## MASTER SERVICES AGREEMENT

**CUSTOMER: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a [ STATE ] corporation**

**ADDRESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**EFFECTIVE DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

This Master Services Agreement (with any Order Form as defined below, the “Agreement”) is entered into by TonicAI, Inc., a Delaware corporation (“Tonic”), and the Customer identified above, as of the Effective Date shown above.

**1. SERVICES AND SUPPORT.**

a. Services. Tonic will provide data transformation services (“Hosted Services”), or Software subject to the license terms set forth below, including any Enhancements thereto, as described in one or more Tonic Order Form, and/or professional services as described in a Statement of Work (each Tonic Order Form or Statement of Work, an “Order Form”). “Enhancement” means any correction, customization, improvement, update, upgrade, new release, or other change that Tonic makes available to all customers of the Software and of the Hosted Services. Tonic will use commercially reasonable efforts continuously to improve the functionality and features of the Hosted Services and the Software, including by regularly providing Enhancements. The Hosted Services, Software, and Professional Services are collectively referred to herein as the “Services”. Any affiliate of Customer (“Affiliate”) may request Services and execute a mutually agreed Order Form under this Agreement. Where an Affiliate is a party to an Order Form, all references to “Customer” in this Agreement will be deemed to refer to that Affiliate.

b. Infrastructure; Passwords. Except with respect to Tonic’s Software, as defined below, provided to access and use the Services, Customer will be responsible for obtaining and maintaining any equipment, systems, infrastructure, and ancillary services needed to connect to, access, and use the Services (collectively, “Infrastructure”). Customer also will be responsible for maintaining the security of the Infrastructure, its customer account and passwords (including but not limited to administrative and user passwords) in connection with the Hosted Services, if applicable, and its files. Customer will be responsible for all uses of Customer’s account or Infrastructure, with or without Customer’s knowledge or consent, except where caused by Tonic.

c. Support. Tonic will provide technical support to Customer via email on weekdays from 9:00 AM to 5:00 PM Pacific time, except on US federal holidays (“Support Hours”). Customer may initiate a helpdesk ticket during Support Hours by emailing [support@tonic.ai](mailto:support@tonic.ai). Tonic will use commercially reasonable efforts to respond to all helpdesk tickets within 1 business day.

**2. RESTRICTIONS ON USE; LIMITED LICENSE.** Customer will not, indirectly or directly: reverse engineer, decompile, disassemble, or otherwise attempt to discover the source code, object code or underlying structure, ideas, know-how, models and their weights, or algorithms of the Services or of any software or documentation related to the Services (collectively, “Software”); modify, translate, or create derivative works based on the Services or any Software (except to the extent expressly permitted by Tonic or authorized within the Services); use the Services or any Software for timesharing or service bureau purposes or otherwise for the benefit of a third party (it being agreed that using the Services or Software in connection with or to process any third-party data managed or maintained by Customer is not a breach of this clause); make the Services or any Software available to, or use for the benefit of, any competitor of Tonic; use the Services to develop models that compete with Tonic; or remove any proprietary notices or labels included in the Software. With respect to any Software used on Customer premises or devices, Tonic hereby grants Customer a limited, revocable, royalty-free, non-exclusive, non-transferable (except as set forth in Section 12), non-sublicensable (other than to Customer’s Affiliates) license to use such Software during the Term, only in connection with the Services. All rights, title, and interest in the Services (excluding any data or other content contributed by Customer in its use of the Services) will at all times exclusively remain with Tonic. Notwithstanding anything to the contrary, Tonic will have the right to collect and analyze usage data and related information about the provision, use, and performance of the Services (“Telemetry”) to develop, improve, support, and operate the Services and to verify Customer’s usage in compliance with this Agreement. For the avoidance of doubt, (i) access to Telemetry will not include access to any Customer Data, as defined below, or any systems of Customer; and (ii) Customer will at all times have visibility into what usage data is being and has been sent to Tonic. (More information on the data Tonic collects can be found at https://docs.tonic.ai/app/admin/tonic-monitoring-logging/tonic-data-collection.) In addition, Tonic will not at any time collect or gain access to any Customer Data, as defined below in Section 6, including but not limited to any sensitive information such as personal health information or personally identifiable information that may be in Customer’s production environment. All rights not expressly granted are reserved to Tonic.

**3. COMPLIANCE WITH APPLICABLE LAWS.** Each party will comply with all laws and regulations applicable to the Services, including but not limited to all data privacy laws (“Applicable Laws”). Customer will not remove or export from the United States or allow the export or re-export of the Services or Software, or any direct product thereof, in violation of any restrictions, laws, or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, or any other United States or foreign agency or authority. The Software and its documentation are “commercial items” under FAR Section 2.101 and are deemed to be “commercial computer software” and “commercial computer software documentation” under DFAR Section 252.227-7014(a)(1) and (5). Accordingly, any use modification, reproduction, release, performance, display, or disclosure of such commercial software or commercial software documentation by the U.S. Government will be governed solely by the terms of this Agreement and will be prohibited, except as expressly permitted herein.

