

MANAGED SERVICES AGREEMENT

This Managed Services Agreement (the "Agreement") is dated as of _____ (the "Effective Date"), by and between American Barcode and RFID Inc a.k.a. AB&R, an Arizona corporation (the "Company"), with its registered office at 3431 East Elwood Street, Phoenix, AZ 85040 and _____, a _____ corporation ("Customer"), with its registered office at _____.

WHEREAS, Company is in the business of providing customized managed service solutions for its customers.

WHEREAS, Customer desires to retain Company to implement and provide such customized managed service solution and provide the equipment and services required in association therewith.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties to this Agreement agree as follows:

1. Definitions

For purposes of this Agreement, the following terms shall have the following meanings:

- (a) "Customer Content" shall mean Customer's data supplied and input by or on behalf of Customer.
- (b) "Documentation" shall mean the written documentation for the Services as published from time to time by the Company in user manuals and training materials and provided by Company to Customer.
- (c) "Equipment" shall mean any hardware, accessories, hot spares or other equipment included in the Managed Services and/or used by Company in connection with providing Services under this Agreement.
- (d) "Intellectual Property Rights" include, but are not limited, any right and title to, ownership of, and interest in any inventions, improvements, enhancements, modifications, developments, copyrights, trademarks, service marks, trade secrets, patents, moral rights, contract rights, and any other proprietary rights, whether now known or hereafter recognized in any jurisdiction.
- (e) "Inventions" shall mean any idea, design, concept, technique, invention, discovery, enhancement or improvement, whether or not patentable, that is conceived or reduced to practice by one or more

persons during or in connection with the providing the Managed Services under this Agreement.

- (f) "Managed Services" shall mean the customized managed services that are developed, implemented, and maintained by the Company (and its third party service providers) for Customer and is comprised of the Services, Equipment and Software as set forth in Exhibit A.
- (g) "Services" shall mean the duties and other services provided by the Company as set forth in Exhibit A.
- (h) "Service Level Credits" shall mean the credit to be issued to Customer in accordance with the SLA.
- (i) "SLA" shall mean the Service Level Agreement attached hereto as Exhibit B.
- (j) "Software" shall mean any computer software program or programs, or any portion of such program or programs, together with all related materials, documentation and information, or any portion thereof and any modifications, corrections, improvements, enhancements and updates thereto, in any form, tangible or intangible, included in the Managed Services and/or used by Company in connection with providing the Managed Services.
- (k) "Tools" shall mean any method, process or technique used by Company in connection with providing the Managed Services under his Agreement.
- (l) "User(s)" shall mean Customer's employees, consultants, contractors or agents authorized by Customer to use the Managed Services as set forth in Exhibit A.

2. Managed Services

- (a) **Provision of Managed Services.** Subject to the terms of this Agreement, the Company shall provide the Services, Equipment, Software and other Managed Services as set forth in Exhibit A.
- (b) **Restrictions.** The rights granted to Customer in this Agreement are subject to the following restrictions: (i) Customer's use of the Managed Services shall be limited to authorized Users; (ii) Customer shall keep all parts of the Managed Services at all times in its sole possession or the sole possession of the Authorized User; (iii) Customer shall keep and maintain the Equipment and Software free and clear of all liens, charges and encumbrances; (iv) Customer shall not license, sell,

rent, lease, transfer, assign, distribute, host, outsource, disclose or otherwise commercially exploit or make any part of the Managed Services or the Documentation available to any third party other than the authorized Users; (v) Customer shall not modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the Managed Services or the Documentation; (vi) except as expressly stated herein, no part of the Managed Services may be copied, reproduced, distributed, republished, downloaded, displayed, posted or transmitted in any form or by any; (vii) Customer acknowledges and agrees that Company shall own all right, title and interest in and to all Intellectual Property Rights (including all derivatives or improvements thereof) in the Managed Services and any suggestions, enhancement requests, feedback, recommendations or other information provided by Customer or any of Customer's Users relating to the Managed Services.

