



## Standard Master Service Agreement

This Service Agreement ('Agreement') is made as of: [Effective Date] (the '**Effective Date**') by and between [Client Organization Name], [Client Address] (the '**Client**'), and [Company], having offices at [Company Address] (the '**Company**'). This Agreement also refers to Client and Company individually as '**Party**' and collectively as the '**Parties**'.

**WHEREAS**, Client desires that Company perform Services, as defined below, for the Client and Company desires to perform such Services for the Client, subject to the terms and conditions set forth below.

**NOW, THEREFORE**, in consideration of these premises and the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

### 1. SERVICES

**1.1.** Client may request Company to provide certain services to Client ('**Services**'). The parties must agree to the scope of such Services in writing pursuant to a Statement of Work prior to the start of such Services. A form of Statement of Work is attached hereto as Exhibit A. The first Statement of work shall be Exhibit A-1. Any Services outside of the scope of Exhibit A-1 shall be the subject of a separate Statement of Work to Exhibit A-2 and so on. Company agrees to use commercially reasonable efforts to perform the Services during the Period of Consultancy.

**1.2.** Upon agreement between Company and Client to the Services, as set forth in a Statement of Work, Company will perform the Services in accordance with the terms of this Agreement. If terms and conditions contained in the Statement of Work conflict with this Agreement, the terms of the Statement of Work will supersede this Agreement.

**1.3.** Company may engage subcontractors to assist in meeting its obligations under this Agreement, provided that Company remains ultimately responsible for its obligations under this Agreement.

**1.4.** Client may use the Services only in and for the benefit of Client's own internal purposes and business operations. Client may not use the Services as a service for any third party.

## **2. TERM**

**2.1.** The term of this agreement will begin on the Effective Date and will continue for a period of (12) months ('**Initial Term**'). Upon completion of the Initial Term, this agreement will automatically renew for successive one (1) year periods (each a '**Renewal Term**'), unless a Party provides written notice to the other Party thirty (30) days prior to the expiration of the then-current Initial Term or Renewal term.

**2.2.** Either Party may terminate this Agreement for convenience by giving the other party thirty (30) days written notice; however termination of any Statement of Work will be subject to the terms and conditions of the specific Statement of Work.

## **3. FEES**

**3.1.** In consideration of Company's performance of the Services, Client agrees to pay Company the fees as set forth in the applicable Statement of Work.

**3.2.** Client is solely responsible for payment of any taxes (including sales or use taxes, transfer taxes, excise taxes, intangible taxes, property taxes, and similar taxes and duties) resulting from Client's use of or receipt of the Services, excluding, however, any taxes payable by Company on its general income. Client shall pay its taxes as they fall due and shall hold harmless Company from any and all claims and liability arising from Client's failure to report or pay such taxes.

## **4. BILLING**

Company will invoice Client as set forth in the applicable Statement of Work. Payment terms for services rendered are net 30 from date of invoice. Company may suspend the Services in the event payment is not timely received and reserves the right to charge interest on all past due amounts at the rate of 1.5% per month. All billing as set forth in the applicable Statement of Work is represented in US currency.

## **5. INDEPENDENT CONTRACTOR**

**5.1.** Company is retained by Client only for the purposes and to the extent set forth in this Agreement and Company's relationship to Client is that of an independent contractor, and not as an employee or agent of Client. As such, Company shall not be entitled to or claim any benefits or rights afforded employees of Client. Company shall be the sole judge of the means, manner, and method by which it will perform the Services, the times at which the Services will be performed (within deadlines reasonably established by Client) and the sequence of performance of those services. Client shall not supervise or control the actual work performed by Company.

**5.2.** This Agreement does not make or appoint, and nothing contained in this Agreement shall be construed to appoint, either Party as an agent of the other Party, or to create a partnership or joint venture between the Parties. Neither Party nor any of its agents or employees will have any authority, implied or otherwise, to execute any contract or other agreement on behalf of the other Party, or to make any representation, commitment, or undertaking on behalf of the other Party or any of its affiliates.

