within that time period, and Sandbox will have no responsibility for any damages that Client may incur that relate to or arise from Sandbox not responding within the stated response time. In the event that you designate your need as an emergency, you agree that we may provide Services outside of our normal business hours, and in such case, our "After Hours" rate and terms will apply.

**11. Pre-Scheduled Service Plan Discounts.** The ability to schedule service visits to the Service Location well in advance of the date on which they are to occur helps us to maintain a

higher level of consistency regarding the engineers that we send to the Service Location to provide Services to your business. Sending engineers who are already familiar with your System as opposed to an engineer on call also helps us to provide Services to you more efficiently and effectively. Pre-scheduling visits also helps us to better plan each engineer's day, which allows us to more efficiently manage our operations and our revenues and expenses. As a result we are able to discount hourly service rates for those who are able to commit to regular minimum monthly service visits (a "Service Plan").

If you agree to enter into a Service Plan (by making the appropriate Service Plan designation in attached "Customer Information"), Sandbox will contact you and arrange for someone to visit the Service Location at regular intervals. If you wish to change the time or "Service Location" of a particular visit, we ask as a courtesy that you provide us with a minimum of 72 hours advance notice. We do however, understand that emergency situations can and will arise, and (subject to the availability of an engineer) will allow you to re-schedule visits in such situations without penalty, but subject to the applicable rate category (i.e. Standard or After Hours, in each case subject to the Service Plan discount). Similarly, there may be occasions when an engineer scheduled to visit the Service Location becomes involved in an emergency situation at another client location, in which case we will ask to reschedule your visit. Your courtesy in such situations is appreciated.

Pre-scheduled Service Plan service calls must be booked on a 2-hour minimum per visit basis. If you cancel or do not use pre-scheduled Service Plan service for any given month, you will be billed for the minimum number of hours pre-scheduled. If you are a current client, we will be happy to provide you with a detailed history of your monthly billing in order to help you determine what level of service under a Service Plan best fits your business needs.

By entering into a Service Plan, you are guaranteed the discount specified for all visits that occur and telephone support provided while under the Service Plan. That means that if you are under a Service Plan for 12 hours per month (3 hours per week) and you require additional Services (even After Hours service, applying the then current After Hours Rate), then the rate applied for all hours billed while under the Service Plan will be discounted by an amount equal to 15% of the applicable rate (i.e. Standard or After Hours).

**12. Current rates.** Our current billing rates, provisions for travel time, billing increments and minimums are provided for in attached Schedule 1, which is incorporated herein by this reference. Sandbox reserves the right to change, modify, amend, and make additions to Schedule 1 at any time, and from time to time.

**13. Flat Rate Bids.** For large-scale projects such as network relocations, data migrations, new equipment installations, etc., you may request an advance flat rate bid for labor. If Sandbox agrees to perform those Services for a flat rate, such Services will be outlined in writing and must be mutually agreed upon in writing prior to the commencement of the work. Requests for Services made that are outside the scope of the work outlined in the written flat rate bid or agreement will be automatically billed according to our applicable regular billing rates (Standard or After Hours) without discounts of any kind (other than Service Plan discounts, if Client has a Service Plan in place).

**14. Contacting Us For Scheduling / Support.** All scheduling is done through a centralized calendaring system managed by our Technical Support & Scheduling team. Our engineers are not authorized to make changes to their schedules or to take client calls directly. We ask that all calls for scheduling or technical support be placed directly to our support team at (323) 290-3159. If all team members are busy at the time you call, you may leave a message and your call will be returned promptly as a scheduling agent becomes available.

**15. No Solicitation.** Our field service personnel are perhaps our company's greatest asset. We spend countless hours selecting and training Service Technicians to ensure that our customers receive the best service possible. By engaging us, you are representing to us that should any such individual accept employment with your company within a one year period of being employed by Sandbox Technologies, you agree to pay Sandbox Technologies a fee equal to the greater of \$25,000.00 or 20% of that employee's starting salary.

