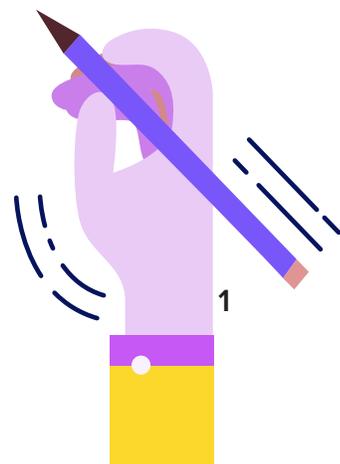
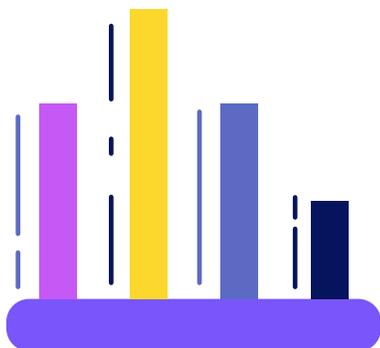
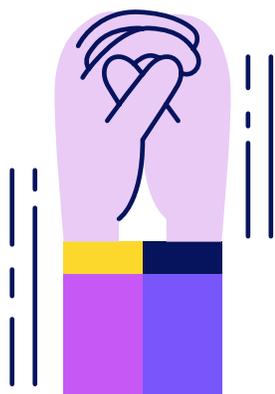
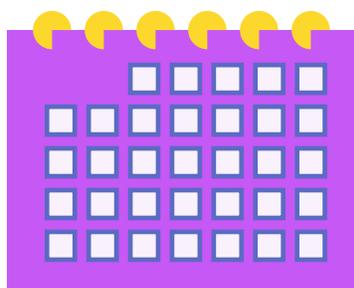
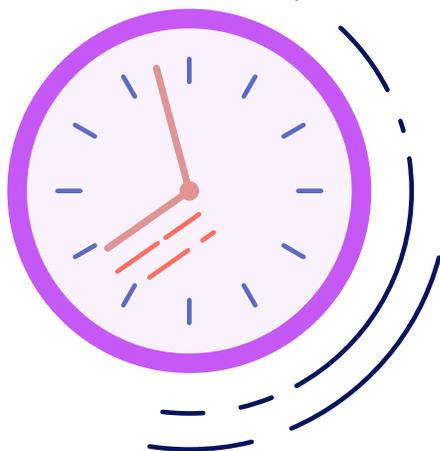
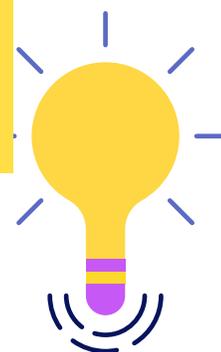
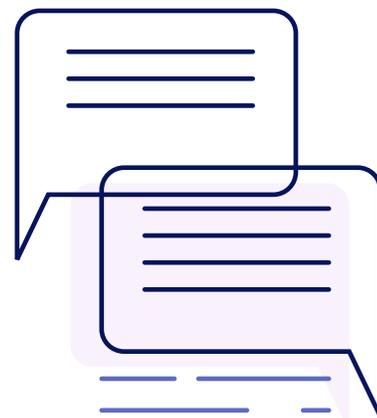
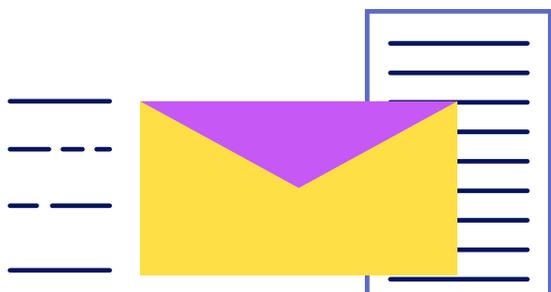


MANAGED SERVICES AGREEMENT TEMPLATE



A managed services agreement template based on an actual, signed agreement and tips on how to pull it all together



As an MSP leader, you have a lot on your plate.

Whether you're working hard on your first managed services agreement, or you're ready to refresh the agreement you have in place, it's hard to know exactly what to cover in a contract.

We've been in your shoes. As former MSP owners, we worked hard to craft an agreement that summarized the responsibilities of both parties, and outlined the services we would provide. But just as important was using our contract as a means of helping our business reach its full growth potential.

The exciting news is that we're taking the guesswork out of agreements for you, because in the pages that follow you'll find a template based on the exact contract that we used in our MSP. You'll be able to take this template, add in your logo, company name, and client's name and change any details as it relates to your business.

NOTE: Before we begin, we've also put together a list of the most important takeaways that you need to know about why this contract works so well for any managed services business.

Let's get started with those takeaways.

5 things to know about Mastering a Managed Services Agreement

1. Your contract should be multi-year

Managed services is a business focused on monthly recurring revenue (MRR) and in order to do it right, it takes a long-term commitment. At our former MSP, Compuquip, we would explain to prospects that a 3-year deal was necessary (required) because, as we explained, “it takes 6 months to get our arms around your network, 12 months to clean it up and optimize it, then 18 months to enjoy the fruits of our labor.”

However, every so often we would have a prospect who didn't want to sign a long-term agreement. And since we didn't want to waiver from the 3-year contract, we had to turn down good business because of a legal technicality.

To help avoid the issue, we introduced a clause that they could cancel their contract with a 6-month notice. It gave the customer reassurance that they weren't locked in forever, and gave us confidence that if we did our job right, we were going to have them around for 3 years. [\[See Appendix C, #4 in the contract\]](#)

NOTE: If you have a customer who balks at the 6-month clause, then change it to 3 months. The reality is that clients would need some time to find a new service provider and make the transition. You never know when you'll have a chance to earn their business again in the future, so don't burn bridges over the termination clause.

