**IT SERVICES AGREEMENT**

This IT Services Agreement (the “**Agreement**”) is entered into as of [INSERT DATE] (the “**Effective Date**”), by and between [CLIENT COMPANY NAME], a [STATE/COUNTRY] [corporation/LLC/other entity type] with its principal place of business at [ADDRESS] (the “**Client**”), and [SERVICE PROVIDER COMPANY NAME], a [STATE/COUNTRY] [corporation/LLC/other entity type] with its principal place of business at [ADDRESS] (the “**Service Provider**”). The Client and the Service Provider may be referred to individually as a “**Party**” and collectively as the “**Parties”**.

The Client desires to obtain professional IT services, including system management, support, and maintenance, to enhance its operational efficiency and technology infrastructure.

The Service Provider is experienced in providing a comprehensive range of IT services and possesses the necessary expertise, resources, and personnel to deliver such services in a professional and timely manner.

The Parties wish to establish a mutually beneficial relationship under which the Service Provider shall deliver IT services as described in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows.

1. **SCOPE OF SERVICES**
   1. The purpose of this Agreement is to define the terms and conditions under which the Service Provider will provide the IT Services for the Client. For the purposes of this Agreement, “**IT Services**” has the meaning and description provided in Schedule 1, but may include, without limitation, system monitoring and management, network maintenance and support, cybersecurity and data protection measures, software installation, upgrades, and troubleshooting, help desk and technical support for end-users, data backup and recovery services, as well as incident response and resolution.
   2. The arrangement made under this Agreement between the Parties is non-exclusive. Accordingly, the Client shall be entitled to engage other parties besides the Service Provider for similar and/or the same services hereunder, and the Service Provider shall be able to provide the services provided hereunder to other customers.
   3. Any changes to the scope of IT Services shall be agreed upon in writing by both Parties and may result in adjustments to fees, timelines, or other terms as necessary.
   4. The Service Provider agrees to meet or exceed the service levels (the “**Service Levels**”) specified in Schedule 2. In the event of non-performance, remedies or service credits shall be provided as outlined in Schedule 2.
2. **PREREQUISITES**
   1. The Parties shall cooperate in good faith and exchange any documents or information that may be useful for the proper performance of the Agreement.
   2. In particular, each Party shall, upon request, promptly provide the other Party with all information, assistance, materials, and resources that the other Party may reasonably require from time to time in connection with the performance of its obligations under this Agreement.
3. **SERVICE PROVIDER OBLIGATIONS**
   1. The Service Provider shall:
      1. perform the IT Services as detailed in Schedule 1 in accordance with the agreed Service Levels in Schedule 2;
      2. ensure that all deliverables and work outputs meet the quality standards and specifications set forth in this Agreement;
      3. allocate sufficient resources and qualified personnel to execute the IT Services effectively;
      4. provide necessary training or support to staff, ensuring they are familiar with the Client’s requirements and standards;
      5. designate a primary point of contact to facilitate regular communication with the Client;
      6. provide timely updates, status reports, and any requested documentation or performance metrics as outlined in Schedule 3;
      7. comply with all applicable laws, regulations, and industry standards in the execution of the IT Services;
      8. implement quality control measures to monitor and ensure the accuracy and reliability of all work performed; and
      9. promptly address and resolve any issues, delays, or discrepancies that may arise during the performance of the IT Services, notifying the Client immediately of any potential impact on timelines or deliverables.
4. **CLIENT OBLIGATIONS**
   1. The Client shall:
      1. supply the Service Provider with complete, accurate, and timely information, specifications, and any other documentation necessary to perform the IT Services as described in Schedule 1;
      2. notify the Service Provider promptly of any changes or updates to the scope, requirements, or specifications;
      3. issue clear and detailed service requests or work orders as required for the effective execution of the IT Services;
      4. review and approve deliverables or work outputs within the agreed-upon timeframes to avoid delays in the overall service delivery;
      5. make timely payments in accordance with the terms outlined in Section 5, including any applicable deposits and subsequent payments;
      6. reimburse pre-approved, documented out-of-pocket expenses incurred by the Service Provider in connection with the IT Services;
      7. designate a primary point of contact to facilitate effective communication and collaboration with the Service Provider;
      8. provide the Service Provider with necessary access to systems, facilities, or additional resources as needed for the performance of the IT Services;
      9. provide constructive feedback and timely responses to queries or requests for clarification from the Service Provider; and
      10. promptly notify the Service Provider in writing of any issues or non-conformities observed in the deliverables, to enable prompt resolution.
5. **PAYMENT TERMS**
   1. The Client shall pay a base fee of $[INSERT AMOUNT] per month for the IT Services as described in Schedule 1. This fee covers routine system monitoring, help desk support, maintenance, and other standard IT functions.
   2. Any services requested by the Client that exceed the scope of the base IT Services (e.g., one-time projects, system upgrades, custom development work) will be billed separately. Such additional services will require prior written approval from the Client and will be invoiced at the rates specified in a separate work order.
