

SERVICE AGREEMENT

This **Service Agreement** (the "Agreement") is entered into on **March 15, 2025** ("Effective Date") by and between:

- **Service Provider: John Smith Consulting LLC**, a company organized under the laws of **New York**, having its principal office at **123 Business Lane, New York, NY 10001**,
and
- **Client: ABC Retail Corp**, a corporation incorporated in **California**, having its principal office at **456 Market Street, Los Angeles, CA 90015**.

The Service Provider and the Client may hereinafter be referred to individually as a "Party" or collectively as the "Parties."

1. Services to Be Provided

1.1 The Service Provider agrees to deliver the following services (collectively referred to as the "Services") to the Client:

- **Design, development, and deployment of a custom e-commerce website.**
- **Ongoing maintenance and technical support for the website.**
- **Search engine optimization (SEO) services to improve online visibility.**
- **Monthly performance analytics and reporting.**

1.2 The Service Provider shall use tools, methodologies, and best practices consistent with industry standards.

2. Term and Renewal

2.1 **Initial Term:** The term of this Agreement begins on **April 1, 2025**, and ends on **March 31, 2026** ("Initial Term").

2.2 **Renewal:** This Agreement will automatically renew for successive one-year periods unless terminated by either Party with at least **60 days' written notice** prior to the end of the current term.

3. Payment Terms

3.1 **Compensation:** The Client agrees to pay the Service Provider as follows:

- **A fixed monthly fee of \$5,000**, payable on the **5th day of each month**.
- **A one-time project initiation fee of \$10,000**, due upon signing this Agreement.

3.2 **Late Payment:** Payments not received within **15 days** of the due date will incur a **late fee of 2% per month** on the outstanding balance.

3.3 **Payment Method:** All payments will be made via **electronic funds transfer (EFT)** to the account specified by the Service Provider.

4. Reimbursable Expenses

4.1 The Client agrees to reimburse the Service Provider for pre-approved expenses incurred in providing the Services, including:

- **Travel expenses for on-site visits** (flights, lodging, meals).
- **Third-party software licenses** required for website functionality.

4.2 The Service Provider will submit detailed receipts for all reimbursable expenses.

5. Performance and Deadlines

5.1 The Service Provider agrees to deliver a functional prototype of the website by **June 1, 2025**, and the final product by **August 15, 2025**.

5.2 In the event of project delays caused by the Client (e.g., failure to provide required content), the delivery timeline may be adjusted.

6. Intellectual Property Rights

6.1 All intellectual property developed by the Service Provider during the course of this Agreement, including source code, designs, and documentation, shall be the exclusive property of the Client, subject to full payment of fees.

6.2 The Service Provider retains a perpetual, non-exclusive license to reuse non-proprietary code and tools developed for general use.

7. Confidentiality

7.1 Both Parties agree to maintain the confidentiality of proprietary and sensitive information exchanged under this Agreement, including but not limited to business strategies, trade secrets, and customer data.

7.2 This confidentiality obligation survives the termination of this Agreement for a period of **three (3) years**.

8. Independent Contractor Relationship

8.1 The Service Provider shall perform all work as an independent contractor.

8.2 Nothing in this Agreement shall create a partnership, joint venture, or employment relationship between the Parties.

9. Indemnification

9.1 The Service Provider agrees to indemnify and hold harmless the Client from any claims, damages, or expenses arising from the Service Provider's performance of the Services, except where such claims result from the Client's negligence or willful misconduct.

10. Limitation of Liability

10.1 Neither Party shall be liable for any indirect, special, or consequential damages.

10.2 The maximum liability of either Party under this Agreement is limited to the total amount paid under the Agreement.

11. Termination

11.1 Either Party may terminate this Agreement for any reason with **30 days' written notice**.

11.2 In the event of termination, the Client shall pay for all Services rendered and expenses incurred up to the effective termination date.

12. Dispute Resolution

12.1 In the event of a dispute, the Parties agree to first attempt resolution through good faith negotiation.

12.2 If unresolved, disputes shall be submitted to binding arbitration in **Los Angeles, California**, in accordance with the rules of the American Arbitration Association.

13. Governing Law

This Agreement is governed by the laws of the State of **California**, without regard to its conflict of law principles.

14. Entire Agreement

This Agreement constitutes the entire understanding between the Parties and supersedes all prior agreements. Amendments must be in writing and signed by both Parties.

Signatures

Service Provider:

John Smith
John Smith Consulting LLC
Date: March 15, 2025

Client:

Jane Doe
ABC Retail Corp
Date: March 15, 2025