**GENERAL TERM AGREEMENT**  
  
Effective Date: January 1, 2024  
  
THIS SERVICE AGREEMENT ("Agreement") is made and entered into by and between:  
  
Service Provider:  
Provider Name: ATROPIC Solutions, Inc.  
Address: 123 Innovation Drive, Tech City, TC 45678  
Contact: John Doe, CEO  
Email: john.doe@Atropicsolutions.com  
  
AND  
  
Client Company:

Client Name: West Valley Corp Ltd.  
Address: 987 Enterprise Lane, Business Park, BP 12345  
Contact: Jane Smith, Head of Operations  
Email: jane.smith@westvalley.com  
  
This Service Agreement ("Agreement") is entered into as of January 1, 2024 (the "Effective Date"), by and between WEST VALLEY Corp, a corporation duly organized and existing under the laws of [State], with its principal place of business at [Address] ("Client"), and ATROPIC Solutions, a corporation duly organized and existing under the laws of [State], with its principal place of business at [Address] ("Service Provider").  
  
**1.** **DEFINITIONS AND INTERPRETATIONS**  
  
1.1 "Services" refers to the tasks and activities to be performed by the Service Provider as outlined in the Scope of Services.  
  
1.2 "Deliverables" refers to the specific outputs and products to be delivered to the Client as detailed in the Scope of Services.  
  
1.3 "Confidential Information" shall mean all information, whether written, oral, or electronic, disclosed by one party to the other, designated as confidential, or which should reasonably be understood to be confidential.  
  
1.4 "Term" refers to the period during which this Agreement will be in effect, as stated in Section 9 herein.  
  
1.5 "Party" or “Parties” shall be interpreted as referring to the Client and/or the Service Provider.  
  
**2. SCOPE OF SERVICES**  
2.1 ATROPIC Solutions agrees to provide the following services to WEST VALLEY Corp, as per the timelines and standards established herein:  
  
 (a) Web development, including the design, coding, and deployment of an e-commerce platform, to be completed by April 30, 2024.  
  
 (b) Monthly maintenance services, including updates, security patches, and bug fixing, to be provided from May 1, 2024, until December 31, 2024.  
  
2.2 Responsibilities of WEST VALLEY Corp include:  
  
 (a) Providing ATROPIC Solutions with all necessary data and access to current digital systems;  
  
 (b) Ensuring timely feedback and approval of deliverables as per the agreed timelines.  
  
2.3 Failure to meet these responsibilities by WEST VALLEY Corp may result in delays for which ATROPIC Solutions shall not be held liable.  
  
**3. PAYMENT TERMS AND INVOICING**  
3.1 Service Fees: WEST VALLEY Corp agrees to pay ATROPIC Solutions the total amount of $100,000 for services rendered under this Agreement.  
  
3.2 Payments will be made as follows:  
  
 (a) An initial payment of $25,000 upon signing this Agreement.  
  
 (b) Monthly payments of $10,000 starting February 1, 2024, and continuing on the 1st of every month through December 1, 2024.  
  
3.3 Invoicing: ATROPIC Solutions will issue invoices to WEST VALLEY Corp on the 15th of each month for the services provided in the prior month.  
  
3.4 Late Fees: Any amounts not paid within thirty (30) days of the invoice date will be subject to a late fee of 1.5% per month.  
  
3.5 Payment Adjustments: Any adjustments to the payment rate due to scope changes must be agreed upon in writing by both parties and will be reflected in amended invoices.  
  
**4. CONFIDENTIALITY**

The purpose of this Confidentiality Clause is to establish the terms under which confidential information shared between the parties will be protected. This clause ensures that sensitive, proprietary, or non-public information remains secure and is not disclosed to unauthorized individuals or entities.

**Definitions:**

1. **Confidential Information:** For the purposes of this clause, “Confidential Information” includes but is not limited to business plans, trade secrets, financial data, customer lists, product designs, marketing strategies, technological developments, intellectual property, software, research, employee information, and other proprietary information.
2. **Exclusions from Confidential Information:** Information shall not be considered confidential if:
   * It is or becomes public knowledge through no breach of this Agreement.
   * It was already known to the receiving party before disclosure by the disclosing party.
   * It is independently developed by the receiving party without reference to or use of the disclosing party’s Confidential Information.
   * It is lawfully obtained by the receiving party from a third party without a duty of confidentiality.