   3. The Service Provider shall issue an invoice on a monthly basis, detailing all Services rendered during the preceding month.
   4. Each invoice will include a breakdown of the base fee, any additional service charges, and reimbursable expenses (if applicable), along with the applicable service period.
   5. All payments shall be made in U.S. Dollars (USD) via bank transfer, check, or any other mutually agreed method.
   6. Payments are due within [NUMBER] days from the date of the invoice unless otherwise agreed in writing.
   7. The Client agrees to reimburse the Service Provider for any reasonable and pre-approved out-of-pocket expenses incurred in connection with the performance of the IT Services. These expenses may include travel for on-site support, software licensing fees, or hardware maintenance costs.
   8. All reimbursable expenses must be accompanied by valid receipts and submitted with the invoice for reimbursement.
   9. Any payment not received within the specified period shall accrue interest at a rate of [PERCENTAGE]% per month (or the maximum rate permitted by law) on the outstanding balance until full payment is made.
   10. Continued non-payment beyond [NUMBER] days may result in the suspension of IT Services until all outstanding amounts, including accrued interest, are paid in full.
   11. Should the Client dispute any portion of an invoice, the Client must notify the Service Provider in writing within 15 days of the invoice date. Both Parties shall work in good faith to resolve any discrepancies before the payment due date.
6. **INTELLECTUAL PROPERTY RIGHTS**
   1. All intellectual property rights in any materials, data, system designs, software, or proprietary information provided by the Client remain the exclusive property of the Client.
   2. All intellectual property rights in processes, methodologies, tools, and software developed solely by the Service Provider in connection with the IT Services shall remain the exclusive property of the Service Provider.
   3. Any intellectual property developed jointly by the Parties specifically for this Agreement shall be jointly owned, unless otherwise agreed in writing.
   4. The Client grants the Service Provider a limited, non-exclusive, non-transferable, royalty-free license to use the Client’s intellectual property solely for the purpose of performing the IT Services under this Agreement.
   5. The Service Provider grants the Client a limited license to use any Service Provider intellectual property incorporated into the deliverables solely for the Client’s internal business purposes and for promoting the IT environment maintained under this Agreement.
   6. Each Party shall use the other Party’s intellectual property only as necessary to perform its obligations under this Agreement and solely for the purposes related to the IT Services.
   7. Neither Party shall modify, reverse-engineer, or create derivative works based on the other Party’s intellectual property without prior written consent. Use beyond the scope of this Agreement is prohibited.
   8. Any third-party intellectual property included in materials provided under this Agreement is subject to its own licensing terms. Each Party represents that it has secured all necessary rights and permissions to include such third-party materials.
   9. The rights and obligations set forth in this Section shall survive the termination or expiration of this Agreement.
7. **CONFIDENTIALITY**
   1. From time to time during the duration of this Agreement, either Party (as the "**Discloser**") may disclose or make available to the other Party (as the "**Recipient**"), non-public, proprietary, and confidential information of Discloser [whether or not marked or labeled as "confidential"/that, if disclosed in writing or other tangible form is clearly labeled as "confidential," or if disclosed orally, is identified as confidential when disclosed and within [NUMBER] days thereafter, is summarized in writing and confirmed as confidential] ("**Confidential Information**"); provided, however, that Confidential Information does not include any information that: (i) is or becomes generally available to the public other than as a result of the Recipient's breach of this Section 7; (ii) is or becomes available to the Recipient on a non-confidential basis from a third-party source, provided that such third-party is not and was not prohibited from disclosing such Confidential Information after due inquiry; (iii) was in the Recipient's possession prior to the Discloser's disclosure hereunder; or (iv) was or is independently developed by the Recipient without using any Confidential Information.
   2. The Recipient shall: (i) protect and safeguard the confidentiality of the Discloser's Confidential Information with at least the same degree of care as the Recipient would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (ii) not use the Discloser's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (iii) not disclose any such Confidential Information to any person or entity, except to members of the Recipient's Group who need to know the Confidential Information to assist the Recipient, or act on its behalf, to exercise its rights or perform its obligations under this Agreement. For purposes of this Section 7, "**Recipient's Group**" means the Recipient's affiliates and its or their employees, officers, directors, shareholders, partners, members, managers, agents, independent contractors, service providers, sublicensees, subcontractors, attorneys, accountants, and financial advisors.
   3. If the Recipient is required by applicable law or legal process to disclose any Confidential Information, it shall, prior to making such disclosure, use commercially reasonable efforts to notify the Discloser of such requirements to afford the Discloser the opportunity to seek, at the Discloser's sole cost and expense, a protective order or other remedy.
   4. The Recipient shall be responsible for any breach of the foregoing obligations by any member of the Recipient’s Group.
8. **LIMITATION OF LIABILITY**
   1. NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT.
   2. SUBJECT TO SECTION 9.1, IN NO EVENT SHALL EITHER PARTY’S TOTAL AGGREGATE LIABILITY EXCEED THE TOTAL FEES PAID BY THE CLIENT TO THE SERVICE PROVIDER UNDER THIS AGREEMENT.
9. **TERM**

This Agreement shall commence on the Effective Date and continue for an initial term of [NUMBER] years, unless terminated earlier in accordance with Section 11.

1. **TERMINATION**
   1. Either Party may immediately terminate this Agreement upon written notice if the other Party:
      1. materially breaches this Agreement, and such breach is incapable of cure, or, if the breach is capable of cure, fails to cure such breach within [NUMBER] days after receiving written notice of the breach;
      2. becomes insolvent or is generally unable to pay its debts as they become due;
      3. files, or has filed against it, a petition for voluntary or involuntary bankruptcy, or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law;
      4. makes or seeks to make a general assignment for the benefit of its creditors;
      5. applies for, or has appointed, a receiver, trustee, custodian, or similar agent by order of a court of competent jurisdiction to take charge of or sell any material portion of its property or business; or
      6. is dissolved or liquidated.
   2. Either Party may terminate this Agreement for convenience upon [NUMBER] days’ written notice.
   3. The expiration or termination of this Agreement shall not affect any rights or obligations that: (i) are intended to survive such expiration or termination; and (ii) were incurred by the Parties prior to such expiration or termination.
   4. Upon the expiration or termination of this Agreement for any reason, each Party shall promptly:
      1. [return to the other Party/destroy] all documents and tangible materials (including any copies) containing, reflecting, incorporating, or based on the other Party’s Confidential Information;
      2. permanently erase all of the other Party’s Confidential Information from its computer systems, [except for copies that are: (i) required to be retained under applicable laws; or (ii) maintained as archive copies on its disaster recovery or information technology backup systems, which shall be destroyed upon the normal expiration of such backup files, or as otherwise required by law]; and
      3. certify in writing to the other Party that it has complied with these requirements.
2. **GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama, without regard to its conflict of laws principles. Any legal action arising out of this Agreement shall be brought exclusively in the state or federal courts located in the State of Alabama, and each Party consents to the jurisdiction of such courts.

1. **NOTICES**

All notices under this Agreement shall be in writing and delivered by personal delivery, courier service with tracking, certified or registered mail (postage prepaid), or email (with confirmation of receipt).

1. **ENTIRE AGREEMENT**

This Agreement, including all schedules and attachments, constitutes the entire agreement between the Parties regarding the subject matter herein and supersedes all prior negotiations, communications, and agreements.

1. **AMENDMENTS**

Any amendments or modifications to this Agreement must be in writing and signed by both Parties.

1. **SEVERABILITY**

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

1. **ASSIGNMENT**

Neither Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party, except in connection with a merger or sale of substantially all of its assets.

[SIGNATURE PAGE FOLLOWS]

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: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE 1**

**IT SERVICES**

[INSERT IT SERVICES TO BE PROVIDED BY SERVICE PROVIDER]

**SCHEDULE 2**

**SERVICE LEVELS**

[INSERT SERVICE LEVELS]

**SCHEDULE 3**

**PERFORMANCE METRICS AND INCENTIVES**

[INSERT PERFORMANCE METRICS AND INCENTIVE PAYMENTS FOR THE SAME]