- (c) **General Requirements.** Company and Customer shall each provide the other with the name and contact information for the designated administrator(s) who shall be available to discuss any issues or questions related to the Managed Services.
- (d) **Relationship.** Company acknowledges that Company is, and its employees are, acting as independent consultants and not as an employee or employees of Customer and, that neither Company nor its employees shall be eligible for any benefits made available to employees of Customer.
- (e) **Conditions.** Customer acknowledges that Company's obligations are expressly conditioned upon the Customer, at Customer's expense: (i) providing adequate access, where applicable, to all facilities, knowledgeable personnel, background information, content, computer systems, software, technical matter and data required for Company to provide the Managed Services, (ii) completing all tasks Customer has agreed to perform in a timely manner and (iii) rendering assistance to Company as reasonably requested from time to time to facilitate performance of the Managed Services.
- (f) **Change Orders.** The parties agree that, at any time during the term of this Agreement, either Company or Customer may request adjustments to the Managed Services, and the parties will negotiate in

good faith any corresponding changes to Exhibit A and payment terms set forth therein and shall put such changes in writing. Absent any such agreement in writing, the scope of the Managed Services shall remain as set forth in Exhibit A.

3. **Fees.**

- (a) **Managed Services Fees.** In consideration of Company providing the Managed Services, Customer shall pay to Company the fees and reimburse the Company for those certain expenses as set forth in Exhibit A, or as otherwise described in this Agreement. Customer shall pay all international, federal, state or local tariffs, duties, withholdings and taxes (other than taxes on Company's net income), including, without limitation, sales, use, excise, privilege, ad valorem and property taxes, or amounts in lieu thereof, based on any fees or charges payable under this Agreement or based on any Managed Services performed hereunder, whether such tariffs, duties or taxes are now or hereafter imposed by said jurisdictions.
- (b) **Price Increases.** Notwithstanding the prices set forth in Exhibit A, Company shall have the right to increase the Managed Service Fees or any expenses related thereto based upon an increase for any consumable supplies provided as part of the Managed Services. The Company shall provide written notice of any such price increases to Customer.

4. **Expenses**

- (a) Any expenses associated with the Managed Services are as set forth in Exhibit A. To the extent additional expenses are incurred, the Customer shall reimburse Company for any such additional expenses as incurred to the extent they are pre-approved by Customer.

5. **Terms of Payment and Delivery**

- (a) **Payment.** Except where otherwise provided in Exhibit A, payment is due within thirty (30) days after the invoice date, without deduction or setoff of any kind. All payments by Customer to Company shall be made in United States dollars.
- (b) **Late Payment Interest.** Customer shall pay to Company interest on any amounts due but unpaid at the rate of the lesser of ten percent (10%) per annum or the maximum rate permitted by law, computed

for each twenty-four (24) hour period during which payment remains in arrears.

- (c) **Suspension.** Company shall be permitted to suspend the provision of Managed Services in the event and for so long as Customer fails to make its payment obligations set forth in this Agreement. Should the Company choose to exercise the suspension right set forth herein, it may need to remove portions of the Managed Services, such as the Equipment or Software, located in Customer's facilities and Customer agrees to promptly (i) provide the Company reasonable access to such facilities to do so and (ii) return any and all Equipment associated with the Managed Services to Customer's central facility to facilitate such access. Upon payment in full of all amounts overdue (including any interest owed), Customer may request the reactivation of its account. The Company shall reactivate any account within fourteen (14) days of the Customer paying the Company in advance all applicable reactivation fees, provided that the Company has not already terminated pursuant to Section 7 of this Agreement.