**Obligations of the Parties:**

1. **Non-Disclosure:** Each party agrees not to disclose any Confidential Information received from the other party to any third party except as expressly permitted by this Agreement or as required by law.
2. **Use Limitation:** Confidential Information shall be used only for purposes directly related to fulfilling the terms of this contract and shall not be used for any other purpose without the prior written consent of the disclosing party.
3. **Security Measures:** The receiving party agrees to use reasonable security measures to protect the confidentiality of the information, including secure storage, restricted access, and encryption where applicable.
4. **Permitted Disclosures:** Confidential Information may be disclosed to employees, agents, or advisors of the receiving party only if:
   * Such persons have a legitimate need to know the information.
   * Such persons are bound by confidentiality obligations at least as restrictive as those in this clause.

**Duration:**

The confidentiality obligations shall continue for a period of [X] years after the termination or expiration of this Agreement or indefinitely, as stipulated in the contract, if the nature of the Confidential Information requires long-term protection.

**Mandatory Disclosure:**

If the receiving party is legally required to disclose any Confidential Information, it shall:

1. Provide prompt written notice to the disclosing party, if allowed by law.
2. Cooperate with the disclosing party’s efforts to seek a protective order or other legal remedy to prevent or limit disclosure.
3. Only disclose the part of the Confidential Information that is legally required.

**Remedies for Breach:**

The parties agree that any breach of this Confidentiality Clause would result in irreparable harm to the disclosing party and that monetary damages alone may be insufficient. Therefore, the disclosing party may seek injunctive relief in addition to any other remedies available under law or equity.

4.1 Both parties acknowledge that during the performance of this Agreement, they may have access to Confidential Information. The purpose of this Confidentiality Clause is to establish the terms under which confidential information shared between the parties will be protected. This clause ensures that sensitive, proprietary, or non-public information remains secure and is not disclosed to unauthorized individuals or entities.  
  
4.2 Each party agrees to:  
  
 (a) Maintain the confidentiality of the other party’s Confidential Information;  
  
 (b) Only use such Confidential Information for the purposes of performing this Agreement; and  
  
 (c) Not disclose such Confidential Information to any third party without the prior written consent of the disclosing party.  
  
4.3 These confidentiality obligations shall survive the termination or expiration of this Agreement for a period of three (3) years.  
  
**5. Intellectual Property**  
  
5.1 Ownership and Rights. All intellectual property ("IP") created by ATROPIC Solutions pursuant to this Agreement, including but not limited to software, documentation, designs, and inventions, shall be the exclusive property of WEST VALLEY Corp. ATROPIC Solutions hereby assigns all right, title, and interest in and to such IP to WEST VALLEY Corp. ATROPIC Solutions agrees to execute any documents necessary to perfect such assignment.  
  
5.2 Usage Rights. ATROPIC Solutions shall have a non-exclusive, non-transferable license to use the IP created during the term of this Agreement solely for the purpose of performing the Services under this Agreement and for no other purpose.

2.1 Intellectual Property (IP)

IP includes all patents, trademarks, copyrights, trade secrets, and other proprietary rights created, conceived, developed, or reduced to practice in the course of the parties' relationship. This includes but is not limited to:

Inventions, improvements, and designs

Software code, algorithms, and databases

Written materials, documentation, and media content

Brand elements, including names, logos, and slogans

2.2 Background IP

"Background IP" refers to any IP owned, created, or controlled by either party prior to the effective date of this Agreement, as well as IP independently developed by a party without the use of or reference to the other party’s Confidential Information or resources.

2.3 Foreground IP

"Foreground IP" refers to any IP that is created or developed by either party or jointly by both parties specifically for or during the course of this Agreement.

3. Ownership of IP

3.1 Background IP Ownership

Each party retains all rights, title, and interest in its Background IP. No rights to Background IP are transferred or granted under this Agreement except as explicitly stated.

3.2 Foreground IP Ownership

Ownership of Foreground IP shall be determined as follows:

Sole Ownership: If either party independently creates Foreground IP without contributions from the other, the creating party retains sole ownership.

Joint Ownership: If Foreground IP is jointly created by both parties, each party shall have an equal, undivided interest unless otherwise agreed in writing.

3.3 Assignment of Rights

If this Agreement stipulates that one party shall own Foreground IP created by the other party, the creating party agrees to assign all rights, title, and interest in such IP to the other party. All necessary documents to perfect this assignment shall be executed by the creating party upon request.

3.4. License Grants

3.4.1 License to Background IP

Each party grants the other a non-exclusive, royalty-free, non-transferable license to use its Background IP solely for the purpose of fulfilling obligations under this Agreement. This license does not include any rights for resale, sublicensing, or commercial exploitation outside the terms of this Agreement.