**16. Office / Tech Support Hours.** Our office and telephone support hours are Monday – Friday, 8:30 A.M. through 5:30 P.M, excluding holidays, which holidays include, without limitation, New Year's Eve, New Year's day, Martin Luther King Day, President's Day, Memorial Day, 4<sup>th</sup> of July, Labor Day, Thanksgiving Day, the Friday immediately following Thanksgiving Day, Christmas Eve and Christmas Day. If you require assistance outside our normal office hours, you may telephone our technical support line and you will be prompted to dial an after hours number that will put you directly in touch with an engineer on call. For purposes of Section 12 and Schedule 1, "normal business hours" refers (i) in the case of telephone support, to the office and telephone support hours referred to above in this section, and (ii) in the case of site visits, to 8:00 A.M. through 6:00

P.M. on each of the days during which Sandbox maintains office and telephone support hours (as described above in this Section).

**17. General Terms and Conditions.** The General Terms and Conditions (the “General Terms”), attached hereto and incorporated herein by this reference, form a part of, and are binding upon Sandbox and Client as if the General Terms were set forth in this Service Agreement at length. Reference to this Agreement, includes, without limitation, each and all of the terms and conditions of the General Terms, and each of the defined terms that are not otherwise defined in this portion of the Agreement shall have the meaning ascribed to such term in the General Terms.

If the foregoing correctly sets forth your understanding of the terms of our engagement, please so indicate by completing the enclosed customer information sheet.

Thank you for choosing Sandbox Technologies as your I.T. Solutions Provider!

Sincerely,

Oliver Fox  
Chief Operating Officer  
Sandbox Technologies, Inc.

# SCHEDULE 1

## Current Billing Rates

### Standard Rate\*

**\$140.00 / Hr.**

The Standard rate applies to all non-discounted visits and telephone support during normal business hours (M-F 8:00 A.M. – 6:00 P.M. for visits and M-F 8:30 A.M. – 5:30 P.M. for telephone support), which normal business hours are further defined and limited in Section 15 of the Service Agreement.

### After Hours Rates (Including After Hours Emergencies)\*

**\$196.00 / Hr.**

The After Hours rate applies to all service calls and telephone support calls that take place outside our normal business hours of M-F 8:00 A.M. – 6:00 P.M. for service calls and M-F 8:30 A.M. – 5:30 P.M. for telephone support (which normal business hours are further defined and limited in Section 15 of the Service Agreement) or on a recognized holiday.

### Travel Time, Billing Increments and Minimums

<u>Type of Visit</u>	<u>Travel Charge</u>	<u>Billing increments / minimums</u>
Standard visit to Service Location – 1 week advance notice and within 25 mile radius	- No Charge	- ½ Hour increments – 1 Hr. minimum per visit
Non-Standard visits to Service Location – Less than 1 week advance notice and/or more than 25 miles from Sandbox Technologies	- 1 way drive time (min. ½ hour)	- ½ Hour increments – 1 Hr. minimum per visit
After Hours / Emergency visit	- 1 way drive time (min ½ hour)	- 1 Hour increments – 1 Hr. minimum
Telephone Support	- N/A	- 15 minute increments – 15 minute minimum

**\*Standard and After Hours rates apply to all Sandbox Technologies personnel, excluding partners, unless otherwise specified. Partner rates are \$168 for Standard service calls and \$224 for After Hours labor.**

## Customer Information

Company Name

Federal Tax I.D. No.

Contact Name

Title

Address ("Service Location")

City

State

Zip

Phone No.

Phone No.

Fax No.

Bill To:

Billing Address (notice address for purposes of Section 9.k. of General Terms)

City

State

Zip

## Service Terms

I agree to pay for all services rendered by Sandbox Technologies, Inc. and agree to the terms and conditions set forth in the Service Contract & Terms of Engagement. To qualify for an optional 15% service contract discount, I may elect to pre-schedule minimum visits as designated below. I understand that I may terminate this engagement at any time by mailing written notice to the following address:

**Attn: Oliver Fox**  
Sandbox Technologies, Inc.  
4111 W. Alameda Ave., Suite 605  
Burbank, CA 91505

Agreed (Customer Signature)

Print Name

Date

SERVICE PLAN (CHECK ONE)

- Pre-scheduled weekly hours (Circle): 4 5 6  
 (Other – Min. 3/wk to qualify for discount):

- No pre-scheduled hours at this time (Standard rates will apply)

*(To pre-schedule service visits, dial Sandbox Technologies' Technical Support & Scheduling at (424) 207-5140.)*