2. Automatic renewals should be included in your contract

You'll see in the Term & Termination section that each of our agreements would automatically renew for an additional one-year period on the anniversary of the Effective Date. [\[See Appendix C, #4\]](#)

3. Use a fixed-fee contract

Instead of setting our terms based on user or device count, we loop everything into one fee, which customers love because they only have one set amount to worry about each month. In the notes, we would say, “fees up to X servers, X users, and X locations.” The number would account for a small buffer of growth room, but offer flexibility for us if the client experienced exponential growth. [\[See Schedule C in the contract\]](#)

4. Each contract should include an annual increase

Over a 3-year period of your contract, your expenses will rise, whether that’s due to inflation, salary increases, or other operating costs. So in each of our contracts, we include a note that “fees are subject to an increase of up to X% per year.” We typically start this rate at 5%, but that gives us negotiation room to actually end at a 3% annual increase on each agreement. [\[See Appendix C, #3-B\]](#)

BONUS: As you start building your MRR, this 3% increase is a huge deal - it can easily cover your team’s salary increases!

NOTE: From our experience, less than 10% of our clients even question the annual increase, so give it a shot and you’ll see how easy it is!

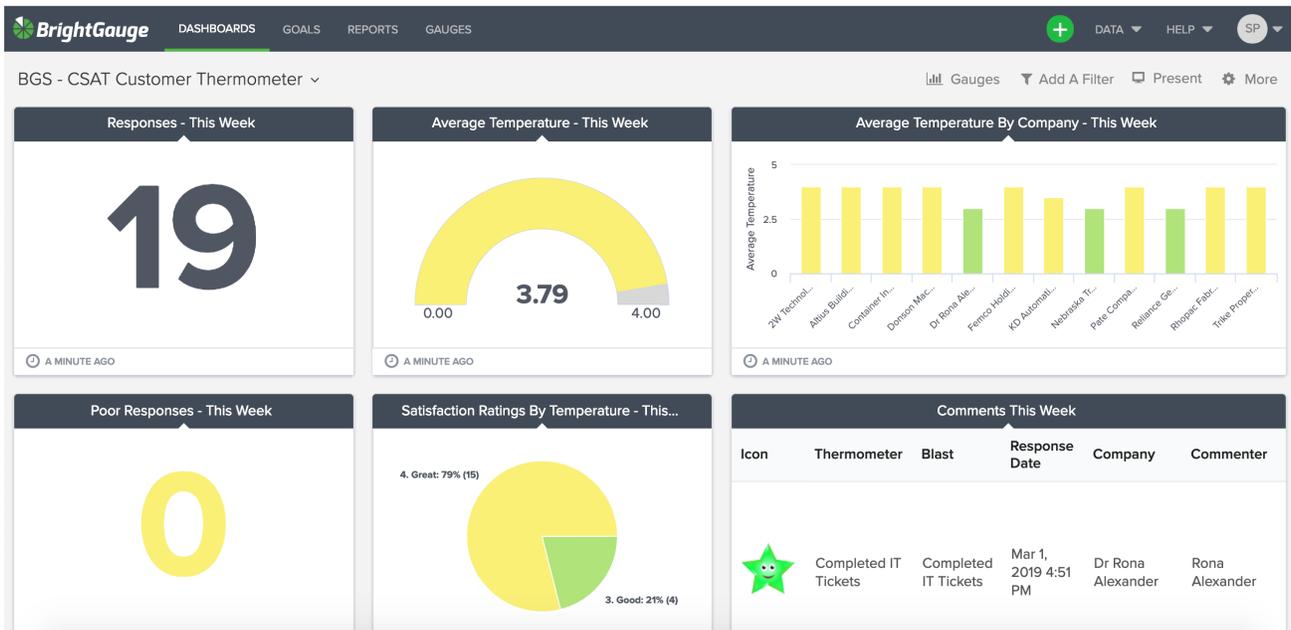
5. Use simple language

Make it easy for people to sign up! Your contract shouldn’t be filled with legal jargon that people can’t understand because those are just hurdles. Instead, make your contract a marketing document: your terms and conditions should easily spell out what is included and covered in the agreement.

TIP: Make sure you specifically explain the value that the client will get, and not the techie speeds and feeds that don’t mean anything to most of the people responsible for signing the contract.

Bonus takeaway:

When it comes to monitoring your contracts, there are 2 dashboard gauges we suggest: **Effective Hourly Rate** (tracks whether you are profitable or not) and **Client Satisfaction** (tracks whether your customers are happy with the service your team is providing).



Up Next: The managed services agreement used in our MSP!

But first, a disclaimer: The agreement that follows is based on the exact version we used in our former MSP, with the client's name now obscured to protect their privacy. Please make sure to update with your pertinent details and to always consult with a professional attorney.

Your Logo Here

Managed IT Services Agreement
[insert date here]
[insert Agreement Number here]

This document, including each of the Appendices, Exhibits and Schedules set forth on the following Table of Contents (collectively, the “Agreement”), is confidential and proprietary property of **COMPANY NAME (“COMPANY NAME”)**, and it shall not be disclosed or duplicated, in whole or in part, without the expressed, prior written consent of **COMPANY NAME**.

FOOTER ON EACH PAGE SHOULD INCLUDE:

MSA NUMBER, COPYRIGHT DATE AND COMPANY NAME, PAGE NUMBER, CLIENT INITIALS ____

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- Company Name Overview.....
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- Schedule A - Service Offering.....
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- Schedule C - Fees.....
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Proposal Overview

CLIENT NAME realized their need to realign their Information Technology (IT) assets, infrastructure, and overall support procedures in order to meet their business needs. As such, **CLIENT NAME** has invited **COMPANY NAME (COMPANY NAME)** to help guide these efforts through its Managed IT Services offering.