3.4.2 License to Foreground IP

If the Foreground IP is jointly owned, each party grants the other a non-exclusive, royalty-free license to use the Foreground IP. For commercial use, both parties must agree in writing to the terms of use, royalties, and revenue sharing.

3.5. Protection of IP

3.5.1 IP Registration and Maintenance

The party owning IP is responsible for any registration, prosecution, or maintenance of that IP, including filing patents or registering copyrights or trademarks as applicable. The parties shall cooperate in good faith to protect jointly owned IP.

3.5.2 Infringement Notification

Each party agrees to promptly notify the other in writing of any suspected infringement of the IP owned or used by the other party. The owner of the IP may, at its discretion, initiate and control enforcement actions, and the other party agrees to provide reasonable assistance, at the owner’s expense.

3.6. Liability and Indemnification  
  
3.6.1 Limitation of Liability. In no event shall either party be liable for any indirect, incidental, special, or consequential damages, including but not limited to loss of profits or revenue, even if advised of the possibility of such damages.  
  
3.6.2 Indemnification. Each party ("Indemnitor") agrees to indemnify, defend, and hold harmless the other party ("Indemnitee"), its officers, directors, employees, and agents from and against any and all claims, liabilities, damages, losses, costs, and expenses (including reasonable attorneys' fees) arising out of or related to: (a) any breach by the Indemnitor of any representation, warranty, or covenant contained in this Agreement; (b) the Indemnitor's gross negligence or willful misconduct; or (c) any infringement or violation of any third party IP rights.  
  
**6. Dispute Resolution**  
6.1 Good Faith Negotiations

In the event of any dispute, controversy, or claim arising out of or relating to this Agreement, including any questions regarding its existence, validity, interpretation, breach, or termination ("Dispute"), the parties agree to first attempt to resolve the Dispute through good faith negotiations. Either party may initiate the negotiation process by providing written notice of the Dispute to the other party. The parties shall meet within [15] days of such notice and use reasonable efforts to resolve the Dispute amicably.

6.2 Mediation

If the Dispute cannot be resolved through good faith negotiations within [30] days after the notice, the parties agree to submit the Dispute to mediation. Mediation will take place in [City, State] or another mutually agreed location. The parties shall jointly select a neutral mediator with expertise in [insert relevant field, e.g., intellectual property, contract law]. The costs of mediation shall be shared equally by the parties. If mediation does not resolve the Dispute within [30] days of commencement, either party may proceed to arbitration as outlined below.

6.3 Arbitration

If the Dispute remains unresolved after mediation, it shall be finally resolved through binding arbitration in accordance with the following provisions:

Arbitration Rules: The arbitration shall be conducted under the rules of the [American Arbitration Association (AAA) / Judicial Arbitration and Mediation Services (JAMS) / other applicable institution], unless otherwise agreed upon by the parties.

Location and Language: The arbitration shall take place in [City, State], and the proceedings shall be conducted in English.

Selection of Arbitrator(s): The arbitration shall be conducted by a single arbitrator, mutually agreed upon by the parties, or, if the parties cannot agree, by an arbitrator appointed under the applicable arbitration rules. The arbitrator shall be an attorney or retired judge with experience in [intellectual property / contract disputes / other relevant field].

Arbitration Costs: Each party shall bear its own legal fees and costs, but the costs of arbitration (e.g., arbitrator’s fees, administrative fees) shall be shared equally, unless otherwise determined by the arbitrator.

Confidentiality: The arbitration and all related proceedings, documentation, and awards shall be kept confidential, except as required by law or to enforce the arbitration award.

6.4 Final and Binding Decision

The decision and award of the arbitrator shall be final, conclusive, and binding upon the parties. The parties agree that the arbitration award may be entered as a judgment in any court having jurisdiction over the parties.

6.5 Equitable Relief

Notwithstanding the foregoing, either party may seek injunctive or equitable relief in any court of competent jurisdiction to protect its intellectual property rights, trade secrets, or confidential information pending resolution of the Dispute through mediation or arbitration.

6.6 Governing Law and Jurisdiction

This Agreement and any Dispute arising under or relating to this Agreement shall be governed by the laws of the State of [State], without regard to its conflict of laws principles. For purposes of enforcing any arbitration award or seeking preliminary relief as allowed in Section 11.5, each party consents to the exclusive jurisdiction of the state and federal courts located in [City, State].