6. Risk of Loss and Insurance

- (a) **Risk of Loss.** Customer assumes and shall bear the entire risk of partial or complete loss, theft, damage, destruction or other interruption or termination of use of the Equipment from any cause whatsoever other than ordinary wear and tear, from the date of delivery of the Equipment to Customer until the Equipment is returned to and received by Company. Customer shall immediately notify Company in writing, including providing reasonable details, of any loss, theft, damage, destruction or other interruption or termination of use of the Equipment.
- (b) **Insurance.** Customer shall at all times during the Term, at its own expense, maintain: (A) all-risk property damage insurance covering the Equipment in an amount not less than the replacement value of the Equipment and (B) public liability coverage in with such companies as are in general usage by companies owning or operating similar property and engaged in a business similar to Customers with policy limits that are sufficient to cover the replacement cost of the Equipment at market value. Such insurance may be obtained by endorsement on any blanket insurance policies maintained by Customer. All insurance so maintained shall provide for a thirty-day (30) prior written notice to

Company of any cancellation or reduction of coverages and further shall provide that all insurance proceeds shall be payable to the Customer and Company as their respective interests may appear. Company shall be named as loss payee and additional insured on all public liability insurance policies so maintained. Customer shall furnish to Company copies of such insurance policies and satisfactory insurance certificates on or before commencing of the Managed Services, as well as anytime during the Term upon Company's written request.

7. Term and Termination

- (a) The term of Company's Services under this Agreement shall commence on the Effective Date and shall continue for the period set forth in Exhibit A (the "Initial Term"). Upon the expiration of the Initial Term, the Agreement shall automatically renew for successive one year renewal terms (each a "Renewal Term," and collectively with the Initial Term, the "Term") at the Company's then current fees and pricing terms and conditions unless either party provides the other party with written notice of its intent not to renew within ninety (90) days of the expiration of the then current Term.
- (b) Either party shall have the right to terminate this Agreement in the event that the other party (i) fails to cure any material breach of this Agreement within thirty (30) days after receipt of notice from the other party or (ii) files a petition for bankruptcy, becomes insolvent or dissolves.
- (c) Company may terminate this Agreement upon written notice to the Customer in the event Customer fails to pay Company any amounts due hereunder within fifteen (15) days after Company notifies the Customer in writing that such payment is past due.
- (d) Upon the expiry or termination of this Agreement for any reason, each party will be released from all obligations to the other arising after the date of expiry or termination, except for those, which by their terms survive such termination or expiry. The termination of this Agreement in any of the circumstances aforesaid shall not in any way affect or prejudice any right accrued to any party against the other party, prior to such termination. For avoidance of doubt, it is clarified that upon the expiry or termination of this Agreement for any reason whatsoever (i) Customers right to use or

benefit from the Managed Services shall immediately terminate; and (ii) Customer shall return all Equipment and Software located at Customer's facilities to Company at Customer's expense within seven (7) days. If Customer fails to timely return any such Equipment and Software, Customer agrees to promptly provide Company reasonable access to Customer's facilities to remove such Equipment and Software and to reimburse Company for all costs associated with such removal. Customer's obligation to make a payment of any outstanding, unpaid fees and reimbursable expenses shall survive expiry or termination of this Agreement.

- (e) In the event that termination occurs before the expiration of the Initial Term for any reason other than a breach by Company, Customer agrees to pay an early cancellation fee as set forth in Exhibit A. The parties acknowledge that the foregoing amounts are an accurate estimate of the Company's actual damages caused by any such cancellation or early termination and are not intended as a penalty.

8. Ownership of Intellectual Property Rights and Equipment

- (a) Company is and shall be the exclusive owner or licensee of all right, title and interest in and to the Managed Services, as well as all Intellectual Property Rights relating to the Managed Services provided hereunder, and any Intellectual Property Rights in the Inventions, Software and/or Tools delivered to Customer in accordance with Exhibit A or used by Company in performing the Managed Services. No transfer of any Intellectual Property Rights is made pursuant to this Agreement.
- (b) Title to the Equipment shall at all times remain with Company and Customer shall protect and defend the title of Company and keep it free of all claims and liens other than those created by Company. Customer agrees to keep the Equipment as separately identifiable personal property of Company (by affixing to the Equipment appropriate tags, decals or plates stating the Equipment is owned by Company) and to provide Company with free access to the Equipment at any time during regular business hours for the purpose of inspection and any other purposes contemplated under this Agreement. To the extent this Agreement may be construed by a court to place title to the Equipment with Customer, then Customer, to secure all of

