

**{XYZ COMPANY LOGO}**

**MANAGED IT SERVICES PROPOSAL  
for XYZ Company**

**Exhibit A**

**Server Managed Services**

**Fixed-cost support for your business' critical Server technology**

On-going Proactive Server Maintenance

- Microsoft Windows Server Patch Management
- Microsoft SQL Server Patch Management
- Microsoft Exchange Server Patch Management
- Virus Definition Management
- Backup Monitoring
- Hardware Firmware Management
- Service Monitoring with proactive notifications
- Event log review

Free Disaster Recovery Coverage<sup>1</sup>

- Hardware Failure – Your warranty coverage from Dell will get you back to a C: prompt, we'll take you the rest of the way at no cost to you!
- OS Security Exploitation – If your OS goes down due to vulnerability exploit, we'll bring it back up – at no cost to you!
- Virus Infection – If your server is exploited by a virus and goes down – we'll bring it back up, at no cost to you!

**Fixed Monthly Fee: \$X /server/month**

**Number of Servers: @ \$X/month = Total Monthly: \$X**

Client Information:

Company Name: \_\_\_\_\_

Contact: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Authorization: \_\_\_\_\_

<sup>1</sup> Please see the attached Managed Server Service Level Agreement

## - Managed Server Service Level Agreement -

### Overview

#### Disaster Recovery Guarantee

{ITSO} guarantees in the event of a hardware failure, an OS security exploitation, or a server-side virus infection that you will not be billed for the labor required to restore your server to the point provided by the last good and available backup. Furthermore, the customer reserves the right to request that the disaster recovery service be delivered during business hours, nights, and/or weekends. {ITSO} will attempt to the best of its available resources to meet the customer's scheduling requests.

#### Scheduled Maintenance Windows

{ITSO} will regularly install patches and critical updates to your server to help ensure that you are guarded against the latest vulnerability threats. For many of these updates to be installed properly your server must be restarted. {ITSO} will restart your servers, as necessary, between our regular maintenance window of 11PM and 4AM Sunday through Saturday. If the expected downtime is greater than 15 minutes then {ITSO} Managed Services staff will contact you to inform you of the outage. You reserve the right to request that {ITSO} reschedule the outage to align with your business needs.

#### Qualifications

In order to qualify for {ITSO} Disaster Recovery Coverage, your environment must comply with the following requirements:

Initials

|  |  |
|--|--|
|  | Server hardware is under current warranty coverage from Dell, HP, or IBM   |
|  | Server operating system is Windows 2000 Server or Windows Server 2003  |
|  | Client network is protected by a hardware-based firewall from Cisco, SonicWall, Watchguard, or Netscreen and is running the latest firmware  |
|  | Server file-system and email-system (if applicable) is protected by licensed and up-to-date virus protection software from Symantec  |
|  | Server is connected to a working UPS   |
|  | Server is ONLY administered by {ITSO} personnel  |
|  | Recovery coverage assumes data integrity on the client's backup media. {ITSO} does not guarantee the integrity of the backups or the data stored on the backup media. Under this coverage {ITSO} will restore the server to the point of the last successful backup. If the server or its applications require additional configuration beyond the data provided by the latest backup, {ITSO} will bill this portion at its standard Time and Materials rates. |
|  | Client provides all Software installation media and key codes in the event of a failure  |

## **Disaster Recovery Service Exclusions**

{ITSO} reserves the right to bill for labor incurred during a server recovery if circumstances surrounding the customer's server failure meet the following codifications in whole or in part:

- a. Customer fails to adhere to all of the requirements outlined in the above "Qualifications" section
- b. Environmental failure events that render hardware unusable
- c. Force Majeure events beyond {ITSO} reasonable control, including but not limited to Acts of God, government regulation, labor strikes, natural disaster, and national emergency.
- d. Any act or omission on the part of any third party other than {ITSO}.

# {ITSO} Terms

## 1. Rates

1.1 Services under this Agreement shall be provided to Customer at a base rate of \${Rate} per hour ("Base Rate") for work done from Monday through Friday from 8:30 a.m. to 5:30 p.m., and shall apply regardless of whether the Services are performed on-site, remotely or by telephone.

1.2 The Base Rate shall increase to \${Rate} per hour ("Overtime Rate") for Services provided to Customer before 8:30 a.m. and after 5:30 p.m. on weekdays, and on Services provided over weekends and during official holidays, unless otherwise stated in writing. Service shall include travel time to or from Customer's premises or service sites at the base rate.

1.3 In the event the customer request same day service the Base Rate shall increase to \${Rate} per hour ("Rapid Response Rate") for Services provided to Customer for work done Monday through Friday from 8:30 a.m. to 5:30 p.m., and shall apply for work done the same day. Service shall include travel time to or from Customer's premises or service sites at the base rate.

1.4 Projects will be billed on a per project basis.

1.5 Company reserves the right to periodically increase its base rate and increased rate, and will provide Customer with no less than 30 days written notice thereof.

1.6 Services are based on actual time spent, regardless of the complexity of the problem or issues addressed. However, there is a 1 hour minimum charge for services other than telephone calls.

## 2. Terms, Payment & Collection Costs

2.1 Company will invoice Customer upon completion of any additional hours, Rapid Response, 24x7, Help Desk or As Needed hours. Payment terms for any additional hours will be Net 15.