**7. Termination**  
7.1 Termination for Convenience. Either party may terminate this Agreement for any reason upon 30 days written notice to the other party.  
  
7.2 Termination for Cause. Either party may terminate this Agreement immediately upon written notice if the other party: (a) breaches any material term or condition of this Agreement and fails to cure such breach within 15 days after receipt of written notice of the breach; or (b) becomes insolvent, files for bankruptcy, or ceases to do business.  
  
7.3 Consequences of Termination. Upon termination of this Agreement, ATROPIC Solutions shall immediately cease all work and deliver to WEST VALLEY Corp all work in progress, completed work, and any materials or information provided by WEST VALLEY Corp. WEST VALLEY Corp shall pay ATROPIC Solutions for all Services rendered and expenses incurred up to the effective date of termination.

**8. Key Dates and Milestones**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Clause** | **Description** | **Effective Date** | **Expiry Date** | **Payment Terms** | **Penalties** |
| Confidentiality | Both parties agree not to disclose confidential information without written consent. | 2024-01-01 | 2025-01-01 | N/A | Up to $50,000 |
| Termination | Either party may terminate the agreement with 30 days' written notice. | 2024-01-01 | 2025-01-01 | N/A | $10,000 if notice not provided |
| Payment Schedule | Payments to be made quarterly within 15 days of invoice receipt. | 2024-01-01 | 2025-01-01 | Net 15 days | 1.5% interest on late payments |
| Intellectual Property | All IP developed under this contract remains the property of the creator. | 2024-01-01 | 2025-01-01 | N/A | $100,000 for unauthorized use |
| Limitation of Liability | The liability of each party shall not exceed the total contract value. | 2024-01-01 | 2025-01-01 | N/A | Limited to contract value |
| Warranties | The supplier warrants all goods are free from defects for one year from delivery. | 2024-01-01 | 2025-01-01 | N/A | Replacement or repair of goods |
| Dispute Resolution | Any disputes shall be resolved through arbitration as per applicable laws. | 2024-01-01 | 2025-01-01 | N/A | Costs split between both parties |
| Force Majeure | Neither party is liable for delays due to events beyond their control (e.g., natural disasters). | 2024-01-01 | 2025-01-01 | N/A | None |

**9. Eligibility for Rebates/Volume Discounts**

9.1 General Eligibility Requirements

The parties agree that eligibility for rebates or volume discounts will be based on the aggregate volume of [products, licenses, services, etc.] purchased or utilized by West Valley Corp within a specified period. To qualify for these benefits, West Valley Corp must meet the following criteria:

Compliance: Maintain full compliance with the terms and conditions of this Agreement, including but not limited to payment obligations and usage restrictions.

Minimum Purchase Thresholds: Achieve the minimum purchase thresholds, as detailed in Exhibit A, within the applicable billing cycle or annual term to qualify for volume-based pricing or rebate eligibility.

9.2 Volume Discount Tiers and Rates

Volume discounts are structured on a tiered basis, with higher discounts available for increased purchasing volumes. The discount tiers, qualifying purchase volumes, and corresponding discount rates are set forth in Exhibit A. West Valley Corp shall be eligible for a discount rate applicable to the highest tier for which it qualifies within the applicable time period.

9.3 Rebate Structure

If eligible, West Valley Corp may receive a rebate in the form of a credit or refund, as specified in Exhibit B. Rebates are based on total purchases during each quarter or annual period and are calculated as a percentage of the qualifying spend as per the terms in Exhibit B. Any rebate amount earned by West Valley Corp will be applied as a credit toward future purchases or, upon request, refunded at the end of each qualifying period.

9.4 Calculation and Payment of Rebates/Discounts

Calculation: Rebates and volume discounts will be calculated based on the net purchase amount, excluding any taxes, shipping costs, and non-qualifying fees. The total purchase amount will be assessed at the end of each qualifying period (e.g., monthly, quarterly, annually).

Issuance of Rebates/Discounts: Eligible discounts will be applied automatically to the next billing cycle. Rebates will be issued within [30] days following the end of the qualifying period, either as a credit or refund, as specified in Exhibit B.

Adjustment for Returns: If any items are returned, rebates and discounts will be adjusted to reflect the net volume after returns. In the event of excess rebates/discounts issued due to returns, West Valley Corp agrees to reimburse Atropic the excess amount or have the equivalent deducted from future rebates/discounts.