Customer's payment and performance obligations under this Agreement, hereby grants to Company a first priority security interest in the Equipment and any and all insurance or other proceeds of the property and other collateral to which a security interest is granted. Customer hereby authorizes Company to file financing statements and to do any other act or thing necessary or useful in perfecting Company's security interest in the Equipment and shall cooperate fully with Company in this regard.

9. Confidentiality

- (a) Each party acknowledges that it will acquire knowledge of Confidential Information (as defined below) in connection with its performance hereunder and agrees to treat such information as confidential during the Term and following termination or expiration of this Agreement. "Confidential Information" includes but is not limited to all information, whether written or oral, and in any form, including without limitation, information relating to or concerning the research, Intellectual Property Rights, development, products, methods of manufacture, business plans, customers, vendors, finances, personnel data, third party proprietary or confidential information and other material or information considered proprietary relating to the current or anticipated business or affairs which is disclosed directly or indirectly to either party. "Confidential Information" does not include any information (i) which either party lawfully knew without restriction on disclosure before it was disclosed, (ii) which is now or becomes publicly known through no wrongful act or failure to act of either party, (iii) which either party developed independently without use of the Confidential Information, as evidenced by appropriate documentation, or (iv) which is hereafter lawfully furnished to either party by a third party as a matter of right and without restriction on disclosure. In addition, either party may disclose Confidential Information, which is to be disclosed pursuant to a requirement of a government agency or law so long as either party provides prompt written notice to the other party of such requirement prior to disclosure.
- (b) Except as otherwise set forth herein, neither party shall at any time disclose or furnish to any firm, person or corporation or use, directly or indirectly, for any reason or purpose, any Confidential Information of the other party or any of its

subsidiaries or affiliates of which such party may become aware as a result of the Services being performed, including without limitation any customer or end-user information, if any, arising out of the Services.

- (c) Each party agrees that, in the event of a breach or threatened breach of the terms of Section 9 or Section 9, monetary damages may be an insufficient remedy for unauthorized disclosure or use of the other party's Confidential Information or Intellectual Property Rights, and that such party shall be entitled, without waiving any other rights or remedies, to seek an injunction or other equitable remedy prohibiting any such breach without the need to post a bond or other security.
- (d) The provisions of Section 8 and Section 9 shall survive the expiration and termination of this Agreement.

10. Indemnities.

- (a) Customer hereby indemnifies and shall defend and hold harmless Company and its officers from any loss, claims, liability, damages or costs (including but not limited to reasonable attorneys' fees and expenses) based on (i) the operations, performance and/or nonperformance of any material provided by Customer to Company; (ii) any infringement by any material provided by Customer to Company of any Intellectual Property Rights or proprietary right of a third party; (iii) injuries or deaths of persons and for damage to property, howsoever arising from or incident to the use, operation or storage of the Equipment or use or operation of the Managed Services, whether such injury or death to person be of agents or employees of Customer or be of third persons and whether such damage to property be of Customer, or to property of other; or (iv) any damage to the Equipment to the extent not cause by Company. Customer shall also indemnify, defend and hold Company harmless against any expense or liability from claims of unfair competition or infringement or contributory infringement of any patents, trademarks, trade secrets or copyrights related to use of the Managed Services in combination with products or services not supplied by Company.
- (b) Company hereby indemnifies and shall defend and hold harmless Customer from all liability, damages, loss, cost or expense (including but not limited to reasonable attorneys' fees and expenses) arising out

of any claim asserting that the Managed Services violate any third party's patent, trademark, copyright, or trade secret rights. Company's obligations of indemnification hereunder shall not apply (i) if the infringement results from a change to the Managed Services made by a party other than Company, and such infringement would not have occurred but for such change being made, (ii) if the infringement directly results from specifications or functions provided by Customer to Company, or (iii) to use of the Managed Services in conjunction with other products or components where there would be no infringement without use of such other products or components.

