

## Services Agreement

This Services Agreement (hereinafter referred to as "Agreement") is entered into on this \_\_\_\_\_.

### By and Between:

\_\_\_\_\_ is an organization, duly incorporated under the laws of \_\_\_\_\_, and having its regular place of business at \_\_\_\_\_ (Hereinafter referred to as "Client", which expression shall include its receivers, executors and permitted assigns);

And

**Aan Systems, INC.** is a corporation duly incorporated under the laws of the state of Texas, having its place of business at **619 Deforest CT., Dallas, TX-75019** (Hereinafter referred to as 'AAN'), which expression shall include its receivers, executors and permitted assigns)

### 1. SERVICES

During the Term of this Agreement, AAN agrees to provide services stated in Annexure-A as per the milestones provided for therein. Any work to be performed beyond the said scope shall amount to a change request, and shall be charged at \_\_\_\_\_ per Hour. Further, the services contained Annexure-A is a high-level understanding between the parties. During the performance of the project, if the parties are of the opinion that due to an increase in the envisaged scope, additional efforts will be required by AAN, the prices will be mutually revised.

### 2. CONTRACT PRICE AND INVOICING

2.1. This is a Fixed Price project and the Client shall pay an aggregate amount of \_\_\_\_\_ to AAN as per the schedule provided hereunder: -

Sr. No.	Milestones	Total Amount	Offered discount	Amount Payable
1.				

AAN shall raise invoices on the completion of the abovementioned milestones. However, an estimation for the task/CR will be provided by AAN and work will only begin after a written approval is obtained by the client.

Change Requests	Hourly Rate
Any work, which is to be performed beyond the agreed scope, shall amount to a change request. Any modifications and Change Requests and new tasks will be billed separately on a specific rate	

- 2.2. AAN shall receive payment against each invoice within seven days of receipt of the invoice. That AAN may elect to further grant a grace period upto seven days to Client for making the requisite payments. However, any delay beyond the said tenure of 14 days shall attract interest at the rate of 2% p.m. or part thereof;
- 2.3. That in case AAN is performing services for the Client's End Client, it is categorically understood between both the parties that the receipt of payments from the End Client to the Client shall not be a precondition to their making payments to AAN. The client will continue making payments as per the schedule contained in this Agreement, under all circumstances;
- 2.4. The scope of work contained in a statement of Work for a Fixed Price project may be a high level understanding between the parties. During the performance of the project, if the parties are of the opinion that due to an increase in the envisaged scope, additional efforts will be required by AAN, the prices will be mutually revised;
- 2.5. If Client fails to make any payment to AAN for a period exceeding two weeks from the due dates as stated in Clauses 2.2, the same will be deemed to be a material breach of this Agreement;
- 2.6. All payments shall be made by the Client by Wire transfer to AAN. Costs of the wire transfer shall be borne by the Client

### **3. AAN'S REPRESENTATIONS AND WARRANTIES**

- 3.1. AAN represents that they shall provide services in accordance with the requirements of the Client or the Client's End Clients;
- 3.2. AAN further represents that it shall not infringe upon the Intellectual Property of any third party while providing services to Client, and in case of a breach, it shall hold Client harmless from any claims or action taken by such third party;
- 3.3. AAN represents that all requirements shall be kept confidential and they shall be disclosed only to those employees/personnel/consultants/contractors who have a need to know the same to perform services for Client;
- 3.4. If the Client has provided test cases/scripts to AAN, they shall ensure that the deliverables pass the said tests. AAN does not warrant the compliance of the services provided by them with any law, regulation, rule, bye law, statute, or any other prescribed parameters laid down by the law.