**4. FEES.** Tonic will invoice Customer, and Customer will pay, the fees described in the Order Form, in accordance with the terms therein (the “Fees”). If Customer’s use of the Services exceeds the service capacity set forth in the Order Form or otherwise requires the payment of additional fees as set forth in the Order Form, Customer will be notified in writing, which may be via email, and Customer will be invoiced for such usage. All undisputed invoices will be paid within 30 days of the date of the invoice. Adjustments will only be made if Customer contacts Tonic at [billing@tonic.ai](mailto:billing@tonic.ai) with confirmed receipt within 60 days of the date of the disputed invoice. Undisputed and unpaid invoice balances are subject to a finance charge of 1.5% per month, or as permitted by law, if lower, plus all expenses of collection. Customer is responsible for all duties, withholdings, and taxes associated with the Services, other than taxes based on Tonic’s net income. Tonic reserves the right to modify the rates charged for the Services at the end of the Initial Term or then-current Renewal Term, upon 60 days’ prior notice to Customer (which may be sent by email), but Tonic will not increase such rates for the same services by more than 5% per Renewal Term.

**5. TERM AND TERMINATION.**

a. Term. Unless stated to the contrary in the Order Form, this Agreement is for the Contract Period specified in the Order Form, and will be automatically renewed for additional periods of the same duration as the Contract Period (each, a “Renewal Term” and with the Contract Period, the “Term”), unless either party notifies the other party in writing, which may be via email, of its intention not to renew, at least 30 days prior to the end of the then-current term or this Agreement is otherwise terminated in accordance with Section 5(b). If either party notifies the other of its intention not to renew, the Agreement will continue nonetheless until the expiration of all Order Forms fully executed as of the non-renewal notice date.

b. Termination for Cause. Either party may terminate this Agreement if the other party materially breaches this Agreement and does not cure such breach to the reasonable satisfaction of the non-breaching party within 30 days of written notice of the breach. Either party may terminate immediately on written notice if the other party becomes insolvent, is dissolved or liquidated (except for reorganization), makes a general assignment for the benefit of its creditors, files or has filed against it a petition for bankruptcy, or has a receiver appointed for a substantial part of its assets.

**6. CONFIDENTIAL INFORMATION.** Each party (the “Receiving Party”) understands that the other party (the “Disclosing Party”) has disclosed or may disclose business, technical, or financial information relating to the Disclosing Party’s business (the “Confidential Information”). Confidential Information of Tonic includes non-public information regarding features, functionality, and performance of the Services, as well as all pricing information relating to the Services. Confidential Information of Customer includes any content, materials, data, and information that Customer uses in its application of the Software, including but not limited to all source data from Customer databases, and all results, information, and materials developed and/or obtained by Customer relating thereto (collectively, the “Customer Data”). Customer will have sole responsibility for the supervision, management, and control of its use of the Customer Data. The Receiving Party will: (i) take reasonable precautions to protect all Confidential Information, and (ii) not use (except as expressly permitted herein) or divulge it to any third party. Except with respect to Customer Data (which will never be disclosed, except as set forth below), the Disclosing Party agrees that the foregoing will not apply 3 years after disclosure or if the Receiving Party can document that the information (a) is or has become generally available to the public; (b) was in its possession or known by it, prior to receipt from the Disclosing Party; (c) was rightfully disclosed to it by a third party; or (d) was independently developed without use of any Confidential Information of the Disclosing Party. Despite the foregoing, the Receiving Party may disclose the Disclosing Party’s Confidential Information to the extent required by law or regulatory or judicial order, provided that the Receiving Party will promptly notify the Disclosing Party and will cooperate, at the Disclosing Party’s sole expense, in any efforts of the Disclosing Party seeking relief from such order. For the avoidance of doubt, Tonic will have no access to any Customer Data unless expressly authorized in writing by Customer, which may be via email.

**7. INSURANCE.** Tonic will maintain a valid policy of workers’ compensation insurance for protection against any injuries suffered by Tonic’s agents, employees, or contractors while performing its obligations hereunder, and commercial general liability insurance for protection against any personal property damage or liability suffered by Customer or any third party as a result of any act or omission of Tonic or its agents, employees, or contractors. Tonic will provide Customer with evidence of such insurance coverage, upon reasonable written request.

**8. INDEMNITIES.**

a. Tonic. Tonic will indemnify, defend, and hold harmless Customer, and its parents, subsidiaries, affiliates, officers, directors, and employees, from all losses, liabilities, costs, damages, penalties, fines, and expenses, including reasonable attorneys' fees (collectively, “Losses”) arising from any third-party claims, demands, threats, suits, or proceedings (each, a “Claim”) arising from any alleged breach by Tonic of Section 3 (Compliance with Applicable Laws), or from any allegation that the Software or Services infringe, violate, or misappropriate the intellectual property rights of any third party.

b. Customer. Customer will indemnify, defend, and hold Tonic and its parents, subsidiaries, affiliates, officers, directors, and employees harmless from all Losses arising from any act or omission of Customer in breach of this Agreement including, but not limited to, any violation of any Applicable Law in its use of the Services.

c. Process. If any Claim is asserted, the party seeking indemnification will promptly notify the indemnifying party of all material details of such Claim known to it. The party seeking indemnification will cooperate with the indemnifying party in the defense of the Claim, and will not compromise or otherwise settle any such Claim without the indemnifying party’s prior written consent.