- (c) In the event of an infringement claim described in Section 10(b), in addition to the above indemnification, Company shall, at its sole cost and discretion, do one of the following: modify the infringing portion of the Managed Services so that it does not infringe or misappropriate, replace the infringing portion of the Managed Services with non-infringing or non-misappropriating replacements, or if none of the foregoing are commercially practicable, terminate this Agreement, or portions thereof covering the infringing portion of the Managed Services.

11. Warranties.

Company warrants that the Managed Services will be performed in a workmanlike manner, in conformity with professional standards for comparable services in the industry and that the Managed Services will substantially conform to the requirements set forth in Exhibit A. For any breach of this warranty, Customer's exclusive remedy shall be the re-performance of the deficient Managed Services.

12. Service Level Agreement.

Company warrants that the Managed Services shall be performed in substantial compliance with the SLA. For any breach of this warranty, Customer's exclusive remedy shall be the issuance of Service Level Credits as set forth in the SLA.

13. Disclaimer or Warranties and Exclusive Remedies.

- (a) **DISCLAIMER OF WARRANTIES.** EXCEPT AS SPECIFICALLY SET FORTH IN SECTIONS 11 AND 12, COMPANY MAKES NO WARRANTIES TO CUSTOMER, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS

AND EXCLUDES ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, THAT THE MANAGED SERVICES WILL MEET CUSTOMER'S REQUIREMENTS, THAT THE MANAGED SERVICES WILL BE ERROR FREE OR OPERATE WITHOUT INTERRUPTION, AND ANY OTHER WARRANTY CONCERNING OR RELATED TO THE MANAGED SERVICES PROVIDED BY COMPANY, EXPRESS, IMPLIED, STATUTORY.

- (b) **EXCLUSIVE REMEDIES.** THE REMEDIES PROVIDED IN SECTIONS 11 AND 12 ARE THE SOLE AND EXCLUSIVE REMEDIES OF THE PARTIES WITH RESPECT TO THE MANAGED SERVICES AND SHALL APPLY NOTWITHSTANDING FAILURE OF THEIR ESSENTIAL PURPOSE.

14. Limitation of Liability.

IN NO EVENT SHALL EITHER PARTY OR ANY OF THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR SUBCONTRACTORS BE HELD LIABLE TO THE OTHER PARTY FOR ANY LOSS OF DATA, LOSS OF USE, INTERRUPTION OF BUSINESS OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING LOST PROFITS) REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR OTHERWISE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. COMPANY'S MAXIMUM AGGREGATE LIABILITY (WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER FORM OF LIABILITY, INCLUDING WITHOUT LIMITATION INFRINGEMENT) FOR DAMAGES OR LOSS, HOWSOEVER ARISING OR CAUSED, WHETHER OR NOT ARISING FROM ITS NEGLIGENCE, SHALL NOT EXCEED THE AMOUNT EQUAL TO THE PAYMENTS MADE BY CUSTOMER TO COMPANY PURSUANT TO THIS AGREEMENT DURING THE SIX-MONTH PERIOD PRECEDING ANY DETERMINATION OF LIABILITY. THESE LIMITATIONS SHALL

APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

15. Non-Solicitation of Employees

During the term of this Agreement and for twelve (12) months thereafter, Customer and Company agree not to knowingly induce or influence, either directly or indirectly, any of the other party's employees to terminate their employment and work for such party or any other person.