In the following sections **COMPANY NAME** proposes a support model that matches with the priorities discussed with **CLIENT NAME** Senior Management. Below is a high level overview of the priorities discussed and **COMPANY NAME's** solution.

Client Priorities	Model Highlights
Increased End User Experience	COMPANY NAME's Support model combines a fully-staffed remote Service Desk with dedicated onsite field support. This allows for full support coverage remotely and consistency in on-site engineers.
Cost Efficient Support Model	COMPANY NAME's proven Support Diamond drives down the cost for support while increasing support coverage. These cost savings are passed to CLIENT NAME within this fixed monthly support cost.
Leveraging IT for Strategic Value	By leveraging an assigned Technical Account Manager that understands CLIENT NAME's business and Subject Matter Experts that understand the technologies available, COMPANY NAME will help transform CLIENT NAME's IT Infrastructure into a business enabler.

COMPANY NAME Overview

COMPANY NAME is one of the region's premier network technology companies, and has remained a technical resource to Florida commercial and government entities for nearly 30 years. With more than 70 full-time employees, including over 30 full-time engineers covering Miami-Dade, Broward, and Palm Beach counties, COMPANY NAME has extensive experience assessing, implementing, and managing the most complex voice and data networks.

In 2001, COMPANY NAME moved into a 12,000 square foot, two-story building in the city of Doral, FL. The facility features a Network Operations Center (NOC) that enables COMPANY NAME to monitor, update, and manage its clients' computer systems. In 2005, COMPANY NAME moved its core IT equipment to a secure datacenter. This redundancy allows COMPANY NAME to remain operational and servicing clients during even the worst storms and disasters.

Throughout its history, COMPANY NAME's team has focused on their clients and staying customer centric rather than vendor, or manufacturer, centric. This has allowed COMPANY NAME to have long standing relationships with its clients, including some that span over 20 years. COMPANY NAME's key to success has always been to stay focused on the client and be flexible to meet the client's ever changing needs.

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Support Model

COMPANY NAME's Managed IT Services sets itself apart due to its transparent support model which encompasses four distinct teams working closely together to support **CLIENT NAME's** technology needs. The team structure ensures Quality Control and Accountability which translates into increased up time and an enhanced end user experience. The **COMPANY NAME** Service Diamond, shown below, is the basis of the support process. More details regarding Service Level Targets can be found in [Appendix A](#).

[Insert Figure of your Support Model]

Support: The Support team is the end user's interface for all services issues, tickets, change management, etc. This team is comprised of Level I & II engineers staffed at **COMPANY NAME's** Service Desk or On-Site Field Services Group.

NOC Services: The NOC Services Team is headquartered in **COMPANY NAME** offices and is solely focused on proactive support and service automation. Responsibilities include monitoring, alerting, trending, and backups.

Integration Services: Primarily comprised of Level III engineers and Subject Matter Experts, the Integration Services team is the highest escalation point for any service requests. This team is also focused on emerging technologies and driving efficiencies through technology enhancements.

Technical Account Manager (TAM): TAMs are responsible for overall technical success of the **COMPANY NAME** and **CLIENT NAME** relationship. They focus and manage root cause analysis for recurring service issues and most importantly, they work with the **CLIENT NAME** liaison to make sure IT is aligned with business goals.

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Schedule A - Service Offering

Below are the components that make up the support agreement provided by **COMPANY NAME**. For a more detailed listing on the technologies and services covered within this agreement, please refer to [Appendix B](#).

Network Security:

COMPANY NAME utilizes a 'defense in depth' methodology in its approach to network security. This component leverages the expertise of our **COMPANY NAME** Security Division with best of breed manufacturers in firewalls, IPS/IDS, virus protection, remote access VPN, SPAM protection, and content filtering.

Included in this offering:

- Firewall Management
- Virtual Private Network (VPN) support or remote connectivity support

Infrastructure Management:

COMPANY NAME manages and maintains the Infrastructure including Servers, Storage, LAN, and WAN to ensure maximum uptime and reliability in systems.

Included in this offering:

- 24/7 monitoring and alerting on all network devices
- LAN/WAN Support (including interface with telecommunication providers)
- Server & Storage Management
- Backup & Restore Management and Remediation
- Infrastructure Application Support (Exchange, SharePoint, Citrix, VMWare, etc.)
- IP Telephony Support

End Point Management:

Managing PCs and mobile devices presents a problem for many organizations today. Organizations look to increase employee productivity while securing all data and thus a constant need for upkeep and support on these devices exists. **COMPANY NAME** provides easy, secure, and reliable support of all end point devices on the network. Included in this offering:

- PCs and Mobile Devices (Blackberry, iPhone, Windows Mobile)
- Application Support - VPN, VMWare, Exchange, SharePoint, Active Directory.

Strategic Planning:

Most organizations overlook IT investments necessary to support a new offering or expand on their existing business. **COMPANY NAME's** team of engineers and Technical Account Managers will work hand-in-hand with **CLIENT NAME** to ensure that the IT budget is invested wisely and predictably.