**5.3.** Client shall not be responsible to Company, Company's employees, or any governing body for any federal or state income tax, social security tax, unemployment tax or any other similar taxes applicable to Company or Company's employees, and Company will be solely responsible for such taxes. Client shall pay the amount of any sales, use, excise or similar taxes applicable to the performance of the Services, if any.

## **6. CONFIDENTIAL INFORMATION**

**6.1.** As used in this Agreement, '**Confidential Information**' includes all confidential or proprietary information of a Party ('**Disclosing Party**'), obtained by or disclosed to the other Party ('**Receiving Party**') pursuant to this Agreement or in connection with the Services provided under this Agreement, including, but not limited to market surveys, reports, sales information, customer lists, employee lists, salary information, financial information, trade secrets, secret processes, source codes, know-how, business plans, inventions, improvements, data, formulae or any proprietary information whether owned by the Disclosing Party as of the Effective Date or later developed or acquired. Confidential Information will not include, however, any information which the Receiving Party can reasonably prove (a) is publicly disclosed by the Disclosing Party either prior to or subsequent to the receipt by the Receiving Party of such information; (b) was known to the Receiving Party as of the time of its disclosure free from any obligation to keep such information confidential as demonstrated by its written records maintained in the ordinary course of business or actual prior use; (c) was independently developed by the Receiving Party without access to the Confidential Information of the Disclosing Party; (d) was rightfully obtained from a third party lawfully in possession of the Confidential Information and not under a confidentiality obligation to the Disclosing Party.

**6.2.** Confidential Information shall not be published, disclosed, or made accessible by Receiving Party to any other person, firm or corporation either during or after the termination of this Agreement for so long as the Disclosing Party protects the Confidential Information as such. Receiving Party shall restrict dissemination of all Confidential Information to its own employees, subcontractors and agents on a 'need-to-know' basis and shall inform such employees, subcontractors and agents of the confidentiality obligations set forth herein. If Receiving Party is required by applicable law, regulations or court order to disclose any Confidential Information, it shall first notify Disclosing Party in writing sufficiently in advance to the extent legally permissible to allow Disclosing Party a reasonable opportunity to seek to prevent such disclosure or to seek a protective order for such Confidential Information, and will cooperate with Disclosing Party's reasonable efforts to do so.

**6.3.** Absent a written agreement to the contrary, all such Confidential Information of Disclosing Party remains the sole and exclusive property of the Disclosing Party. Upon termination of this Agreement, or at any time upon Disclosing Party's written request, the Receiving Party will return or, at Disclosing Party's option, destroy the Disclosing Party's Confidential Information and certify such return or destruction in writing.

**6.4.** Company and Client acknowledge that premature or unauthorized disclosure of such Confidential Information can have serious and irreparable impact on the other's business; therefore, in addition to all other remedies at law, the parties agree that the Disclosing Party may seek injunctive relief in the event of a breach or a threatened breach of this provision.

**6.5.** Neither Party shall disclose any information about the terms of this Agreement without the other Party's prior written consent.

## **7. OWNERSHIP**

**7.1.** The Parties hereby agree that the Client shall exclusively own all rights in the Deliverables (as defined below). Accordingly, Company hereby transfers and assigns to the Client all right, title and interest, including all copyright, patent and all other intellectual property rights, in all media (whether existing now or still-to-be-invented), in the Deliverables.

**7.2.** Company shall take commercially reasonable steps to ensure the Client's ownership of all Deliverables created for the Client by anyone hired by Company to assist it in provision of the Services.