9.5 Loss of Eligibility

West Valley Corp may forfeit eligibility for rebates and volume discounts if it fails to comply with the terms of this Agreement, including timely payments and adherence to purchase thresholds. If eligibility is lost, West Valley Corp will be required to meet eligibility requirements anew to re-qualify for future rebates or discounts.

9.6 Audit Rights

Atropic reserves the right to audit West Valley Corp’s records and accounts related to purchases under this Agreement to verify eligibility for rebates and volume discounts. Such audits shall be conducted with [30] days' written notice, during regular business hours, and no more than once per year, unless discrepancies are found. In cases where ineligible discounts or rebates are identified, West Valley Corp agrees to repay the amount within [30] days of notice.

9.7 Modifications to Rebate/Discount Program

Atropic reserves the right to modify the rebate and volume discount program, including the qualifying criteria and rates, upon [60] days' written notice. Modifications will not affect discounts or rebates earned on purchases made before the effective date of the change.  
  
**10. Forex**

The exchange rate applied to payments under this contract shall be locked at the rate in effect at the time of signing for the first 12 months. An annual review will allow both parties to adjust the rate based on the prevailing market conditions, using the average rate from a trusted financial institution as a reference.  
  
If the exchange rate fluctuates by more than 5% during the review period, an adjustment will be applied to reflect this change. This exchange rate lock minimizes currency risk for both parties and ensures predictable pricing adjustments on an annual basis.  
  
**11. COLA/Inflation Adjustment**

The contract pricing will be reviewed and adjusted annually based on the national Consumer Price Index (CPI). A price increase or decrease will be applied proportionally to reflect changes in the CPI over the previous year, with adjustments capped at 5% per year to prevent significant fluctuations.  
  
Both parties agree to a yearly review meeting to discuss any economic changes that may impact contract pricing. This adjustment ensures fair alignment with inflation trends while capping excessive price changes.  
  
**12. Committal/Non-Committal Contracts**

This Agreement is non-committal, meaning that neither party is obligated to purchase or sell any specific quantity of goods or services. The agreement serves as a framework for future negotiations but does not impose any binding commitment to enter into specific transactions. Either party may choose to enter into individual purchase orders under the terms set forth in this Agreement, but there is no minimum purchase requirement. The agreement may be terminated by either party with 30 days' notice.  
  
This non-committal clause provides flexibility by ensuring that there are no specific purchase obligations while still maintaining a formal framework for negotiations.  
  
**13. Force Majeure**  
Neither party shall be held responsible for failure to perform any obligation under the contract due to unforeseen circumstances or events beyond their control, such as natural disasters, war, or government intervention.  
  
**14. Dispute Resolution**  
In the event of a dispute, both parties agree to first attempt to resolve the issue through mediation. If mediation fails, arbitration will be used to settle the dispute.  
  
**15. Governing Law**  
This contract shall be governed by and construed in accordance with the laws of the state or country where the supplier is based.  
  
**16. Non-Compete**  
The supplier agrees not to engage in any business that directly competes with the buyer's business within a specified time period and geographical location after the contract ends.  
  
**17. Audit Rights**  
The buyer has the right to audit the supplier’s financial records and operations to ensure compliance with the terms and conditions of the contract.  
  
**18. Performance Bonds**  
The supplier agrees to provide a performance bond as security to ensure the fulfillment of all contractual obligations and the payment of any claims resulting from non-performance.  
  
**19. Amendment**  
Any amendments or modifications to this contract must be in writing and signed by authorized representatives of both parties.  
  
  
**20. Miscellaneous**  
  
20.1 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings between the parties, whether written or oral.  
  
20.2 Amendments. This Agreement may only be amended by written agreement signed by both parties.  
  
20.3 Severability. If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.  
  
20.4 Notices. Any notice required or permitted under this Agreement shall be in writing and shall be deemed to have been given when delivered in person, sent by overnight courier, or mailed by certified mail, return receipt requested, to the addresses set forth above.  
  
20.5 Waiver. The waiver by either party of any breach of this Agreement shall not waive any subsequent breach.  
  
20.6 Assignment. Neither party may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other party, except that either party may assign this Agreement in connection with a merger, acquisition, or sale of all or substantially all of its assets.  
  
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.  
  
WEST VALLEY Corp ATROPIC Solutions  
  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Name: [Authorized Signatory] Name: [Authorized Signatory]  
Title: [Title] Title: [Title]  
Date: Date:  
  
\*Exhibit A: Description of Services\*  
- Detailed description of the services to be provided by ATROPIC Solutions.  
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