



# **MASTER SERVICES AGREEMENT**

		Services Agreement (hereinafter referred to as "Agreement") is entered into on		
this _		The commencement date of this Agreement is		
By ar	nd Betw	veen:		
		, a, duly incorporated under the laws of, and having		
		lace of business at (Hereinafter referred to		
as "C	lient",	which expression shall include its receivers, executors and permitted assigns);		
And				
havin	g its pla	s, INC., a corporation duly incorporated under the laws of the STATE OF TEXAS, ace of business at 619 Deforest CT., Coppell, TX-75019 (Hereinafter referred to as which expression shall include its receivers, executors and permitted assigns)		
1.	SERV	/ICES		
1.1.	During the Term of this Agreement, Vendor agrees to provide certain services for the Client or the Client's End Clients, as the case may be, subject to execution of specific Statements of Work. The services inter alia are stipulated hereunder: -			
	(a)	Technology Services		
	(b)	Business Process Outsourcing Services.		
	(c)	Fixed bid Software Development services;		
	(d)	Provision of resources on a Time and Material basis;		
	(e)	Provision of resources on a Dedicated Team Model (DTM) basis;		
	(f)	Provision of Support and Maintenance Services;		
1.2.	Each Statement of Work (even via electronic mail) shall incorporate all the terms and provisions of this Agreement, unless any term or condition to the contrary is mutually inserted in such Statement of Work. The terms and provisions of each Statement of Work shall be considered a part of this Agreement and shall be final, binding and conclusive on both parties;			
1.3.	Each Statement of Work shall contain all the relevant information with regards to the project, including without limitation information with regards to the project scope, the scope of work, the skillset requirement, the duration of the project, the working schedule, communication details, details of the Special Point of Contact, project related			

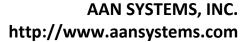
roles and responsibilities of parties, the pricing and commercials, payment terms and



- method, project related roles and responsibilities, holiday lists, and all other details that are relevant to the project.
- 1.4. Each Statement of Work shall be independent and distinct from each other, and the provisions of one Statement of Work shall not affect the performance of services under any other Statement of Work;
- 1.5. If the project in a SoW is a Time and Material contract, a premium rate of 1.5 times the regular rate shall be charged if a resource was required to work on a weekend or a holiday as per Vendor's holiday policy. If the project in a SoW is a DTM project, the monthly rate provided in the SoW shall be based on 168 hours per month calculated on an annual average basis. With regards to DTM (Client Directed) projects, resources shall also be entitled to one leave days a month, and holidays as per Vendor's holiday policy, without deduction in payments. A list of such holidays shall be provided by Vendor upon the execution of this Agreement, which shall not exceed more than 10 days holidays a month;
- 1.6. If the project in a SoW is a fixed price project, unless otherwise stated elsewhere in the SoW, free support shall be provided for four weeks from date of installation/acceptance whichever is earlier. This free support covers only fixing of bugs/errors occurred due to services provided by Vendor. During this period Vendor would provide free of cost rectifications. For bug fixing during the free support period, Vendor would acknowledge the bug reported by Client within 24 hours. Modification request or error caused due to third-party product/ application/services after installation would be charged extra as per estimation.

## 2. **CONTRACT PRICE AND INVOICING**

- 2.1. The consideration payable by Client to Vendor for performing services under any Statement of Work and other details relevant to pricing and invoicing shall be clearly specified in each Statement of Work;
- 2.2. Vendor shall raise its invoices on a monthly basis (or as stated in the respective Statement of Work) for the work done during the previous month. Vendor shall support such invoices with relevant time sheets/log books/ records of the progress of work for deliverables etc.;
- 2.3. Vendor shall receive payment against each invoice within 30 days of receipt of the invoice. That Vendor may elect to further grant a grace period up to 15 days to Client for making the requisite payments. However, any delay beyond the said tenure of 45 days shall attract interest at the rate of 2% p.m. or part thereof. In case the client needs more information on an invoice or disputes part of the outstanding bill, payments, except the disputed amount, will be settled within the stipulated period of 45 days to avoid interest charges. Such disputed amount will be resolved between the parties before the next





- billing cycle and will be paid along with the subsequent month's invoice with no penal interest.
- 2.4. That in case the Vendor 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 Vendor. Client will continue making payments as per the time schedules stated in the Agreement or the relevant Statements of Work at all times, under all circumstances.
- 2.5. That if Client fails to make any payment to Vendor for a period exceeding 4 weeks from the due dates as stated in Clauses 2.3 and 2.5, the same will be deemed to be a material breach of this Agreement;
- 2.6. All payments shall be made by the Client by bank transfer to the Vendor.
- 2.7. Remittance charges if any will be borne by the client. Payments shall not be liable to any set-off or deductions except for deductions required to be made under the law, for which Client shall provide Vendor records, receipts, and certificates to Vendor;
- 2.8. Pursuant to a Statement of Work, if the Vendor's personnel have to be deputed outside the Vendor's premises, the Client shall be responsible for their travel, per diem charges and business expenses on actual basis. However, if a Statement of Work provides otherwise, then the provisions of the Statement of Work will supersede the present Clause.

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

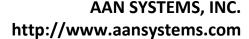
- 3.1. Vendor undertakes to provide services in accordance with the requirements of the Client or the Client's End Clients;
- 3.2. Vendor represents and warrants that the Personnel and consultants providing services have adequate expertise to provide services required for completion of projects specified in the Statements of Work and in accordance with the standards of good professional practice;
- 3.3. Vendor further represents and warrants that it and its consultants are under no restriction, contractually or otherwise, to any present or former broker, client, employer, associate, partnership, corporation, business entity, or persons which would prevent or restrict them in any manner whatsoever from performing under this Agreement or any Statement of Work;
- 3.4. Neither Vendor nor its consultants have the right or ability to bind Client to any obligations with a third party without Client's express written permission.
- 3.5. If relevant to the Statement of Work, Vendor shall strive to adhere to all milestones contained in such Statements of Work, unless a delay is caused due to extraneous circumstances. Subject to Clause 4.4 and 10.11, a delay to achieve a milestone for a period exceeding 6 weeks from the due date shall be deemed to be a material breach of this Agreement;



- 3.6. Vendor further warrants 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;
- 3.7. Vendor undertakes that all requirements and Statements of Work shall be kept confidential and they shall be disclosed only to those employees/personnel/consultants/contractors who need to know the same to perform services for Client;
- 3.8. Vendor agrees that Client can use its reference projects to get new business. Client agrees that Vendor's reference projects will only be used if the project is to be executed through Vendor in accordance with this Agreement. Such reference projects shall always remain proprietary to the Vendor, and the copyright in such reference projects shall always vest with the Vendor. The Client shall not amend, alter, or make any changes to such reference project;
- 3.9. Vendor further agrees that if required for a particular Statement of Work, the Resources/Personnel working on such project, will maintain log books of the time spent on the project and such log books will be submitted to the Client on a weekly basis;

## 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 Vendor, 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 Vendor, necessary for due execution and performance of the obligations under this Agreement or under the Statements of Work;
- 4.3. Client shall make due payments to Vendor in strict accordance with the schedule stated in the present Agreement and the relevant Statement of Work;
- 4.4. Client warrants that it shall make available to Vendor, promptly, all technical data, measurements, or other information and resources reasonably required by Vendor for the performance of services. That in case a failure by Client to abide by the present clause affects the work of Vendor or their Personnel, then they shall not be held responsible for any delay or deficiency in services, whatsoever;
- 4.5. That if pursuant to the scope of any Statement of Work, Vendor sends a Deliverable to Client; they shall revert to Vendor with regards to their approval or their request to make changes to the said Deliverable within 14 days from the receipt of the same. That non-communication by Client within that tenure shall be deemed to be their acceptance of Vendor's Deliverables;





- 4.6. That the Client shall execute all valid and requisite contracts with their End Clients, and shall hold the Vendor indemnified against any issues/disputes/claims arising out of such Contracts;
- 4.7. That a breach of any Clause, through Clause 4.1. to 4.6 shall be construed to be a material breach of this Agreement

#### 5. **TERM AND TERMINATION**

- 5.1. This Agreement becomes effective upon the date last signed by the parties ("execution date") and shall continue for an initial term of 2 year from the execution date;
- 5.2. This Agreement may be terminated by either party on the following grounds:
  - (a) Agreement of the parties in writing;
  - (b) Either party can terminate a SoW, without cause, by giving a 30 days' prior written notice to the other party;
  - (c) If no SoW exists between the parties, then either party may terminate this Agreement by giving 30 days' prior notice to the other party;
  - (d) Either party may terminate this Agreement if the other is in material breach of this Agreement and after written notice of said material breach, fails to correct the breach within fifteen (15) days;
  - (e) This Agreement shall terminate forthwith, at the option of either party by notice in writing to the other party, upon the other party ceasing to carry on its business or in the event the other party becomes the subject of any proceedings applicable law for the relief of debtors or otherwise becomes insolvent, bankrupt, or makes an assignment for the benefit of creditors, or upon the appointment of a receiver for the other party, or its reorganization for the benefit of creditors;
  - (f) In case there is a dispute between the parties, either party shall inform the other party of such dispute in writing. Both parties shall endeavor to solve such dispute amicably within 30 days from the issuance of such notice. If the parties are not able to solve the said dispute amicably within the said time frame of 30 days, then either party may terminate the Agreement with a 15-day prior written notice.



5.3. Termination of this Agreement shall not prejudice rights that may have accrued before the date of such termination, including Vendor's rights to claim services provided before the date of termination.

#### 6. INTELLECTUAL PROPERTY

- 6.1. If services are classified as "Works for Hire" in a Statement of Work, then the Vendor agrees to assign to Client and/or their clients, Vendor'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 that Statement of Work by Vendor for Client;
- 6.2. That Vendor's obligations under Clause 6.1 shall be subject to timely payments by Client. Works for Hire that are created under any Statement of Work shall be assigned to Client in direct proportion to the aggregate payments received by Vendor from Client for that particular Statement of Work;
- 6.3. 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 Vendor and which was used, for due performance of services for Client, shall continue to remain the Intellectual Property of Vendor and Client shall not ever claim any proprietary rights, in respect of the same.
- 6.4. It is categorically understood between both the parties that an intellectual property or deliverables created by the Vendor for the Client pursuant to a Statement of Work may be deleted by the Vendor after the completion of such Statement of Work within 1 year. Should the Client desire that the Vendor retain/store such intellectual property or deliverables, then the same will be stated in the respective Statement of Work and additional data storage charges may be charged by the Vendor for the same;
- 6.5. Vendor will propose the use of a software component/tool to the client (including the costs, licensing conditions, and any other conditions) before actually using it, and shall use the same only after Client's consent, if for whatever reason, the use of such software component/tool would:
  - require a license to be bought (from either a 3rd party) or
  - limit Client or their End Clients in transferring any rights (as stated in the present Clause) to one or more other parties, or



• Limit Client or their End Clients in licensing to one or more other parties the usage of any of the transferred rights. Vendor will only use it after written approval by Client or client.

#### 7. INDEMNIFICATION

- 7.1. To the extent permitted by law, Vendor 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 the Vendor, 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 the Vendor for Client. Vendor's liability arising from a breach while performing services has been envisaged in Clause 7.5 herein below;
- 7.2. That, however, at no point in time shall Vendor's liability, exceed the amount of payments received from Client as on the date of such breach, pursuant to the Statement of Work to which such breach pertains;
- 7.3. To the extent permitted by law, Client will defend, indemnify, and hold Vendor 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;
- 7.4. 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:
- 7.5. **PERFORMANCE OF SERVICES**. That it is an implied term of this Agreement that for Fixed Price projects, in case of any deficiency or error by Vendor while providing services for Client, or any error or defect in any Deliverable, the Client shall inform the Vendor of the same within a period of 30 days from the date on which a deliverable has been delivered by Vendor. Thereafter, the Vendor 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 Vendor'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 Vendor 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 Vendor liable;
- 7.6. The provisions in paragraphs 7.1 through 7.6 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.

#### 8. COMMUNICATION: -

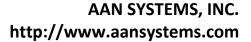
- 8.1. The Vendor will communicate with the Client using the following mode of communication as listed below;
  - Email
  - Skype
  - GoToMeeting
  - VoIP
  - Any other tool identified during finalization of the SOW and mutually agreed.
- 8.2. The Vendor will appoint a Single Point of Contact (SPoC) for all communication between the Vendor and Client. All formal communication should be recorded through formal email so that a proper mail trail is maintained of the tasks expected of the Vendor. The Client shall also attempt to assign a SPoC at their end for all communication with the Vendor.

#### 9. DISPUTE RESOLUTION

- 9.1. Any dispute arising out of this contract shall be resolved by the arbitration of a sole arbitrator, as provided in the present Clause 9;
- 9.2. All disputes shall be referred to the arbitration of a sole arbitrator who shall be appointed by the American Arbitration Association. The arbitration shall be conducted at the American Arbitration Association, and shall be conducted in accordance with its rules and regulations as may be amended from time to time;
- 9.3. The Arbitration shall be in the English language. Both parties shall bear their own costs of arbitration. However, the arbitral tribunal may award costs of the proceedings to the prevailing party.

#### 10. GENERAL

10.1. Relationship: No joint venture, partnership, agency, employment relationship or other joint enterprise is contemplated by this Agreement. No representative of Vendor shall be considered an employee of Client. Vendor shall take all actions and do all things, which are required to ensure that it has complied with all laws while providing services pursuant to this Agreement. In making and performing this Agreement, the parties shall act at all times as independent contractors, and at no time shall either party make any commitments or incur any charges or expenses for or in the name of the other party.





- 10.2. In the event that any irreconcilable difference or inconsistency between the provisions of this Agreement and the provisions of any Statement of Work arises, first precedence shall be granted to the respective Statement of Work;
- 10.3. Use of Client name and Logo: Client grants Vendor the right to feature their name and logo in their client list or other marketing material to showcase their capabilities. However, Vendor shall at no point in time, reveal the intricacies of the services by them to the Client in such material.
- 10.4. <u>Non-waiver</u>. Failure of a party to insist upon the strict and punctual performance of any provision hereof shall neither constitute waiver of nor estoppel against asserting the right to require such performance, and never shall a waiver or estoppel in one instance constitute a waiver or estoppel with respect to a later breach whether of similar nature or otherwise.
- 10.5. <u>Successors</u>. This Agreement shall be binding on the parties their heirs, legal representatives, executors and successors but neither this Agreement nor any rights hereunder shall be assignable by any Party without the prior written consent of the other Party.
- 10.6. <u>Entire Agreement</u>. 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.
- 10.7. **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;
- 10.8. <u>Non-Solicitation.</u> 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.
- 10.9. <u>Notice</u>. Each notice required or permitted hereunder shall be given by registered post acknowledgement due and simultaneously by facsimile or by email at the respective addresses or email addresses provided in signatory details of this Agreement;
- 10.10. <u>Counterparts:</u> 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.



# AAN SYSTEMS, INC. http://www.aansystems.com

10.11. 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: -**

	AAN Systems., Inc. Signature:
Data	Data
Date:	Date: