

# WORK AGREEMENT

## I PARTIES AND RELATIONSHIPS

This document serves as a contract between PROVIDER and the OBTAINER for services and products as described below.

The work as described in this document is to be performed primarily at the offices of the OBTAINER in Ann Arbor, Michigan or at other locations which are mutually agreeable to both parties.

## II SCOPE OF WORK

Work performed by PROVIDER for the OBTAINER shall consist of instruction, programming, consulting, disclosure of C language source code, and other activities related to Macintosh prototype and application development. The scope of this work may be expanded or modified from time to time by mutual consent of the contracting parties.

## III CONSIDERATION

Payment by the OBTAINER for services and products provided shall be based on a time and materials formula described as follows.

a) An hourly fee for PROVIDER's services as described in the Scope of Work of \$100 dollars per hour, rounded to the nearest whole hour amount with each accounting period.

b) Travel and associated expenses for any trip or activity requested by the OBTAINER occurring more the 30 miles from OBTAINER's Ann Arbor offices.

c) Reproduction, license, or other costs and fees associated with course materials, source code, algorithms, disks, and other items provided to OBTAINER by PROVIDER, provided that OBTAINER has been informed of and agreed to such costs before delivery of any such materials or licensure.

d) Partial payment for services may be made by OBTAINER by providing use of a Macintosh II computer containing 2 megabytes RAM, a 40 megabyte hard disk, video display, and keyboard at PROVIDER's home or other place of business in Ann Arbor. The monetary value for such provision is to be based on the monthly cost for a commercial 3 year lease on such equipment which is estimated to be approximately \$400 per month. PROVIDER accepts all responsibility for loss, damage or other problems with the equipment described in this paragraph outside of normal use and wear. Further, PROVIDER agrees to acknowledge at all times that such equipment is and will remain the property of OBTAINER and must be immediately returned at the end of any 30 day period at the request of OBTAINER or its representatives.

e) All costs and fees for time and materials will be submitted to OBTAINER by PROVIDER in the form of a written, itemized invoice at the end of each thirty (30) day period, and all payments by OBTAINER for invoiced services shall be paid within thirty (30) days of the date of invoice.

f) Any item or invoice which is disputed by OBTAINER may be submitted for negotiation between both parties, provided that all undisputed invoiced amounts have been paid and the request to negotiate specific disputed amounts is made in writing to PROVIDER, << provider's address >> by registered letter on or before the date on which payments on the disputed items or invoices are due.

#### IV CONFIDENTIALITY

It is understood that in the performance of his above duties PROVIDER will obtain information about OBTAINER and its clients, and that such information may include proprietary and confidential items which must not be disclosed to any third party without written permission from OBTAINER.

PROVIDER agrees to restrict his use of such information to the performance of work within the scope of this agreement. Upon cancellation or termination of this agreement PROVIDER agrees to return to OBTAINER any originals and all copies of any materials and documents in printed or machine readable form containing such proprietary or confidential information obtained by him in the performance of work with OBTAINER.

## V CANCELLATION

This contract may be cancelled by the OBTAINER at any time, provided that all fees for products and services already invoiced have been paid to PROVIDER reasonably and promptly, and that services which have been performed but have not been invoiced will be paid at a rate of \$100 dollars per hour. PROVIDER may cancel this contract if prevented reasonable access to resources necessary to perform the work, or if OBTAINER is delinquent in paying invoiced fees for a period greater than 60 days from date of invoice.

## VI OWNERSHIP

The OBTAINER shall be considered sole owner and copyright holder for any new or original work performed by PROVIDER under the terms of this contract. It is understood and agreed to by both parties that substantial material in the form of source code, algorithms, data structures, and user interface concepts are owned or controlled by PROVIDER and predate the existence of this agreement. Such material shall remain the property of PROVIDER, but OBTAINER will automatically receive a non-exclusive license to use any such materials provided by PROVIDER in current or future products.

## VII NONCOMPETITIVE CLAUSE

PROVIDER agrees not to perform any services for clients of OBTAINER that would in any way damage or discredit OBTAINER for a period of one year from cancellation or termination of this agreement. For a period of one (1) year from the cancellation or termination of this contract PROVIDER agrees to inform OBTAINER of any activities which involve or overlap the confidential and proprietary portions of the work covered by this agreement.

## VIII APPLICABLE LAW

Both parties agree that this contract be interpreted under the laws of the state of Michigan.

## IX ASSIGNABILITY

Neither party can assign or delegate its rights or duties under this agreement without the express, written consent of the other party.

X      TERM OF CONTRACT

This contract becomes effective when an officer of the OBTAINER signs in the space provided below, and shall remain in effect until December 31st, 1987, or until terminated by mutual consent of both parties.

XI     INTEGRATION

This is the contract, the whole contract, and nothing but the contract. It may be terminated, modified, or amended only by the express, written consent of both parties, or by invocation of the cancellation clause.

XII    FORCE MAJUERE

Neither party to this agreement shall be responsible to the other party, nor to any third party for any damages, including but not limited to incidental and consequential damages arising out of nonperformance or delay in the performance of the work covered by this agreement due to acts of God, wars, riots, strikes, unavailability of suitable and sufficient labor, materials or capacity and any unforeseen events beyond their control.

XIII   SIGNATURES

_____	_____	_____	_____
PROVIDER	date	OBTAINER	date