Included in this offering:

- Virtual CIO/IT Director role
- Capacity Planning
- Emerging technologies research
- Business Continuity Design and Testing
- Procurement Assistance

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Client Responsibilities

Although **COMPANY NAME** strives to be able to service our client's entire IT needs, certain responsibilities remain with **CLIENT NAME** staff. Among those responsibilities is warranty support on all devices under management. Due to the complexity and wide variety of technologies in any environment, it is crucial to keep manufacturer warranties current and with appropriate support levels. Further client responsibilities are as follows:

- Firewall license, manufacturer support and/or warranty
- Router and switch manufacturer warranty (24/7 for core devices and 8x5 NBD for others)
- To notify **COMPANY NAME** of any changes initiated by Client within covered systems
- Antivirus and anti-spyware license and support for non-**COMPANY NAME** licenses
- Backup software license, manufacturer support and/or warranty
- Keeping genuine, licensed, and vendor-supported Server and Desktop Software
- Committing to secure and encrypted wireless data traffic in all offices
- Maintenance and updates of Business Continuity Plan
- Line of Business application support

Change Requests

On occasion **CLIENT NAME** may need an infrastructure change (Major or Minor) that **COMPANY NAME** can quickly resolve. A **Change** is defined as an Add/Change/Remove to an existing component/environment. All change requests require client approval whether covered by the monthly contract or not. All **Minor Change Requests** (any change requests needing less than 8 hours of continuous engineering time) are included in this contract. Examples of **Minor Change Requests** are as follows:

- Non-major version upgrades to devices under management
- Installation of up to five (5) new PCs per month
- Remote rollout of software or upgrades
- Mailbox Migration using existing servers
- Adding switch ports to a VLAN
- Service Pack installations

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Schedule B - Excluded Services

Projects:

On occasion **CLIENT NAME** may need an infrastructure upgrade or project in which **COMPANY NAME** can participate or provide competitive pricing. A **Project** is defined as a short-term initiative with a defined start and end that produces a unique output (product/service/capability); this includes significant expansion of the current environment. All projects are considered out of scope and billable*separate from the monthly contract at an agreed upon fee with a fixed deliverable. Examples include:

- Major software version upgrade (Windows 2003 to Windows 2008; Exchange 2007 to 2010)
- Mailbox migration when includes a new server
- New Datacenter Implementation
- New Branch Office/Location
- New VLAN Implementation

***COMPANY NAME** will discount all project work by 15% off each SOW price.

Change Requests (Major):

All change requests require **CLIENT NAME** approval whether covered by the monthly contract or not. Change requests taking longer than 8 hours at one time are considered **Major Change Requests** and are out of scope. Out of scope Change Requests will be billed based on the resource level needed at the rates listed on the next page.

Emergency Support:

CLIENT NAME may need support for end users on an emergency basis and outside the normal business hours covered by the COMPANY NAME Service Desk*. This after-hours emergency support will be redirected to the appropriate resources and will be handled on a best effort basis. A COMPANY NAME engineer responds to the emergency system 24 hours a day, 7 days a week.

Expertise	Standard Rate	Discounted Rate
Network Support Engineer	\$100	\$75
Network Engineer	\$145	\$115
Senior Network Engineer	\$175	\$145
Enterprise Engineer	\$200	\$165
Project Manager	\$225	\$190

*The standard COMPANY NAME “Service Desk” hours of operation for providing the Services are between the hours of Seven (7) a.m. and Seven (7) p.m. Monday through Friday, excluding holidays (“Standard Service Desk Hours”). Excluded Services outside the Standard Service Desk Hours are subject to the After Hours Rate of 1.5x Discounted Rate with the exception of “(7) VIP Users” defined by client.



Schedule C - Fees

Monthly Management Services			
Description	Cost / Month	Qty.	Total
Network Security	N/A	All	Included
Infrastructure Management	N/A	All	Included
End Point Management	N/A	All	Included
Strategic Planning	N/A	All	Included
Monthly Fee			\$2,500
15% Management Approved Discount			\$375
TOTAL Monthly Fee			\$2,125
<u>One Time Charge</u>	<u>Normal</u>	<u>Discount</u>	<u>Total</u>
Migration Fee			WAIVED

NOTE:

1) Fees are for up to 2 physical servers, 25 users and 1 locations. Details listed in Appendix B.

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Appendix A - Service Levels Targets and Escalation Details

The following table shows the target of response and resolution times for each priority level.

Trouble	Priority	Response Time	Escalation Threshold
Service Not Available (all users and functions unavailable)	1	Within 30 min.	45 min.
Significant degradation of service (large number of users or business critical functions affected)	2	Within 2 hours	1 hours
Limited degradation of service (limited number of users affected, business process can continue)	3	Within 4 hours	2 hours
Small service degradation (business process can continue, 1 user affected)	4	Within 8 hours	4 hours

Support Tier	Description
Tier 1 Support	All support incidents begin in Tier 1, where the initial trouble ticket is created, the issue is identified and clearly documented, and basic hardware/software troubleshooting is initiated.
Tier 2 Support	All support incidents that cannot be resolved with Tier 1 Support are escalated to Tier 2, where more complex support on hardware/software issues can be provided by more experienced Engineers.
Tier 3 Support	Support Incidents that cannot be resolved by Tier 2 Support are escalated to Tier 3, where support is provided by the most qualified and experienced Engineers who have the ability to collaborate with 3rd Party (Vendor) Support Engineers to resolve the most complex issues.

VIP User List	VIP User Support Description
<p>Note: List of VIP Users will be defined by client</p>	<p>Prioritization - Support for VIP users will be given a priority 1 or 2 unless otherwise stated by VIP user.</p> <p>Physical Presence - Due to priority, physical presence may be the first step for resolving VIP user support requests.</p> <p>After Hours or Weekend Support - After hours or weekend support is included for VIP users. VIP users will have appropriate contact information for COMPANY NAME Service team and Service team management.</p>

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Appendix B - Service Offering Details

Network Security

Description	Frequency
Check Firewall logs for errors	Not included
Check SPAM Firewall logs for errors	Not included
Check Web Filter logs for errors	Not included
Apply necessary Firewall software and firmware updates	Not included
Apply necessary SPAM Firewall software and firmware updates	Not included
Apply necessary Web Filter software and firmware updates	Not included
Apply SPAM Firewall definition updates	Not included
Apply Web Filter definition updates	Not included
Adjust Firewall rules	Not included
User/Access administration and domain white-listing for SPAM Firewall	Not included
User/Access administration for Web Filter rules	Not included
Act as liaison with HQ-IT and Computacenter (NOC-FW topics)	Included

