Legal Document

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("Agreement") is entered into on March 10, 2024, between CloudTech Enterprises Inc., a Texas corporation ("Client"), and DigitalSolutions Consulting LLC, a Delaware limited liability company ("Service Provider").

ARTICLE 1 - SERVICES AND DELIVERABLES

1.1 Scope of Services
Service Provider agrees to provide the following professional services ("Services"):
a) Cloud infrastructure migration and optimization
b) Application modernization and containerization
c) DevOps pipeline implementation and automation
d) Security assessment and compliance implementation
e) Staff training and knowledge transfer

1.2 Deliverables
Service Provider shall deliver the following specific deliverables:
a) Cloud migration strategy document within 30 days
b) Migrated production environment within 90 days
c) Automated CI/CD pipeline within 60 days
d) Security compliance report within 45 days
e) Training documentation and sessions within 120 days

1.3 Performance Standards
All Services shall be performed in a professional and workmanlike manner in accordance with industry best practices and standards.

ARTICLE 2 - PAYMENT TERMS AND COMPENSATION

2.1 Total Project Fee
The total fee for the Services shall be $485,000, payable according to the milestone schedule set forth in Exhibit A.

2.2 Payment Schedule
Client shall pay Service Provider as follows:
a) $97,000 upon execution of this Agreement (20%)
b) $97,000 upon completion of migration strategy (20%)
c) $145,500 upon completion of infrastructure migration (30%)
d) $97,000 upon completion of DevOps implementation (20%)
e) $48,500 upon final delivery and acceptance (10%)

2.3 Payment Terms
Invoices shall be paid within thirty (30) days of receipt. Late payments shall incur interest at 1.5% per month or the maximum rate permitted by law, whichever is less.

Legal Document

2.4 Expenses
Client shall reimburse Service Provider for pre-approved reasonable expenses including travel, lodging, and third-party software licenses.

2.5 Additional Services
Any services beyond the scope defined herein shall be subject to a separate written agreement and additional compensation at Service Provider's standard rates.

ARTICLE 3 - TIMELINE AND MILESTONES

3.1 Project Duration
The Services shall commence on April 1, 2024, and shall be completed by October 31, 2024, unless extended by mutual written agreement.

3.2 Critical Milestones
a) Week 4: Infrastructure assessment and migration plan completion
b) Week 8: Development environment migration completion
c) Week 12: Production environment migration completion
d) Week 16: DevOps pipeline implementation completion
e) Week 20: Security compliance and training completion

3.3 Client Cooperation
Client shall provide timely access to systems, personnel, and information necessary for Service Provider to perform the Services.

ARTICLE 4 - INTELLECTUAL PROPERTY AND CONFIDENTIALITY

4.1 Work Product Ownership
All work products, methodologies, and deliverables created specifically for Client under this Agreement shall be owned by Client upon full payment.

4.2 Pre-Existing IP
Service Provider retains ownership of pre-existing methodologies, tools, and general knowledge developed prior to or independently of this Agreement.

4.3 Confidential Information
Both parties acknowledge they may receive confidential information and agree to:
a) Maintain strict confidentiality of all proprietary information
b) Use confidential information solely for purposes of this Agreement
c) Return or destroy confidential information upon termination

4.4 Data Security
Service Provider shall implement appropriate security measures to protect Client's data and comply with applicable data protection regulations.

ARTICLE 5 - WARRANTIES AND REPRESENTATIONS

5.1 Service Provider Warranties

Legal Document

Service Provider warrants that:
a) It has the necessary skills, experience, and resources to perform the Services
b) The Services will be performed in accordance with industry standards
c) The deliverables will be free from material defects for 90 days after delivery
d) It has the right to enter into this Agreement

5.2 Client Warranties
Client warrants that:
a) It has the authority to enter into this Agreement
b) It will provide accurate and complete information necessary for the Services
c) It owns or has rights to all systems and data to be accessed

5.3 Warranty Remedies
For breach of warranty, Service Provider's sole obligation shall be to re-perform the defective Services at no additional cost.

ARTICLE 6 - LIMITATION OF LIABILITY

6.1 Liability Cap
In no event shall either party's total liability under this Agreement exceed the total amount paid or payable under this Agreement.

6.2 Consequential Damages
Neither party shall be liable for indirect, incidental, special, consequential, or punitive damages, including lost profits or business interruption.

6.3 Exceptions
The limitations in this Article shall not apply to:
a) Breach of confidentiality obligations
b) Indemnification obligations
c) Gross negligence or willful misconduct

ARTICLE 7 - TERMINATION

7.1 Termination for Convenience
Either party may terminate this Agreement with thirty (30) days written notice.

7.2 Termination for Cause
Either party may terminate immediately upon written notice if the other party:
a) Materially breaches this Agreement and fails to cure within 15 days
b) Becomes insolvent or files for bankruptcy
c) Ceases to conduct business in the ordinary course

7.3 Effect of Termination
Upon termination:
a) Service Provider shall deliver all completed work products
b) Client shall pay for Services performed through the termination date

Legal Document

c) Both parties shall return confidential information

ARTICLE 8 - INDEMNIFICATION

8.1 Mutual Indemnification
Each party shall indemnify the other against third-party claims arising from:
a) Breach of this Agreement
b) Negligent or willful acts
c) Violation of applicable laws

8.2 IP Indemnification
Service Provider shall indemnify Client against claims that the deliverables infringe third-party intellectual property rights.

ARTICLE 9 - GENERAL PROVISIONS

9.1 Independent Contractor
Service Provider is an independent contractor and not an employee, agent, or partner of Client.

9.2 Governing Law
This Agreement shall be governed by the laws of the State of Texas.

9.3 Dispute Resolution
Any disputes shall be resolved through binding arbitration in Dallas, Texas, under AAA Commercial Arbitration Rules.

9.4 Force Majeure
Neither party shall be liable for delays caused by circumstances beyond their reasonable control.

9.5 Entire Agreement
This Agreement, including all exhibits, constitutes the entire agreement between the parties.

9.6 Amendment
This Agreement may only be modified by written agreement signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CLOUDTECH ENTERPRISES INC.   DIGITALSOLUTIONS CONSULTING LLC

By: _____   By: _____
   Amanda Rodriguez   Thomas Wilson
   Chief Technology Officer   Managing Partner

Date: _____   Date: _____

Legal Document

APPROVED BY:

_____   _____
Maria Santos   Jessica Lee
Chief Financial Officer   Chief Operating Officer
CloudTech Enterprises Inc.   DigitalSolutions Consulting LLC