**9. WARRANTIES.** Each party represents and warrants that it has the power and authority to enter into and fully perform its obligations under this Agreement. Customer represents and warrants that it will use the Services only in compliance with such standard written policies of Tonic that it will make available to Customer (provided however that Tonic may not update or amend those policies in a manner that would or would reasonably be likely to diminish the functionality or features of the Software) and with all Applicable Laws. Tonic represents and warrants that it will use reasonable efforts consistent with prevailing industry standards to minimize errors and interruptions in the Services. Services may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance, or due to other causes beyond Tonic’s reasonable control; Tonic will use commercially reasonable efforts to provide advance notice in writing or by email of any scheduled service disruption.

**10. DISCLAIMERS OF WARRANTIES.** EXCEPT AS EXPRESSLY STATED HEREIN, AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, TONIC MAKES NO, AND HEREBY DISCLAIMS, ANY REPRESENTATION, WARRANTY, OR GUARANTY, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE SERVICES.

**11. LIMITATION OF LIABILITY.** EXCEPT WITH RESPECT TO (i) FEES PAYABLE UNDER SECTION 4, (ii) BREACH OF SECTION 6 (CONFIDENTIAL INFORMATION) (iii) INDEMNIFIED CLAIMS UNDER SECTION 8, AND (iv) INFRINGEMENT OF A PARTY’S INTELLECTUAL PROPERTY RIGHTS, NEITHER PARTY OR ITS OFFICERS, AFFILIATES, REPRESENTATIVES, SUPPLIERS, CONTRACTORS, OR EMPLOYEES WILL BE LIABLE UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR OTHER THEORY FOR (i) ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, OR (ii) ANY AMOUNTS THAT IN THE AGGREGATE EXCEED THE FEES PAID BY CUSTOMER TO TONIC FOR THE SERVICES UNDER THE APPLICABLE ORDER FORM IN THE 12 MONTHS PRECEDING THE ACT GIVING RISE TO THE LIABILITY. IN NO EVENT WILL EITHER PARTY BE DIRECTLY LIABLE TO THE OTHER PARTY FOR ANY PUNITIVE OR EXEMPLARY DAMAGES.

**12. GENERAL.** Tonic is and will remain an independent contractor. Nothing in this Agreement will be construed to create an employer/employee, joint venture, agency, or partnership relationship between the parties. Neither party may assign or otherwise transfer its rights under this Agreement without the prior written consent of the other party (which may be given via email), provided however that either party may assign this Agreement with written notice (which may be given via email) to any Affiliate or to its successor by way of a merger, sale, or acquisition of the party, or a sale of substantially all of its assets relating to this Agreement. Neither party will issue any press release or other publicity without the prior written consent of the other (which may be given via email), provided however that Tonic will be permitted to use Customer’s name and/or logo in its list of current customers used for marketing purposes. If any provision of this Agreement is found to be unenforceable or invalid, that provision will be limited to the minimum extent necessary. This Agreement, with any Order Form effective on or after the Effective Date, is the complete and exclusive statement of the mutual understanding of the parties, superseding and canceling all previous written and oral agreements, communications, and other understandings relating hereto. Any waiver of any provision of this Agreement and any modification of any term in this Agreement or any Order Form must be in a writing signed by both parties. This Agreement will be governed by the laws of California, excluding any conflict of laws principle that would require the application of the laws of another jurisdiction. Each party irrevocably submits to the personal jurisdiction of the courts located in San Francisco County, California, which it agrees will have exclusive jurisdiction over this Agreement and the parties; venue will be proper in any such court. Upon termination or expiration of this Agreement, Sections 2, 4 (as to unpaid amounts), 6, and Sections 8 through this Section 12 will survive. If there is any dispute under this Agreement, the parties will work in good faith, for a period of no less than 30 days from the date of written notice of the dispute, to resolve the matter informally, before initiating any formal proceeding. All notices will be in writing and addressed as stated below, and will be deemed given upon actual receipt, or when receipt is electronically confirmed, when sent by email. Notices to Tonic will be addressed, “Attn: Legal Dept.”.

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| **TonicAI, Inc.** | | **[Customer]** | |  |
| By |  | | By |  |
| Name |  | | Name |  |
| Title |  | | Title |  |
| Date |  | | Date |  |
| Address |  | | Address |  |
|  |  | |  |  |
| Email for Notices | notices@tonic.ai | | Email for Notices |  |