Infrastructure Management

Description	Frequency
Manage and maintain Infrastructure Applications listed below: <ul style="list-style-type: none"> • Microsoft Active Directory • Microsoft Exchange • Microsoft SQL (regular maintenance) • Microsoft SharePoint (regular maintenance) • Microsoft Storage Server 	Not included
<ul style="list-style-type: none"> • VMWare (V3 and Vsphere) • Citrix Presentation/XenApp Server 	As Needed
Monitor Microsoft Application Event log to identify potential issues	Real-time
Monitor Microsoft System Event logs to identify potential issues	Real-time
Identify potential hardware/device issues	As Needed
Confirm date and success of last virus scan performed	Bi-Weekly
Review disk space status for all drives to identify potential issues	Weekly
Monitor disk space usage	Real-time
Monitor CPU percentage utilization to identify potential issues	Real-time
Monitor Active Directory replication errors to identify potential issues	Not Included
Run defrag on all drives	On Demand
Perform disk cleanup activities (if applicable/approved by client)	On Demand
Perform scheduled service during approved service window	Weekly

Description	Frequency
Reboot servers	As Needed
Perform Active Directory Administrative tasks <ul style="list-style-type: none"> • Add/Change/Delete/Unlock Users • Add/Change/Delete Groups • Assignment of individual user and group access rights • Minor Group Policy and Sites & Services administration 	As Needed
Review of backup logs to identify potential issues	Daily
Perform test file data restore from backup	Quarterly
Review Exchange information store size	Not Included
Review messaging-specific application errors to identify potential problems	Not Included
Review individual Email mailbox size upon client request	As Needed
Review of Exchange database integrity	Not Included
Verify success of online defragmentation of Exchange server	Not Included
Alert client to dangerous conditions: <ul style="list-style-type: none"> • Virus infection/outbreak • Potential data corruption • Potential hard drive failure • Hard drive running out of disk space • Low available memory • Network connectivity errors • System or Application events that may result in service disruption • General Backup Failure • Media Failure • Media Rotation Failure • Significant inconsistency of backups due to any issue 	As Needed
Continually enhance monitoring to track network performance proactively	Ongoing
Keep IOS versions up to date on Cisco LAN/WAN equipment including researching new releases	As Needed

Description	Frequency
Troubleshoot and resolve circuit and non-circuit network outages	As Needed
Handle routine network administration and maintenance	As Needed
Implement centralized authentication to allow password changes and users specific logons	Not Included
Keep network documentation up to date	Quarterly
Continually review the network with regards to security vulnerabilities or abnormal traffic	Ongoing
Act as liaison with CLIENT NAME Headquarter IT and Computacenter (NOC-FW topics) and follow the processes described in the SOP attached	As Needed

End Point Management

Description	Frequency
End User Workstation Set up and training	As Needed
Report disk space status for all drives	As Needed
Run defrag and check disk on all drives (if applicable/approved by client)	Monthly
Perform disk cleanup activities (if applicable/approved by client)	As Needed
Run system restore point backup	Not Included
Reboot as needed	As Needed
Identify and deploy management agent to new devices found on LAN scan	Not Included
Unlimited help desk calls through Remote Service Desk	As Needed
COMPANY NAME will attempt to resolve all incidents remotely	As Needed
Ticket Reporting	Monthly
Alert client to conditions impacting performance: <ul style="list-style-type: none"> • User in need of training • Trending of unhealthy PCs 	As Needed
Triage calls by priority and user	As Needed

Description	Frequency
<p>COMPANY NAME Service Desk Supported Tasks</p> <ul style="list-style-type: none"> • PC Software Support - <ul style="list-style-type: none"> • PC Desktop Settings (i.e., E-mail, network, printer, monitor) • PC Desktop Hardware Support (phone number for hardware support needs, support with peripheral devices, etc.) • User Administration - Add/Change/Delete/Unlock or password reset • VPN or Citrix Client • PC Desktop Settings (i.e., E-mail, network, printer, monitor) • PC Desktop Hardware Support (phone number for hardware support needs, support with peripheral devices, etc.) • User Administration - Add/Change/Delete/Unlock or password reset • VPN or Citrix Client 	As Needed
Work with and act as liaison with hardware manufacturer to apply equipment warranties	Included

Strategic Planning

Description	Frequency
Participation in IT Steering Committee Meetings	Quarterly
Executive Strategy Meetings	As Needed
Emerging Technologies Research	Ongoing
Presentations for improvements or emerging technology update	As Needed
Executive Reporting	Monthly
Business Continuity Plan Testing	Semi-Annually
IT Budget Development	Annually
IT Governance Review and Development	Ongoing
COMPANY NAME Seminar Series for all clients	Quarterly
Procurement Assistance	As Needed
Participation Regulatory/Compliance meetings	As Needed

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Appendix C - Agreement Details

1. SERVICES. During the Term (defined below), **COMPANY NAME** will provide Client with the Managed IT Services (“Services”) set forth on the attached Schedule A (“Service Offerings”) and, if requested and agreed to by **COMPANY NAME** and Client, the “Excluded Services” set forth in the preceding Schedule B.

2. DUTIES OF THE PARTIES.

A. Duties of **COMPANY NAME**. **COMPANY NAME** agrees to use commercially reasonable efforts to timely deliver and support the Services for Client in accordance with industry standards.

