

**Between:**

Fourth Coffee ("Customer")

And:

Contoso Solutions Inc. ("Vendor")

**Effective Date:** March 5, 2024

**Contract Number:** FC2024-002

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## 1. Scope of Services

Contoso Solutions Inc. agrees to provide the following services to Fourth Coffee:

- Implementation of AI-Powered Customer Engagement Platform using Copilot Studio & Azure AI.
  - Integration with Fourth Coffee's existing e-commerce and CRM systems.
  - Ongoing support and maintenance for 12 months.
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## 2. Payment Terms

**Total Contract Value:** \$180,000

**Payment Schedule:**

- 40% upfront upon signing (\$72,000)
- 30% upon completion of AI system deployment (\$54,000)
- 30% upon final project approval (\$54,000)

Payments are due **net 30 days** from the invoice date.

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## 3. Service Level Agreement (SLA)

**Uptime Guarantee:** 99.5% availability for AI services.

**Support Response Times:**

- **Critical Issues:** Response within 2 hours.
- **Major Issues:** Response within 6 hours.
- **Minor Issues:** Response within 24 hours.

**Escalation Procedure:** Issues unresolved within 48 hours will be escalated to Contoso's Senior Support Team.

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#### 4. Data Privacy & Compliance

- Fourth Coffee retains full ownership of all customer interaction data processed through the AI system.
  - Vendor agrees to comply with GDPR and CCPA regulations regarding data protection.
  - Data will be stored securely in **Microsoft Azure Datacenters (North America Region)**.
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#### 5. Contract Term & Renewal

- **Initial Term:** 12 months (**March 15, 2024 – March 14, 2025**).
  - **Renewal:** Auto-renewal for an additional 12 months unless terminated with 30 days' written notice before expiration.
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#### 6. Termination Clause

Either party may terminate this agreement if:

- The other party breaches contract terms and fails to resolve within 30 days of notice.
  - Fourth Coffee decides to discontinue AI services, with a **60-day termination notice**.
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#### 7. Governing Law

This contract shall be governed by and construed in accordance with the **laws of Washington State, USA**.

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**Signatures:**

**Fourth Coffee**

Name: Sarah Lee

Title: Director of Customer Experience

Date: March 5, 2024

**Contoso Solutions Inc.**

Name: John Smith

Title: Director of AI Solutions

Date: March 5, 2024