16. Miscellaneous.

- (a) **Publicity:** Neither party will publish, distribute, or otherwise disseminate any press release, advertising, public comment, or publicity making any reference to the other party's products or services or this Agreement without the other party's written approval, such approval not to be unreasonably withheld or delayed. Notwithstanding the foregoing, Customer hereby permits the Company to (i) list Customer as a customer of Company on Company's website or marketing materials and (ii) issue a press release announcing the relationship created by this Agreement, the form and content of which is subject to Customer's prior written approval not to be unreasonably withheld or delayed.
- (b) **Notices:** Any notice or other communication under this Agreement shall be in writing and shall be considered given when delivered personally, mailed by registered or certified mail, return receipt requested, nationally recognized overnight carrier or faxed to the parties at their respective addresses first set forth above (or at such other address as a party may specify by notice to the other). Notwithstanding the foregoing, Customer agrees that Company may provide any and all notices, statements, and other communications to Customer through e-mail to the Administrator.
- (c) **Governing Law:** The validity, construction and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, excluding that body of law applicable to choice of law. The parties consent and submit to the jurisdiction and venue of the state and federal courts located in Maricopa County of the State of Arizona to determine the validity, construction and performance of this Agreement.

- (d) Waiver: The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.
- (e) Force Majeure: Company shall be excused from liability for unusual delays or failure to deliver or fill any requirements under this Agreement or Exhibit A attached hereto (collectively, the "Agreement Documents") where such delay or failure is caused by acts of God, fires, floods, strikes, work stoppages, accidents, allocations, terrorism or other controls, or regulations, including export or import regulations of any foreign or U.S. federal, state or local government, shortage of trucks or any other means of transportation, fuels, materials or labor, or any other cause beyond Company's reasonable control, whether or not similar in kind or class to those mentioned.
- (f) Dispute Resolution: In the event of a good faith dispute regarding this Agreement, the parties will negotiate in good faith to resolve such dispute. If the dispute has not been resolved as provided herein within sixty (60) days of the initiation of such procedure, either party shall be free to seek appropriate legal recourse at law or in equity.
- (g) Assignability: This Agreement, the licenses granted, and the parties' rights and obligations hereunder may not be assigned by either party except with the express written consent of the other party, which consent shall not be unreasonably withheld. Any purported assignment not in compliance with the foregoing shall be null and void and of no effect; provided, however, that Company may assign this Agreement to a successor entity in the event of a merger, consolidation, sale, or license of all or substantially all of Company's assets or stock pertaining to this Agreement. Notwithstanding the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and its respective heirs, personal representatives, successors and assigns.
- (h) Entire Agreement: The Agreement Documents constitute the entire understanding between the parties hereto with respect to the subject matter hereof and supersede any and all prior agreements and understandings between the parties hereto with respect to the subject matter hereof, including, without limitation, any warranties, representations, or agreements between Customer and Company not set forth in the Agreement Documents.
- (i) Modification: No waiver, amendment or modification of this Agreement or any portion thereof, including future representations that are inconsistent with the terms set forth herein, will be valid unless made in writing and duly executed by each party hereto.
- (j) Severability: In the event one or more of the provisions contained in this Agreement shall be held invalid by a court of competent jurisdiction, that shall in no way affect the legality, validity, and enforceability of the remaining provisions contained herein.
- (k) Acknowledgment: Customer and Company acknowledge that they have read this Agreement, that they have had an opportunity to consult with an attorney regarding the terms and conditions hereof, that they fully understand the meaning and significance of such conditions, and accept and sign this Agreement at their own free will and complete understanding of its present and future legal effect.
- (l) Representation on Authority of Parties/Signatories: Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.
- (m) Counterparts: This Agreement may be executed in two or more counterparts and by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- (n) Necessary Acts, Further Assurances: The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.



IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the date(s) shown below.

American Barcode and RFID Inc.
an Arizona corporation

[Customer]

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____



Exhibit A

**MANAGED SERVICES
(Attach SRDS and/or Detailed Description)**



Exhibit B

AGREED UPON SERVICE LEVEL AGREEMENT (SLA's)