B. Duties of Client. Client agrees to (i) timely submit all payments to **COMPANY NAME** at **COMPANY NAME**’s place of business; (ii) provide **COMPANY NAME** with access to Client’s facilities, including access to Client’s computer systems, according to the Client’s procedures which are provided to **COMPANY NAME** in writing and in advance, and adequate and suitable facilities and space for **COMPANY NAME**’s personnel to work at the Client’s facility and on such computer systems. If **COMPANY NAME** determines that the Services require **COMPANY NAME** to remotely access Client’s computer systems, Client agrees that it shall also provide **COMPANY NAME** with all the information reasonably requested by **COMPANY NAME** for **COMPANY NAME** to remotely access Client’s computer systems. Client also acknowledges and agrees that the providing of the Services may in some circumstances result in the disruption of services at Client’s facility or on Client’s computer systems or loss or damage to software or hardware.

3. PRICING AND PAYMENT.

A. Pricing. The fees (“Fees”) for Service Offerings are set forth in the preceding Schedule C. The hourly rates for Excluded Services agreed to by **COMPANY NAME** and Client are set forth in the preceding Schedule B.

B. Payment. **COMPANY NAME** will invoice Client on a monthly basis per the Fees set forth on the attached Schedule A for Service Offerings. Payments

for all Service Offerings shall be made via ACH and are due in advance on or before the fifth (5th) day of the applicable month. All Excluded Services provided to Client by COMPANY NAME are due upon receipt of COMPANY NAME's written invoice(s) for such Excluded Services. COMPANY NAME reconciles client accounts quarterly and adjusts monthly invoices as needed, with fee increases subject to Client's written approval. COMPANY NAME will have no obligation to perform any services for Client, whether included in this Agreement or otherwise, unless all charges, fees, and taxes for Services rendered under this agreement have been paid in full by Client when due. In the event of non-payment of any sum due and owing under this Agreement, COMPANY NAME shall have the right to suspend or immediately terminate the providing of all Services, without notice, and COMPANY NAME may determine whether or not to reinstate any Services upon receipt of payment in full of all sums owed. Any payment not received by COMPANY NAME on or before thirty (30) days following the due date shall bear interest from the due date until paid in full at the lesser of one and percent (1%) per month or the maximum rate allowed by applicable law. Fees are subject to an increase of up to three (3) percent per year. All amounts shall be payable by Client to COMPANY NAME without right of setoff, deduction, or demand.

4. TERM AND TERMINATION. This Agreement shall be effective for three (3) years, commencing on the date this Agreement is executed by Client and accepted and executed by COMPANY NAME ("Effective Date"), and shall automatically renew for additional one-year periods on each anniversary of the Effective Date. The initial three-year period and each one-year period of this Agreement (or such shorter or longer period of effectiveness as mutually agreed to by COMPANY NAME and Client) is referred to as an "Effective Period" and collectively all of the Effective Periods of this Agreement are referred to as the "Term". Either party may terminate this Agreement at any time by providing at least three (3) months ("Notice Period") prior written notice to the other party. Client acknowledges and agrees that Client is responsible to pay monthly Fees for Service Offerings during the Notice Period, regardless if Client requests not to receive such Service Offerings during the Notice Period, at the same monthly amount as the average of the three (3) month period immediately preceding the notice of termination. COMPANY NAME may immediately terminate this Agreement upon written notice to Client if Client (i) fails to make any payment to COMPANY NAME when due and such failure continues for a period of five (5) labor days following written notice of such failure by COMPANY NAME to Client; or

(ii) breaches any other provision of this Agreement. Immediately upon the expiration or termination of this Agreement, or upon the earlier request of one of the parties, the other party shall (i) return to the other any and all equipment provided by the other party; and (ii) discontinue the use of and permanently delete from the party's computer systems any and all of the other party's software and other computer programs installed or provided by the other party.

5. OWNERSHIP. All materials, including all copyrights, trademarks, logos and other identifying marks (collectively "Materials") of each party are and shall remain the exclusive property of that party, and except as otherwise specifically set forth in this Agreement, no license to use such Materials is granted pursuant to this Agreement. All Materials are proprietary and may not be reproduced, duplicated or disseminated for any purpose. All non-third party software installed or provided by one of the parties for the other party's use is proprietary software and the exclusive property of installing party.

6. CONFIDENTIAL INFORMATION.

A. Pursuant to providing the Services, either party may gain access to the other party's Confidential Information. Each party will adopt commercially reasonable measures to protect the other party's Confidential Information provided pursuant to this Agreement. For purposes of this Agreement, "Confidential Information" means:

(i) All inventions, processes, designs, trade secrets, formulas and formulations, methods, know-how, samples, test, technology, standard operating procedure and other data, and other information relating to the preclinical, clinical and pharmaceutical development, analysis, regulatory files and correspondence, manufacturing and packaging in whatever form (written, oral, visual, electronic);

(ii) All sales and marketing plans, future plans, business plans, financial information, results of consultancies, contracts, customer lists and relationships, and other information which may be needed to be disclosed by each party to the other in relation to business negotiations in whatever form (written, oral, visual, electronic); and

(iii) Any kind of information identified by one of the parties as Confidential Information

B. Confidential Information does not include information which: (i) the recipient can demonstrate in writing to be rightfully known to recipient at the time it receives the information; (ii) has become publicly known through no wrongful act of the recipient; (iii) the recipient can demonstrate in writing to have been rightfully received by recipient from a third party authorized to make such communication without restriction; or (iv) has been approved for release by written authorization of the discloser. A recipient may disclose Confidential Information if required by court or government action to be disclosed; provided, however, the recipient must first provide the discloser with reasonable prior, written notice of such disclosure so that the discloser may attempt to prevent such disclosure, and that the Confidential Information shall continue to be treated as Confidential Information for all other purposes.

C. Each party undertakes to hold any and all Confidential Information in confidence and to use it exclusively for the purposes set forth in this Agreement. Neither party shall, directly or indirectly, make use of the Confidential Information of the other party without the other party's prior, written consent.

D. **COMPANY NAME** and Client agree, except as otherwise set forth in this Agreement and unless otherwise required by law or compelled by a court of competent jurisdiction, not to disclose to a third party, without the prior written consent of the other party, the Confidential Information, including the terms and/or conditions of this Agreement, including, without limitation, not disclosing or sharing a copy of this Agreement with any third party. **COMPANY NAME** agrees to protect the confidentiality of Client's Confidential Information provided to **COMPANY NAME** per terms of **COMPANY NAME**'s standard Confidentiality Policy.

7. **HIRING OF COMPANY NAME'S EMPLOYEES.** In the absence of **COMPANY NAME**'s prior written consent, and for a period of twelve (12) months following the expiration or termination of this Agreement, for any reason whatsoever, Client agrees not to hire or engage, directly or indirectly, any person who, at any time during the twelve (12) months immediately preceding such hiring or engagement, was an employee of **COMPANY NAME** employed to perform the Services or other services similar to the Services for any customer of **COMPANY NAME**. **COMPANY NAME** and Client agree that the damages from a breach of this Section would be difficult to ascertain.

Therefore, in the event Client breaches this provision, Client agrees to pay **COMPANY NAME**, as liquidated damages and not as a penalty, a sum equal to twenty-four (24) months pay for each former employee of **COMPANY NAME** hired by Client, at the rate paid by **COMPANY NAME** for the last full month of such employee's employment with **COMPANY NAME**. In addition, **COMPANY NAME** shall be entitled to temporary and permanent injunctions in order to prevent or restrain any such violation of this Section by the Client or its partners, agents, representatives, servants, employers, employees and any and all persons directly or indirectly acting for or with the Client. These remedies shall be in addition to, and not in limitation of, any other rights or remedies afforded to **COMPANY NAME** under this Agreement or available to **COMPANY NAME** at law or in equity.

8. **FORCE MAJEURE.** Except for payment obligations, the parties shall not be responsible for failure to render any obligation due to causes beyond its reasonable control, including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, floods, war, acts of terrorism, delays in transportation, accident, failure of Client to provide a suitable operating environment for **COMPANY NAME**, hardware malfunctions caused by defects in software or otherwise, failure of Client to allow **COMPANY NAME** access to its computer system, acts of God and other similar occurrences. The obligations and rights of the parties shall be extended on a day-to-day basis for the duration of excusable delay.

9. **REPRESENTATIONS AND WARRANTIES.** Each party represents and warrants to the other party that (i) it has the full right, power and authority to enter into and to perform this Agreement; (ii) the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action; (iii) this Agreement constitutes a valid and binding obligation of such party, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally; and (iv) the execution, delivery and performance of this Agreement does not or will not violate or cause a breach or default under (a) the governing corporate or company documents of such party; (b) any agreement, lease, mortgage, license or other contract to which such party is a party; or (c) any law, rule, regulation, order, decree or consent action by which such party is bound or to which it is subject.

10. DISCLAIMER OF WARRANTIES. COMPANY NAME DOES NOT WARRANT THE UNINTERRUPTED OR ERROR-FREE OPERATION OR PROVISION OF THE SERVICES, THAT THE SERVICES WILL BE FREE FROM INTERRUPTION, THE SERVICES WILL BE SECURE FROM UNAUTHORIZED ACCESS, THAT THE SERVICES WILL DETECT EVERY SECURITY OR OTHER VULNERABILITY OF CLIENT'S COMPUTER SYSTEMS, OR THAT RESULTS GENERATED BY THE SERVICES WILL BE ERROR-FREE, ACCURATE OR COMPLETE. ALL INFORMATION, MATERIALS AND SERVICES ARE PROVIDED TO CLIENT "AS IS". EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, COMPANY NAME HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

The Services may become unavailable due to any number of factors, including, without limitation, scheduled or unscheduled maintenance, technical failure of the software, telecommunications infrastructure, or the unavailability or interruption of access to the Internet. The disclaimers set forth in this Section shall apply regardless of whether (i) COMPANY NAME determines that Client's computer systems are deemed "secure", (ii) Client performs such modifications to its computer systems as COMPANY NAME reasonably suggests in order for Client's computer systems to be deemed "secure", or (iii) otherwise.

11. LIMITATION OF LIABILITY. COMPANY NAME WILL NOT BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR ANY OF THE FOLLOWING ARISING OUT OF THIS AGREEMENT AND/OR THE SERVICES: ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, WHETHER BASED UPON BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT OR ANY OTHER LEGAL THEORY, AND WHETHER OR NOT COMPANY NAME IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR ANY LOSS OF PROFITS, LOSS OF DATA, EQUIPMENT DOWNTIME, OR LOSS OF GOODWILL. CLIENT ACKNOWLEDGES AND AGREES THAT COMPANY NAME'S AGGREGATE LIABILITY TO CLIENT FOR ANY DAMAGES, LOSSES, FEES, CHARGES, EXPENSES AND/OR LIABILITIES ARISING OUT OF WITH THIS AGREEMENT AND/OR THE SERVICES SHALL NOT EXCEED THE FEES PAID BY CLIENT PURSUANT TO THIS AGREEMENT FOR THE SIX (6) MONTH PERIOD IMMEDIATELY PRIOR TO THE FIRST OCCURRENCE OF THE APPLICABLE DAMAGES, LOSSES, FEES, CHARGES, EXPENSES AND/OR LIABILITIES.

Client acknowledges that the limitations on liability were specifically bargained for and are acceptable to Client. Client's willingness to agree to the limitations of liability set forth in this Section was material to COMPANY NAME's decision to enter into this Agreement. The limitations on liability set forth in this Section shall be enforceable to the maximum extent permitted by applicable law.

12. GENERAL TERMS. This Agreement is the entire agreement between COMPANY NAME and Client and supersedes any prior understandings or written or oral agreements between COMPANY NAME and Client with respect to the subject matter of this Agreement. This Agreement may only be amended or changed pursuant to a written document duly executed by both COMPANY NAME and Client. No waiver of a breach of any provision of this Agreement by any party shall be construed as a waiver of a subsequent breach of the same or any other provision of this Agreement. Client's obligation to pay for any Services or other services received by COMPANY NAME and each of the provisions of Section 3, 5 through 7, and 10 through 14 shall survive the expiration or earlier termination of this Agreement. The invalidity of any provision of this Agreement shall not affect the enforceability of the remaining Agreement or any other provision of the Agreement. All exhibits and schedules to this Agreement are true, correct and hereby incorporated into by reference and made a part of this Agreement. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by COMPANY NAME and Client and their successors and permitted assigns, and no other person or entity shall have or acquire any right by virtue of this Agreement unless otherwise specifically agreed to in writing by COMPANY NAME and Client. This Agreement and the rights and obligations of the Parties are not assignable without the prior written consent of the other Party. Any attempt by one of the Parties to assign any this Agreement or any right, duty, or obligation which arises under this Agreement, without such consent, will be void. This Agreement shall not be construed to give any person other than COMPANY NAME and the Client any legal or equitable right, remedy or claim under or with respect to this Agreement. This Agreement will not create a joint venture, partnership or other formal business relationship or entity of any kind, or an obligation to form any such relationship or entity. Each party will act as an independent entity and not as an agent of the other party for any purpose, and neither will have the authority to bind the other. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and of equal force and effect, and all of which taken together shall constitute one and the same instrument.

The parties reserve the right to maintain an executed copy of this Agreement in electronic form only, and agree that a print-out of such electronic form of this Agreement will be deemed an original for all purposes relating to the enforceability of the terms and conditions of this Agreement.

13. NOTICES. All notices required pursuant to this Agreement shall be written and shall be delivered by (i) hand-delivery; (ii) nationally recognized overnight delivery service (such as FedEx, UPS, DHL, or USPS Express Mail); or (iii) electronic mail with verification of receipt. All such notices and other communications shall be addressed to the other party at the address set forth in this Agreement or to such other address as a party may designate by notice complying with the terms of this Section. Each such notice shall be deemed delivered (i) on the date delivered if by hand-delivery; (ii) on the date delivered or the date delivery is refused by the recipient, if by nationally recognized overnight delivery service; or (iii) upon verification of receipt if by electronic mail.

14. DISPUTE RESOLUTION. Except as otherwise specifically set forth in this Agreement, the parties hereby agree to resolve any and all controversies, claims and/or disputes arising out of this Agreement and/or any Services (each, a "Dispute") solely pursuant to the terms of this Section.

A. Management Resolution. All Disputes shall first be referred to the parties' authorized representatives for discussion and resolution of the Dispute ("Management Resolution"), which representatives are the individuals who have executed this Agreement on behalf of their party.

B. Arbitration. If Management Resolution fails to resolve the Dispute, then the Dispute shall be resolved by final, binding arbitration ("Arbitration") in CITY, STATE administered by the American Arbitration Association ("AAA") under the AAA's Commercial Arbitration Rules.

C. Governing Law; Venue; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of XX (without giving effect to principles of conflicts of laws). For any action to compel Arbitration, enforce an Arbitration award or seek injunctive relief pursuant to this Agreement, the parties hereby expressly consent to the (i) venue of COUNTY, STATE, USA, and each party hereby expressly waives any objection

to such venue based upon forum non-conveniens or otherwise; and (ii) jurisdiction of the state and/or federal courts in and/or for COUNTY, STATE, USA.

D. Prevailing Party Attorney's Fees. In the event of any Arbitration, action to compel Arbitration, action to enforce an Arbitration award or action to seek injunctive relief pursuant to this Agreement, the prevailing party in such proceeding shall be entitled to an award of their reasonable attorneys' fees and costs for each such proceeding, including the Arbitration, trial and for all levels of appeal.

E. Injunctive Relief; Cumulative Remedies. Each party agrees that a violation or breach of any of the ownership or non-disclosure provisions of this Agreement could cause irreparable harm to the non-breaching party for which monetary damages may be difficult to ascertain or an inadequate remedy. Therefore, each party will have the right, in addition to its other rights and remedies, to seek and obtain injunctive relief for any violation of the ownership or non-disclosure provisions of this Agreement, and each party hereby expressly waives any objection, in any such equitable action, that the other party may have an adequate remedy at law. The rights and remedies set forth in this Agreement are cumulative and concurrent and may be pursued separately, successively or together.



IN WITNESS WHEREOF, **CLIENT NAME** and **COMPANY NAME** have duly authorized, executed and entered in this Managed IT Services Agreement upon the later of the dates set forth below.

CLIENT:

CLIENT NAME:

Signature	
Print Name:	
Title:	
Date:	
Address:	
Email Address:	

Signature	
Print Name:	
Title:	
Date:	
Address:	
Email Address:	



IN WITNESS WHEREOF, **CLIENT NAME** and **COMPANY NAME** have duly authorized, executed and entered in this Managed IT Services Agreement upon the later of the dates set forth below.

COMPANY:

COMPANY NAME:

Signature	
Print Name:	
Title:	
Date:	
Address:	
Email Address:	



About BrightGauge

BrightGauge, a Continuum company, was started in 2011 to fill a missing need in the small-to-medium IT Services industry: a better way to manage data and provide the value of work to clients. BrightGauge Software allows you to display all of your important business metrics in one place through the use of gauges, dashboards, and client reports. Used by more than 1,800 companies worldwide, BrightGauge integrates with popular business solutions on the market, like ConnectWise, Continuum, Webroot, QuickBooks, Datto, IT Glue, Zendesk, Harvest, Smileback, and so many more. Learn more at brightgauge.com.

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