**7.3.** The term '**Deliverables**' shall include only those final materials delivered to client by Company that are expressly identified in the applicable Statement of Work as a 'Deliverable' and obtained, created, modified or adapted specifically for the client. The Parties expressly agree that the Deliverables shall not include any Company Property. The '**Company Property**' consists of (i) any documents, data, databases, software (including source and object codes and associated documentation), and potential customer lists not created or derived specifically and solely for Client under and applicable Statement of Work, and (ii) any metrics, procedures, models tools, test cases, scripts, templates, equations studies, calculations, grids, solutions, reports, drawings, flowcharts, intellectual property, or other information or materials that Company creates, provides or discloses to Client that Company possessed prior to the Effective Date of this Agreement or that Company would have obtained, created, modified, or adapted in providing its services in the regular course of its business, including, without limitation, any personal information, financial information, data or materials about potential purchasers of goods or Services similar to those of Client's. Such Company Property shall be considered Company intellectual property to the extent applicable and all right, title and interest of every kind and nature whatsoever, whether now known or unknown, shall be and remain the sole and exclusive property of Company regardless of whether or not it is underlying to or incorporated into a Deliverable. To the extent the Company Property is incorporated into a Deliverable, Company grants a limited license to Client to the extent of incorporation to use such Company Property solely to extent necessary for Client to use the Deliverables as contemplated under the applicable Statement of Work.

## 8. LICENSE

**8.1.** Company hereby grants to Client a limited non-exclusive, non-transferable license to use and copy the Company Property solely to the extent incorporated in the Deliverables and solely for Client's internal business purposes as anticipated by the Statement of Work.

**8.2.** As may be required in a Statement of Work, Company may use the trademarks and trade names of Client in connection with its provision of Services and Client hereby licenses such trademarks and trade names to Client for such purposes. In addition, Company may use Client's trademarks and trade names for the purpose of marketing Company's services and identifying Client as a client. Company shall comply with any reasonable written guidelines of Client relating to usage of Client's trademarks or trade names. Company shall discontinue use of Client's trademarks or trade names upon the expiration or termination of the Agreement.

## 9. INDEMNIFICATION

**9.1.** Company and Client (each as an '**Indemnifying Party**') will mutually indemnify, defend and hold harmless the other and its officers, directors, employees, agents, representatives, and subsidiaries ('**Indemnified Party**') from and against all third party claims, demands, damages, or costs, including reasonable attorney's fees and expenses (collectively, '**Claims**'), caused by or resulting from (i) the gross negligence or willful misconduct of the Indemnifying Party or (ii) the Indemnifying Party's violation of applicable law or regulation, including without limitation any data privacy or similar law.

**9.2.** The Indemnified Party shall notify the Indemnifying Party promptly after the Indemnified Party receives notice of a claim for which indemnification is sought under this Agreement, provided, however, that no failure to so notify the Indemnifying Party shall relieve the Indemnifying Party of its obligations under this Agreement except to the extent that it can demonstrate damages directly attributable to such failure. The Indemnifying Party shall have authority to defend or settle the claim; provided however that the Indemnified Party, at its sole discretion and expense, shall have the right to participate in the defense and/or settlement of the claim, and provided further, that the Indemnifying Party shall not settle any such claim imposing any liability or other obligation on the Indemnified Party without the Indemnified Party's prior written consent.

## 10. WARRANTIES

**10.1.** Company warrants that the services will be provided in a professional manner in substantial accordance with industry standards.

**10.2.** THE COMPANY MAKES NO OTHER WARRANTIES OTHER THAN AS SET FORTH IN THIS SECTION 10 AND HEREBY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTIES ARISING AS A RESULT OF A

COURSE OF DEALING OR USAGE IN TRADE. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT, INCLUDING WITHOUT LIMITATION, STATEMENTS REGARDING CAPACITY, SUITABILITY FOR USE OR PERFORMANCE OF THE SERVICES, WHETHER MADE BY EMPLOYEES OF THE COMPANY OR OTHERWISE, WHICH IS NOT CONTAINED IN THIS AGREEMENT, SHALL BE DEEMED TO BE A WARRANTY BY THE COMPANY FOR ANY PURPOSE, OR GIVE RISE TO ANY LIABILITY OF THE COMPANY WHATSOEVER.

#### **11. LIMITATION OF LIABILITY**

NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL HAVE LIABILITY TO THE OTHER PARTY FOR ANY LOSS OF PROFITS, LOSS OF DATA, LOSS OF BUSINESS, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, INDIRECT, EXEMPLARY, PUNITIVE, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES RELATING IN ANY WAY TO THIS AGREEMENT, EVEN IF THE PARTY IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), CONTRACT OR STATUTE.