### **4. CLIENT'S REPRESENTATION AND WARRANTIES**

- 4.1. Client represents and warrants that the execution of this Agreement is within the scope of applicable laws, regulations and its organizational documents and is not contrary to any contract, direction, regulation or restriction that Client is subject to;
- 4.2. Client hereby represents and warrants that in execution of this Agreement and engaging the services of AAN, for the Term of this Agreement shall, they shall remain sufficiently entitled to pass on third-party and/or Client information (proprietary or otherwise) to AAN, necessary for due execution and performance of the obligations under this Agreement;
- 4.3. Client warrants that it shall make available to AAN, in a timely manner, all technical data, measurements, or other information and resources reasonably required by AAN for the performance of services. That in case of a failure by Client to abide by the present clause affects the work of AAN or their Personnel; then they shall not be held responsible for any delay or deficiency in services, whatsoever;
- 4.4. The Client shall revert to AAN with regards to their approval or their request to make changes (within the scope awarded to AAN) to the said Deliverable within a period of 7 days from the receipt of the same. Non-communication by Client within that tenure shall be deemed to be their acceptance of AAN's Deliverables;
- 4.5. The Client shall execute all valid and requisite contracts with their End Clients and shall hold AAN indemnified against any issues/disputes/claims arising out of such Contracts.

## **5. TERM AND TERMINATION**

- 5.1. This Agreement shall expire after both the parties have completely discharged their contractual obligations as stated in this Agreement;
- 5.2. This Agreement may be terminated by either party on the following grounds:
- (a) Either party may terminate this Agreement without cause after providing 15 days' prior notice to the other party;
  - (b) Either party may terminate this Agreement if the other is in breach of this Agreement and after written notice of said material breach, fails to correct the breach within seven (7) days;
- 5.3. Termination of this Agreement shall not prejudice rights that may have accrued prior to the date of such termination, including AAN's rights payments for services provided prior to the date of termination.

## **6. INDEMNIFICATION**

- 6.1. To the extent permitted by law, AAN will defend, indemnify, and hold Client harmless from all claims, losses, and liabilities to the extent caused by their breach. However, the said indemnity Clause shall only operate when the default can be attributed wholly and solely to AAN, and not in any other manner otherwise, whatsoever. That the present Clause does not apply to the breaches arising from the Performance of services by AAN for Client. AAN's liability arising from a breach while performing services has been envisaged in Clause 6.5 herein below;
- 6.2. That, however, at no point in time shall AAN's liability, exceed the amount of payments received from Client as on the date of such breach;
- 6.3. To the extent permitted by law, Client will defend, indemnify, and hold AAN harmless and indemnified to the extent caused by their breach of this Agreement; their failure to discharge duties set forth in Clause 4, or the negligence, gross negligence, or willful misconduct of their officers, employees, or authorized representatives in the discharge of those duties and responsibilities;
- 6.4. Neither party shall be liable for or be required to indemnify the other party for any incidental, consequential, exemplary, special, punitive, or lost profit damages that arise in connection with this Agreement, regardless of the form of action (whether in contract, tort, negligence, strict liability, or otherwise) and regardless of how characterized;
- 6.5. That it is an implied term of this Agreement that in case of any deficiency or error by AAN while providing services for Client, or any error or defect in any Deliverable, the Client shall inform AAN of the same within a period of 15 days from date of delivery by AAN. Thereafter, AAN shall use commercially reasonable efforts to correct such error or re-perform such Services at no cost to Client. Client acknowledges that its sole and exclusive remedy, and AAN's sole and exclusive liability, for any defect or error in the performance of Services or in any Deliverable shall be correction, re-performance or substitution of such Deliverable/services by AAN and that for any negligence, breach, misconduct, or any incidental, consequential, exemplary, special, punitive, or lost profit damages caused due to the same, Client shall not hold AAN liable;
- 6.6. The provisions in paragraphs 6.1 through 6.5 of this Agreement constitute the complete agreement between the parties with respect to indemnification, and each party waives its right to assert any common-law indemnification or contribution claim against the other party.

## 7. INTELLECTUAL PROPERTY RIGHTS

- 7.1. If services are classified as "Works for Hire" in Annexure-A, then AAN agrees to assign to Client and/or their clients, AAN's right, title and interest including, but not limited to, the right to secure copyright, patent or trademark protection, in all concept, ideas, materials, proposals, prototypes, advertising and promotional material, copy, graphics, themes, strategies, inventions, computer software programs, files, specifications, code, scripts and any documentation related thereto, and all other deliverables which are produced pursuant to this Agreement by AAN for Client;
- 7.2. That AAN's obligations shall be subject to timely payments by Client. Works for Hire that are created shall be assigned to Client in direct proportion to the aggregate payments received by AAN from Client;
- 7.3. Notwithstanding anything contained in this Agreement, it is expressly understood by and between the parties that, any concept, ideas, materials, proposals, prototypes, advertising and promotional material, copy, graphics, themes, strategies, inventions, computer software programs, files, specifications, code, scripts and any documentation related thereto, which is the Intellectual Property of AAN and which was used, for due performance of services for Client, shall continue to remain the Intellectual Property of AAN and Client shall not ever claim any proprietary rights, in respect of the same.
- 7.4. It is categorically understood between both the parties that an intellectual property or deliverables created by AAN for the Client may be deleted by AAN after one year from the completion of the work. Should the Client desire that AAN retain/store such intellectual property or deliverables beyond that period, then the same shall be stated in Annexure-A and additional data storage charges may be charged by AAN for the same.

## 8. DISPUTE RESOLUTION

- 8.1. In the event, a dispute arises in connection with the validity, interpretation or implementation of this Agreement the Parties shall attempt in the first instance to resolve such dispute through friendly consultations. If the Parties fail to resolve the dispute(s) through friendly consultations within thirty (30) days after the commencement of discussions, either Party may submit the dispute for its resolution to the Mumbai Center for International Arbitration at Mumbai, pursuant to its Arbitration rules. The Arbitration shall take place in Mumbai and the proceedings shall be conducted in English language. The award of the Arbitrator shall be final and binding on the Parties;
- 8.2. That both parties shall mutually bear the cost of the Arbitration proceedings, however the sole arbitrator may, in his sole discretion, award the costs of the arbitration proceedings to the prevailing party.

## 9. GENERAL

- 9.1. **Entire Agreement.** This Agreement and the other agreements referred to herein set forth the entire understanding of the parties relating to the subject matter hereof and supersede all prior agreements and understandings, whether oral or written. This Agreement shall not be modified, amended or terminated except by written agreement of the parties.
- 9.2. **Severability.** Each part of this Agreement is severable from the others and in the event that any part of this Agreement becomes unenforceable for any reason whatsoever, the remaining agreement shall continue to be enforceable devoid of the unenforceable part. In such an event, that is, if any part of the agreement becomes unenforceable, the party shall endeavor to enter into such modified/ fresh terms, to the extent possible, as would reflect the intention of the parties contained in the unenforceable provisions and which would be legally valid and binding;

- 9.3. **Notice.** Each notice required or permitted hereunder shall be given via email at the following email addresses: - (i) If for AAN-[adi@aansystems.com](mailto:adi@aansystems.com); (ii) If for the Client \_\_\_\_\_;
- 9.4. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
- 9.5. **Non-solicitation:** During the Term of this Agreement and for a period of two (2) years from the termination/ expiry of this Agreement, neither Party will employ or offer employment or otherwise solicit for employment, whether for itself or for any other person, any Employee of the other, its parent corporation, if any, or any affiliate of the other.
- 9.6. **Force Majeure:** Neither party to this Agreement shall be liable for failure to perform or delay in performance of any of its obligations under this Agreement (except payment of amounts already due and owing) where such failure or delay results from military operation, national emergency, civil commotion, or utility, or the order, requisition, request or recommendation of any government agency or acting government authority, or any party's compliance therewith, or government probation, regulation, or priority, or any change in laws or regulations which prevent any party from providing services required by this Agreement, or any other cause beyond any party's reasonable control whether similar or dissimilar to the foregoing causes.

**Duly signed by both the parties hereunder: -**

<b>Signature:</b>	<b>Aan Systems, INC.</b> <b>Signature:</b>
<b>Elijah Gartin</b> Chief Executive Officer	
	<b>Aan Systems, INC.</b>
<b>Date:</b>	<b>Date:</b>

## ANNEXURE-A

Project Details.