

# Software Development and Maintenance Agreement

Contract ID: SDM-2025-002

Effective Date: January 15, 2025

Contract Term: 24 months

## 1. Parties

Service Provider:

Company: Innovate Digital Solutions, Inc.

Address: 789 Tech Hub Lane, Austin, TX 78701

Contact:

Name: Jessica Lee, Account Manager

Phone: (512) 555-1234

Email: jessica.lee@innovatedigital.com

Customer:

Company: Retail Dynamics Inc.

Address: 101 Commerce Street, Dallas, TX 75201

Contact:

Name: David Kim, Head of Operations

Phone: (214) 555-5678

Email: david.kim@retaildynamics.com

## 2. Scope of Work and Services

Innovate Digital Solutions (the "Provider") agrees to provide the following services (the "Services") to Retail Dynamics Inc. (the "Customer").

Phase 1: Custom E-commerce Platform Development:

Development and delivery of a new, custom-built, responsive e-commerce website.

Integration of a third-party inventory management system.

Secure payment gateway integration supporting major credit cards and other payment methods.

User authentication and profile management system.

Administrator dashboard for content and product management.

The platform will be developed using modern web technologies and will be optimized for performance and scalability.

Phase 2: Ongoing Maintenance and Support:

Commencing upon the successful launch of the Phase 1 platform.

Includes regular security updates and patch management.

Continuous monitoring for bugs and performance issues.

Deployment of hotfixes for critical bugs within 24 hours of identification.

Minor feature enhancements and optimizations as agreed upon by both parties.

This phase specifically excludes major redesigns or new feature development that significantly alters the platform's core architecture.

## 3. Financial and Payment Terms

Project Cost (Phase 1): A total one-time fixed fee of \$50,000.00 for the development phase, payable in milestones.

25% (\$12,500.00) upon contract signing.

50% (\$25,000.00) upon completion of the alpha release.

25% (\$12,500.00) upon final production launch.

Maintenance Fee (Phase 2): A recurring monthly fee of \$5,000.00 for ongoing maintenance and support services.

Invoicing: Invoices will be delivered to the Customer's designated billing contact via email.

Due Date: All invoices are payable within Net 30 days of the invoice date.

Late Payments: A late fee of 2% per month (or the maximum rate permitted by law) will be applied to any outstanding invoices.

#### 4. Service Level Agreements (SLA)

The Provider commits to the following performance standards and service credits for non-compliance:

System Uptime: The e-commerce platform will maintain a monthly uptime of 99.9%, excluding scheduled maintenance.

Support Response Time: All support requests will be categorized by priority, and the Provider will respond within the following timeframes:

High Priority (System is down): 1-hour response time.

Medium Priority (Functionality is degraded): 4-hour response time.

Low Priority (General inquiries): 24-hour response time.

Resolution Time: The Provider will make best commercial efforts to resolve high-priority issues within 8 business hours.

#### 5. Support Terms and Escalation

Availability: Technical support will be available during business hours, Monday through Friday, 9:00 AM to 5:00 PM.

Channels: Support requests must be submitted via email to support@innovatedigital.com or through the dedicated support portal.

Escalation Path: For issues not resolved to the Customer's satisfaction, an escalation path is available: David Kim, Account Manager.

#### 6. Confidentiality

Both parties agree to keep all non-public information related to this agreement and the Services strictly confidential.

#### 7. Intellectual Property

Upon final payment of all invoices, the Customer shall own all intellectual property rights in the custom-developed software.

#### 8. Warranties and Disclaimers

The Provider warrants that the Services will be performed in a professional and workmanlike manner. The Provider does not warrant any specific results.

#### 9. Limitation of Liability

In no event shall the Provider's total liability under this agreement, whether in contract, tort, or otherwise, exceed the total amount paid by the Customer for the Services.

#### 10. Force Majeure

Neither party shall be liable for any failure or delay in performance under this agreement due to causes beyond their reasonable control.

#### 11. Termination and Renewal

This agreement may be terminated by either party with a 60-day written notice. The agreement will automatically renew for one (1) year unless terminated.

#### 12. Governing Law and Dispute Resolution

This agreement shall be governed by and construed in accordance with the laws of the State of Texas. Any disputes shall be resolved through arbitration.

#### 13. Signatures

Service Provider:

[Signature]

Jessica Lee

Account Manager, Innovate Digital Solutions, Inc.

Date:

Customer:

[Signature]

David Kim

Head of Operations, Retail Dynamics Inc.

Date:

