**Master Services Agreement (MSA)**  
 **Between**: **TechFusion Solutions Pvt. Ltd. ("Service Provider")**  
 **And**: **GreenTech Manufacturing Ltd. ("Client")**  
 **Effective Date**: January 1, 2024  
 **Duration**: Two years (renewable)

### **1. Purpose and Scope**

This Master Services Agreement ("Agreement") governs the terms under which the Service Provider shall provide software development, data integration, infrastructure automation, and post-deployment managed services to the Client. The specific services shall be detailed in Statements of Work (SOW) agreed upon from time to time.

### **2. Term and Termination**

2.1. This Agreement shall remain effective for two (2) years from the Effective Date unless terminated earlier.  
 2.2. Either party may terminate this Agreement for convenience with 60 days’ written notice.  
 2.3. Termination for cause is permitted if either party materially breaches any provision and fails to cure such breach within 15 days of receiving written notice.  
 2.4. Upon termination, the Service Provider shall immediately cease using all Client assets and confidential data and ensure data handover within 10 working days.

### **3. Payment Terms**

3.1. Payment shall be milestone-based and will follow the deliverables and schedule in each SOW.  
 3.2. Invoices must be submitted within 5 business days of milestone completion. Payment shall be due within 30 days of invoice receipt.  
 3.3. Any delays in payment will incur a late fee of 2% per month, compounded monthly.

### **4. Intellectual Property**

4.1. All software code, documentation, and other materials developed exclusively for the Client shall be deemed "Work Product" and shall be the sole and exclusive property of the Client.  
 4.2. The Service Provider may retain ownership of tools, libraries, and frameworks developed independently prior to or outside the scope of this engagement.

### **5. Confidentiality**

5.1. Each party shall maintain in confidence all confidential or proprietary information disclosed during the term of this Agreement.  
 5.2. Confidentiality obligations shall survive the expiration or termination of this Agreement for a period of five (5) years.  
 5.3. The Service Provider shall not store or replicate sensitive production data on any local, personal, or unauthorized systems.

### **6. Security and Compliance**

6.1. The Service Provider agrees to implement reasonable security protocols aligned with ISO 27001 standards.  
 6.2. Access to Client systems shall be through VPN and must use multifactor authentication (MFA).  
 6.3. In the event of a data breach, the Service Provider shall notify the Client within 12 hours and provide a detailed incident report within 48 hours.  
 6.4. The Client reserves the right to audit compliance with security policies quarterly.

### **7. Service Levels (SLA)**

7.1. Application uptime shall be maintained at 99.95% excluding planned maintenance.  
 7.2. Issue classification and response/resolution time:

|  |  |  |  |
| --- | --- | --- | --- |
| **Severity** | **Description** | **Response Time** | **Resolution Time** |
| P1 | Critical system down | 15 min | 4 hours |
| P2 | Major feature affected | 1 hour | 8 hours |
| P3 | Minor issue | 4 hours | 24 hours |

7.3. SLA breaches shall result in service credits as follows:

* 1% credit for each hour of P1 SLA breach beyond resolution time.
* Cap of 10% per month of total invoice.

### **8. Subcontracting**

8.1. The Service Provider may not subcontract or assign any part of the work to a third party without prior written consent.  
 8.2. All approved subcontractors shall be contractually bound to the same confidentiality and compliance obligations.

### **9. Indemnification and Liability**

9.1. Each party shall indemnify and hold harmless the other against claims resulting from its own gross negligence or willful misconduct.  
 9.2. The Service Provider’s liability under this Agreement shall not exceed the fees paid to it under the applicable SOW during the six (6) months preceding the claim.

### **10. Governing Law and Jurisdiction**

10.1. This Agreement shall be governed by and construed in accordance with the laws of the Republic of India.  
 10.2. Any disputes shall be submitted to arbitration in Bangalore under the Arbitration and Conciliation Act, 1996.

### **Annexure A: Sample SOW Template**

Includes the format for defining scope, deliverables, acceptance criteria, resources, timeline, and payment milestones.

### **Annexure B: Risk Management Clause**

* **Known Risks**: Technology stack incompatibility with legacy systems.
* **Mitigation Plan**: Proof-of-concept phase before full rollout.
* **Residual Risk**: Data latency from third-party APIs.

### **Annexure C: Exit Strategy**

* Final deliverable review and acceptance.
* Return of all source code and assets.
* Revocation of access credentials and system audit.