

Sample IT Services Agreement

This Agreement ("Agreement") is made and entered into as of **[Effective Date]** ("Effective Date") by and between **[Service Provider Name]**, a **[State]** corporation with its principal place of business at **[Address]** ("Service Provider"), and **[Client Name]**, a **[Entity Type]** located at **[Address]** ("Client"). Service Provider and Client may each be referred to as a "Party" and collectively as the "Parties."

1. Definitions

1.1 Confidential Information: Any non-public, proprietary, or sensitive information disclosed by one Party to the other, including but not limited to business plans, technical data, and customer information.

1.2 Services: The IT-related services described in **Exhibit A**, including but not limited to software development, system maintenance, cybersecurity, and technical support.

1.3 Deliverables: Any tangible or intangible outputs provided by Service Provider under this Agreement, including reports, software, or hardware.

1.4 Service Levels: The performance standards and metrics outlined in **Exhibit B**, such as uptime guarantees, response times, and resolution timelines.

2. Scope of Services

2.1 Service Provider Obligations:

- Perform the Services in a professional and workmanlike manner.
- Provide qualified personnel to execute the Services.
- Comply with all applicable laws, regulations, and industry standards.

2.2 Client Obligations:

- Provide timely access to necessary systems, data, and personnel.
- Cooperate with Service Provider to enable the performance of Services.
- Designate a primary point of contact for communication.

2.3 Changes to Scope: Any modifications to the scope of Services must be agreed upon in writing by both Parties and documented in a **Change Order Form**.

3. Compensation and Payment Terms

3.1 Fees: Client shall pay Service Provider the fees outlined in **Exhibit C** ("Fee Schedule"). Fees may include fixed monthly charges, hourly rates, or project-based pricing.

3.2 Invoicing: Service Provider shall issue invoices monthly or upon completion of milestones, as specified in Exhibit C.

3.3 Payment Terms: Invoices are due within **30 days** of receipt. Late payments shall incur interest at the rate of **1.5% per month** or the maximum rate permitted by law, whichever is lower.

3.4 Taxes: Client is responsible for all applicable taxes, excluding taxes on Service Provider's net income.

4. Confidentiality

4.1 Obligations:

- Protect the other Party's Confidential Information using at least the same degree of care it uses to protect its own confidential information, but no less than a reasonable standard of care.

- Use Confidential Information solely for the purposes of this Agreement.
- 4.2 **Exclusions:** Confidential Information does not include information that:
- Is or becomes publicly available without breach of this Agreement.
 - Is independently developed by the receiving Party without reference to the disclosing Party's information.
 - Is disclosed pursuant to a legal requirement or court order, provided the disclosing Party is given prior notice.

5. Data Protection and Security

5.1 **Data Handling:** Service Provider shall implement and maintain reasonable administrative, technical, and physical safeguards to protect Client Data from unauthorized access, use, or disclosure.

5.2 **Compliance:** Service Provider shall comply with all applicable data protection laws, including but not limited to **[GDPR, CCPA, HIPAA]**, as relevant to the Services.

5.3 **Breach Notification:** In the event of a data breach, Service Provider shall notify Client within **48 hours** of discovery and take immediate steps to mitigate the breach.

6. Intellectual Property Rights

6.1 **Pre-Existing IP:** Each Party retains ownership of its pre-existing intellectual property.

6.2 **Developed IP:** Any intellectual property developed by Service Provider in the course of performing the Services shall be owned by **[Client/Service Provider]**, as specified in **Exhibit D**.

6.3 **Licenses:** Service Provider grants Client a non-exclusive, non-transferable license to use any software or tools provided under this Agreement solely for Client's internal business purposes.

7. Term and Termination

7.1 **Term:** This Agreement shall commence on the Effective Date and continue for an initial term of **[Term Length]** ("Initial Term"). Thereafter, the Agreement shall automatically renew for successive **[Renewal Term Length]** periods unless either Party provides written notice of non-renewal at least **60 days** prior to the end of the then-current term.

7.2 **Termination for Cause:** Either Party may terminate this Agreement for material breach by providing **30 days' written notice**, provided the breach remains uncured at the end of the notice period.

7.3 **Termination for Convenience:** Client may terminate this Agreement for convenience by providing **90 days' written notice** and paying any outstanding fees, including fees for Services rendered up to the termination date.

7.4 **Post-Termination Obligations:** Upon termination, Service Provider shall:

- Cease all Services.
- Return or destroy all Client Data and Confidential Information.
- Provide a final invoice for any unpaid Services.

8. Warranties and Disclaimers

8.1 **Service Warranty:** Service Provider warrants that the Services will be performed in a professional and competent manner consistent with industry standards.

8.2 **Disclaimer:** Except as expressly stated in this Agreement, Service Provider makes no other warranties, whether express, implied, or statutory, including but not limited to warranties of merchantability, fitness for a particular purpose, or non-infringement.

9. Limitation of Liability

9.1 **Cap on Liability:** Service Provider’s total liability under this Agreement shall not exceed the total fees paid by Client under this Agreement in the **12 months** preceding the claim.

9.2 **Exclusion of Consequential Damages:** In no event shall either Party be liable for any indirect, incidental, special, consequential, or punitive damages, including but not limited to lost profits, lost revenue, or business interruption.

10. Indemnification

10.1 **By Service Provider:** Service Provider shall indemnify, defend, and hold harmless Client from and against any claims, damages, or losses arising from Service Provider’s breach of this Agreement or negligence.

10.2 **By Client:** Client shall indemnify, defend, and hold harmless Service Provider from and against any claims, damages, or losses arising from Client’s misuse of the Services or breach of this Agreement.

11. Dispute Resolution

11.1 **Negotiation:** The Parties shall attempt to resolve any disputes through good-faith negotiations.

11.2 **Arbitration:** If negotiation fails, disputes shall be resolved by binding arbitration in **[City, State]** under the rules of the **[American Arbitration Association/Other]**.

11.3 **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of **[State]**, excluding its conflict-of-law principles.

12. Miscellaneous

12.1 **Entire Agreement:** This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements or understandings, whether written or oral.

12.2 **Amendments:** Any amendments to this Agreement must be in writing and signed by both Parties.

12.3 **Assignment:** Neither Party may assign this Agreement without the prior written consent of the other Party, except in the case of a merger, acquisition, or sale of substantially all assets.

12.4 **Force Majeure:** Neither Party shall be liable for delays or failures to perform due to events beyond its reasonable control, including but not limited to acts of God, natural disasters, or government actions.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

[Service Provider Name]

By: _____

Name: _____

Title: _____

Date: _____

[Client Name]

By: _____

Name: _____

Title: _____

Date: _____

Exhibits:

- **Exhibit A:** Scope of Services
- **Exhibit B:** Service Levels and Performance Metrics
- **Exhibit C:** Fee Schedule
- **Exhibit D:** Intellectual Property Ownership