2.2 Projects will require a 50% deposit before commencement with the balance due upon completion.

2.3 Any payment not made within thirty days of the invoice date shall be subject to a late charge of one percent (1%) per month or the maximum rate allowed by law from the date of invoice, until paid.

2.4 If Company enlists the services of a collection agency to collect any amounts due to it from Customer under this Agreement; Customer shall be responsible for and agrees to pay all such collection costs.

## 3. Cancellation Policy

3.1 Customer will not be charged for appointments that are canceled in writing (letter, fax or e-mail) by Customer with 24 hours or more advance notice. Customer will be charged for and agrees to pay for any scheduled hours for cancellations with less than 24 hours notice.

3.2 Customer is responsible for placing any written time limits – if necessary – before services are provided by Company and cannot be retroactive.

## 4. Authorization

4.1 Customer acknowledges that the person signing this Agreement on its behalf is authorized to do so and may bind Customer to all the terms and conditions contained herein, and represents and warrants that such person is acting within the scope of his or her authority as an officer, director or duly authorized agent or employee of Customer.

## 5. Notice

5.1 All notices, requests and communications under this Agreement shall be in writing. Notice shall be deemed to have been given on the date of service if personally served or served by facsimile on the party to whom notice is to be given. If notice is mailed, it shall be deemed to be given within seventy-two (72) hours after mailing, if mailed to the party to whom notice is to be given, by first-class mail, registered or certified, postage prepaid, and addressed to the party at the address set out below, or any other address that any party may designate by written notice from time to time.

**Customer:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Company:**

{ITSO Name}.  
{ITSO Address}  
{ITSO City State Zip}

## **6. Alterations to Services or Equipment**

6.1 If Customer alters any Services or Equipment conducted by Company without the express written consent of Company, Customer does so at its own risk and expense. Company shall not be liable or responsible for problems created as a result of Customer's alteration of Services, Equipment and/or Customer's network or system. If Customer wishes Company to correct or fix its alterations or problems relating thereto, such Services by Company will be considered a new project and Customer agrees that the same terms and conditions set out in this Agreement shall apply.

## **7. Obligation to Back-up Software**

7.1 Customer shall be responsible for maintaining backups of all critical software, documents, and applications on all of Customer's file servers, personal PC's, organizers, and other electronic equipment.

## **8. Reimbursement for Supplies**

8.1 On occasion, Company may need to purchase spare parts, other equipment, supplies, accessories or software; in that case, Customer shall be responsible to and agrees to reimburse Company for all such costs or expenses incurred under this project. No purchases will be made without prior Customer approval.

## **9. Customer Warranty re Software Licensing**

9.1 Customer warrants that all software it provides to Company for installation, configuration or use in any way, has been legally obtained and is properly licensed. Customer further warrants that it has legally purchased sufficient number of copies of such software and that it has not violated any licensing laws.

9.2 Company has no knowledge regarding licensing of software provided to it by Customer and Customer indemnifies Company for any installation, configuration or use of such software. Customer understands and acknowledges that that it shall be solely responsible and liable for all licensing and purchasing of software.

## **10. Limitation of Liability**

10.1 Company shall not be liable to Customer for direct damages greater than the amount or price payable hereunder for its Services. Further, Company shall not be liable to Customer for any special, indirect, incidental, consequential or punitive damages arising out of or relating to this Agreement, whether the claim alleges tortious conduct (including negligence) or any other legal theory.

## **11. Relationship**

11.1 Company provides Services to Customer hereunder as independent contractor, and this Agreement shall not be construed as a partnership or joint venture.

## **12. Non Solicitation of Employees**

12.1 Customer acknowledges that Company has a substantial investment in its employees that provide Services to Customer under this Agreement and that such employees are subject to Company's control and supervision. In consideration of this investment, Customer agrees not to solicit, hire, employ, retain, or contract with any employee of the other, without first receiving Company's written consent.

12.2 If any employee terminates his or her employment with Company (regardless of the reason for termination), and is employed by Customer (or any affiliate or subsidiary of Customer) in any capacity either during or within a 6 month period, Customer shall immediately pay Company an amount equal to 50% of the then current yearly salary or wage paid by Company to such employee.

## **13. Severability**

13.1 Any provision of this Agreement which is invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting in any way the remaining provisions hereof or, to the extent permitted by law, rendering that or any other provision invalid, illegal or unenforceable.

## **14. Entire Agreement**

14.1 This Agreement contains the entire agreement between the parties regarding the subject matter herein, and supersedes any prior agreements or representations, whether oral or written. No agreement, representation or understanding not specifically contained herein shall be binding, unless reduced to writing and signed by Company and Customer.

## **15. Attorneys Fees & Costs**

15.1 In any action involving the enforcement or interpretation of this Agreement, the prevailing party, whether Customer or Company, shall be entitled to its reasonable attorneys' fees and costs, including such fees and costs incurred in connection with any appeals, in addition to such other relief as may be provided by law.

**16. Arbitration & Governing Law**

16.1 Any controversies arising out of or relating to this Agreement or the interpretation, performance or breach thereof shall be settled by binding arbitration in {Legal Jurisdiction Area} . Judgment upon any award rendered by the arbitrator(s) may be entered and enforced in any court having jurisdiction.

16.2 {State} law shall govern the construction, validity, and interpretation of this Agreement and the performance of its obligations.

{CLIENT}

{ITSO}

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_