#### **12. SUCCESSORS AND ASSIGNS**

Neither Party shall assign this Agreement or any of the obligations under this Agreement to any other party without prior written consent of the other Party, which consent will not be unreasonably withheld, provided either Party may assign upon written notice to the other Party in the event of a merger, acquisition, or sale of substantially all its assets. This Agreement will be binding on and inure to the benefit of each Party's legal successors and permitted assigns.

#### **13. COMPLIANCE WITH LAW**

Both Parties shall comply with all applicable federal, state and local laws, rules and regulations in the performance of its obligations under this Agreement. Both parties shall adhere to all such regulations.

#### **14. GOVERNING LAW**

This Agreement will be construed and interpreted in all respects in accordance with the laws of the State of Arizona. Venue for any dispute arising under this Agreement shall be exclusive in the federal and state courts located in Maricopa County, Arizona. Each Party submits to the jurisdiction of such courts and expressly waives any objection as to personal jurisdiction or forum non convenes.

## **15. GOVERNING LAW**

This Agreement, including any documents attached hereto and incorporated by reference, supersedes any and all other prior agreements, understandings, negotiations, or communications, either oral or in writing, between the Parties or their representatives and constitutes the entire understanding of the Parties with respect to its subject matter. No form, invoice, bill of lading, shipping document, order, receipt or other document provided by either Party shall operate to supersede, modify or amend any provisions of this Agreement, even if either Party has initialed, signed or otherwise acknowledged such document, unless the document expressly states that it modifies or amends this Agreement and is signed by an authorized representative of both Parties. This Agreement may not be modified, altered, or waived, in whole or in part, except in a writing signed by the duly authorized representatives of the Parties hereto. In the event of any conflict between the terms of the exhibits, appendices or schedules, if any, to this Agreement, the terms of the conflicting provision in the exhibits, appendices or schedules shall be superseded by this Agreement.

## **16. SEVERABILITY**

Should any provision of this Agreement be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision will be severed and the Parties specifically intend that the remaining provisions will continue as valid, legal and enforceable to the maximum extent provided by law, while retaining the original intent of the Parties with respect to such provisions.

## **17. NOTICES**

Any notice permitted or required under this Agreement shall be in writing and shall be given or made by certified or registered mail or by overnight courier addressed to the respective parties as follows:

**Client:** [Client Address]

**Company:** [Company Address]

Such notice or demand shall be deemed to have been given or made on the next business day when sent by the use of overnight courier, or on the fifth business day after deposit, postage prepaid in the U.S. mail for certified or registered mail. The address for notice may be changed at any time by giving prior written notice as above provided.

## **18. EFFECT OF WAIVER**

The failure of either Party to insist on strict compliance with any of the terms, covenants or conditions of this Agreement by the other Party will not be deemed a waiver of that term, covenant or condition; nor will any waiver or relinquishment of that right or power be for all or any other times.

## 19. NON-SOLICITATION

Each Party agrees during the term of this Agreement and for a period of twelve (12) months thereafter, it will not directly or indirectly solicit for hire the employees of the other, without the written consent of the other Party. In the event either Party, during the term of this Agreement or in the twelve (12) months after termination of this Agreement, solicits and hires an employee of the other Party, the hiring Party agrees to pay the other a '**Hiring Fee**'. The Hiring Fee will be equal to one times the annual base salary the employee is offered by the hiring Party. The Parties acknowledge that this amount represents fair and reasonable compensation for the loss of such employee. Employees hired in response to general employment solicitations advertised in the usual and customary manner by either Party shall be excluded from this provision.

## 20. SURVIVAL

The following provisions shall survive expiration or termination of this Agreement: 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19 and 20.

IN WITNESS WHEREOF, Company and Client have duly executed this Agreement as of the Effective Date.

**[Client Name]**

By:

**[Company Name]**

By:

Name:

Name:

Title:

Title:

Date:

Date: