

Service Agreement

Contract No: contract

Date: July 21, 2021

This Service Agreement ("Agreement") is entered into on this date, July 21, 2021, by and between:

Company: Innovatech Solutions Inc.

Address: 1234 Innovation Drive, Tech City, State 45678

Contact Person: Johnathan Doe, CEO

And

Vendor: Rapid Transit Solutions

Address: 7899 Fleet Street, TransportCity, State 67890

Contact Person: James Wilson, Operations Manager

1. Scope of Work:

Rapid Transit Solutions agrees to provide Innovatech Solutions Inc. with express logistics and supply chain optimization services.

2. Term:

This Agreement shall commence on July 21, 2021 and shall continue in effect until July 21, 2022, unless earlier terminated in accordance with this Agreement.

3. Compensation:

Innovatech Solutions Inc. shall pay Rapid Transit Solutions \$175,000 for the services rendered under this Agreement.

Payment will be made in accordance with the agreed schedule.

4. Performance Metrics:

Vendor's performance will be evaluated based on the following criteria: On-time delivery rate of 99%, cost reduction of 12% across the supply chain, quarterly efficiency reports.. Failure to meet these criteria may result in penalties or contract termination as detailed below.

5. Penalties:

In case of underperformance, as defined by the failure to meet the performance criteria outlined above, the following penalties will apply: A penalty of 12% of total payment for each percentage point below the on-time delivery target..

6. Termination:

Either party may terminate this Agreement with 30 days written notice under the following conditions: Contract can be terminated if on-time delivery falls below 96% for two consecutive quarters.. In the event of termination, Innovatech Solutions Inc. shall pay for all work completed up to the termination date.

7. Renewal Conditions:

This Agreement may be renewed under the following conditions: Automatic renewal with an increase in scope if performance criteria are met consistently..

8. Confidentiality:

Both parties agree to keep all information exchanged confidential and not to disclose it to any third party without prior written consent.

9. Governing Law:

This Agreement shall be governed by and construed in accordance with the laws of the State in which Innovatech Solutions Inc. is headquartered.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Johnathan Doe
CEO, Innovatech Solutions Inc.

James Wilson, Operations Manager
Manager, Rapid Transit Solutions