ScopeStack

Managed Services Agreement (MSA) Template

This Managed Services Agreement (the "Agreement") is entered into by and between [MSP Name], a [State] corporation with its principal office located at [Address] ("Service Provider"), and [Client Name], a [State] corporation with its principal office located at [Address] ("Client").

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1. Parties Involved

This Agreement is entered into by and between the Service Provider and the Client as identified on the previous page.

2. Services

2.1 Scope of Services: The Service Provider agrees to deliver the following services (collectively, the "Services"):

- 24/7 network monitoring and management
- Cybersecurity threat detection, prevention, and response
- Cloud infrastructure management and optimization
- Help desk support for end-users
- Backup and disaster recovery services
- IT strategy and consulting
- Software and hardware procurement assistance
- [Add other services as applicable]

2.2 Service Delivery:

1. Remote Support: Provider will attempt to resolve issues remotely as a first course of action.
2. On-Site Support: Provider will dispatch on-site technicians at Provider's discretion when remote resolution is not possible or practical.

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2.3 Excluded Services:

This Agreement does not cover:

· Support for personally owned equipment
· Home or cellular network issues
· Older or unsupported equipment and software (defined in Exhibit A)
· Third-party owned equipment or software not explicitly covered in this Agreement
· Custom application development
· Training beyond basic system use
· [Add other exclusions as needed]

[**OR instead of a list, state "Services not explicitly mentioned herein are excluded from this Agreement."**]

Provider reserves the right to deny support or charge additional fees for services outside the scope of this Agreement.

2.4 Service Upgrades:

Provider may, from time to time, make available service upgrades or enhanced service offerings. Client shall have the option to upgrade services at any time during the term of this Agreement.

2.5 Service Levels and Response Time:

The Service Provider commits to metrics detailed in the Service Level Agreement (SLA) attached hereto as Appendix A. The SLA includes:

· Response and resolution times for various priority levels
· Service availability guarantees
· Penalties for failing to meet SLA metrics
· Escalation procedures

Both parties agree to review and potentially adjust the SLA annually to ensure it remains aligned with Client's evolving business needs and industry standards.

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3. Client Responsibilities

3.1 Access and Information: Client agrees to provide timely access to systems, facilities, and information necessary for Provider to perform the agreed-upon services.

3.2 Designated Point of Contact: Client shall designate a primary and secondary point of contact authorized to make decisions and provide information on behalf of Client.

3.3 Software Licenses and Hardware Warranties: Client is responsible for maintaining current software licenses and hardware warranties unless otherwise specified in this Agreement.

3.4 Acceptable Use Policy: Client agrees to comply with Provider's Acceptable Use Policy, attached as Exhibit C.

3.5 Staffing Changes: Client must notify Provider of:
· Employee terminations: Within 24 hours
· New hires: At least 7 business days in advance
· Role changes affecting system access: Within 48 hours

Failure to provide timely notification may result in additional billable services and/or security risks for which Provider is not liable.

3.6 Cybersecurity Insurance: Client agrees to maintain appropriate cybersecurity insurance coverage commensurate with their business risk, with minimum coverage limits of [AMOUNT] per incident.

3.7 Compliance: Client is responsible for ensuring their own regulatory compliance unless explicitly stated otherwise in this Agreement or related Statements of Work.

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3.8 Environment Changes: Client shall notify Provider at least 14 days in advance of any planned changes to their IT environment that may affect the services provided under this Agreement.

3.9 Training Participation: Client agrees to ensure that its employees participate in any necessary training provided by Provider to facilitate effective service delivery.

3.10 Responsibility Matrix

Task / Responsibility	Service Provider	Client
Network Monitoring	X	
Data Backup	X	
Cybersecurity	X	
Software Updates		X
User Management		X
Reporting and Analytics	X	
Hardware Maintenance		X
System Configuration	X	

3.11 Risk Assessment and Mitigation: Client agrees to participate in annual risk assessment exercises conducted by the Service Provider. These assessments will identify potential vulnerabilities in Client's IT infrastructure and operations. Client commits to working collaboratively with Provider to implement agreed-upon risk mitigation strategies.

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4. Provider Responsibilities

4.1 Qualified Personnel: Provider shall assign qualified and properly trained personnel to perform the services under this Agreement.

4.2 Documentation: Provider shall maintain documentation of Client's IT infrastructure, configurations, and implemented solutions.

4.3 Reporting: Provider shall deliver monthly service reports detailing performed services, system health, and recommendations.

4.4 Security Measures: Provider shall implement and maintain reasonable security measures to protect Client's systems and data.

4.5 Compliance: Provider shall comply with all applicable laws and regulations in performing the services.

4.6 Confidentiality: Provider shall maintain the confidentiality of Client's sensitive information and implement appropriate data protection measures.

4.7 Business Continuity: Provider shall maintain its own business continuity and disaster recovery plan to ensure continued service delivery.

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5. Term and Termination

5.1 Term: This Agreement shall commence on [Start Date] and continue for a period of [Number of Years/Months] unless terminated earlier in accordance with the provisions herein.

5.2 Renewal: The Agreement will automatically renew for successive [12]-month periods unless either party provides written notice of non-renewal at least 60 days prior to the end of the current term.

5.3 Termination for Convenience: Either party may terminate this Agreement with [Number] days written notice. Immediate termination is allowed if the other party breaches any material term of this Agreement.

5.4 Termination for Cause: Either party may terminate this Agreement immediately upon written notice if the other party:

A. Breaches any material term of this Agreement and fails to cure such breach within 30 days of receiving written notice
B. Becomes insolvent, files for bankruptcy, or ceases to conduct business in the ordinary course

5.5 Effect of Termination:

A. Client shall pay all fees for services rendered up to the date of termination
B. Provider shall assist in the orderly transition of services to Client or another service provider for a reasonable fee
C. Each party shall return or destroy all confidential information of the other party

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6. Fees and Payment Terms

6.1 Service Fees: Client agrees to pay the Service Provider a monthly fee of [Amount] for the Services.

6.2 Payment Terms:

A. Payments are due on the 1st of each month

B. Late payments will incur a 1.5% monthly interest charge

C. Services may be suspended if payment is more than 15 days late

6.3 Fee Adjustments:

A. Provider may adjust fees annually to account for cost increases and inflation

B. Any increase shall not exceed 10% per year unless mutually agreed upon

C. Provider shall provide 30 days written notice of any fee adjustments

6.4 Additional Services: Services not covered by this Agreement will be billed at Provider's then-current hourly rates, as outlined in Exhibit D.

6.5 Taxes: Client is responsible for all applicable taxes, except for taxes based on Provider's net income.

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7. Confidentiality and Data Protection

7.1 Confidentiality: Both parties agree to keep confidential any proprietary information disclosed during the course of this Agreement. This includes, but is not limited to, business plans, customer lists, financial information, and technical data.

7.2 Data Protection: Provider agrees to implement industry-standard security measures to protect Client's confidential information and comply with all applicable data protection regulations.

7.3 Data Handling:

A. Provider will handle, store, and protect client data in accordance with applicable laws and regulations
B. Specific data handling procedures will be documented and made available to Client upon request
C. Provider will not access, use, or disclose Client data except as necessary to provide the services or as required by law

7.4 Data Breach Notification: Provider shall notify Client within 24 hours of discovering any actual or suspected unauthorized access to or disclosure of Client's data.

7.5 Return of Data: Upon termination of this Agreement, Provider shall return or securely destroy all Client data as instructed by Client.

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8. Intellectual Property

8.1 Ownership: Any custom scripts, software, documentation, or other materials created by Provider in the course of providing services remain the intellectual property of Provider.

8.2 License: Client is granted a non-exclusive, non-transferable license to use Provider's intellectual property solely for their internal business purposes related to the services provided under this Agreement.

8.3 Restrictions: Client shall not:

A. Modify, reverse engineer, or create derivative works based on Provider's intellectual property
B. Remove or modify any proprietary notices or labels on Provider's materials
C. Use Provider's intellectual property for any purpose not expressly permitted by this Agreement

8.4 Client Materials: Any materials or data provided by Client remain the property of Client. Client grants Provider a limited license to use such materials solely for the purpose of providing the services under this Agreement.

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9. Liability

9.1 Liability Cap: The Service Provider's liability for any claims arising out of this Agreement shall not exceed the greater of (a) the total amount paid by the Client for the Services during the 12 months preceding the claim, or (b) $500,000.

9.2 Exclusions: Neither party shall be liable for any indirect, consequential, or incidental damages, including but not limited to loss of profits, revenue, data, or use.

9.3 Exceptions: The limitations in this section do not apply to:
A. Breaches of confidentiality obligations
B. Violations of intellectual property rights
C. Gross negligence or willful misconduct
D. Bodily injury or death
E. Damages covered by insurance

9.4 Force Majeure: Neither party shall be liable for delays or failures in performance resulting from acts beyond its reasonable control, including but not limited to acts of God, acts of war, government actions, or natural disasters.
Each party agrees to indemnify and hold harmless the other from any claims, damages, or losses arising from the indemnifying party's breach of this Agreement.

10. Indemnification

10.1 Client Indemnification: Client agrees to indemnify and hold Provider harmless from any claims, losses, or damages arising from:

A. Client's breach of this Agreement

B. Client's negligent acts or omissions

C. Client's violation of any laws or regulations

D. Claims related to Client's business operations or decisions made based on the services provided

10.2 Provider Indemnification: Provider agrees to indemnify and hold Client harmless from any claims, losses, or damages arising from:

A. Provider's breach of this Agreement

B. Provider's negligent acts or omissions

C. Claims that the services infringe on third-party intellectual property rights

10.3 Indemnification Procedure: The indemnified party shall:

A. Promptly notify the indemnifying party of any claim

B. Allow the indemnifying party to control the defense and settlement of the claim

C. Cooperate reasonably with the indemnifying party in the defense and settlement

11. Dispute Resolution

11.1 Informal Resolution: The parties shall attempt to resolve any dispute arising out of or relating to this Agreement through good faith negotiations.

11.2 Mediation: If informal resolution is unsuccessful, any disputes shall be submitted to non-binding mediation before a mutually agreed-upon mediator.

11.3 Arbitration: If mediation is unsuccessful, disputes will be resolved through binding arbitration in [JURISDICTION] under the rules of the [ARBITRATION ORGANIZATION].

11.4 Exceptions: Either party may seek injunctive relief in court for any alleged misuse of intellectual property or breach of confidentiality obligations.

12. Compliance and Audits

12.1 Regulatory Compliance: Both parties agree to comply with all applicable laws and regulations in the performance of this Agreement. The Client is responsible for obtaining and maintaining any necessary licenses and permits.

12.2 Audits: Provider shall have the right to conduct audits of Client's use of the services to ensure compliance with this Agreement. Such audits shall be conducted during regular business hours with reasonable notice.

12.3 Records Retention: Both parties shall maintain accurate records relating to this Agreement for at least [NUMBER] years after termination.

12.4 Security Audits: The Service Provider shall undergo annual third-party security audits and provide a summary of the results to the Client. The Client shall have the right to conduct its own security audit of the Service Provider's systems and processes related to the Services, with reasonable notice and not more than once per year, unless required by law or in response to a security incident.

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13. Insurance

13.1 Provider Insurance: Provider shall maintain appropriate insurance coverage, including:

A. General Liability Insurance
B. Professional Liability Insurance
C. Cyber Liability Insurance
D. Workers' Compensation Insurance

13.2 Certificates: Provider shall provide certificates of insurance upon Client's request.

14. General Provisions

14.1 Amendments and Modifications: Any modifications to this Agreement must be made in writing and signed by authorized representatives of both parties.

14.2 Support Limitations: Support is limited to the equipment and software listed in Appendix B. The Service Provider reserves the right to deny support or charge additional fees for personally owned equipment, home or cell network issues, or older/ unsupported equipment and software.

14.3 Communication Methods: To receive support under this Agreement, the Client must contact the Service Provider via the designated support phone number or email address. Direct communication with individual staff members does not constitute a support request and is not covered under this Agreement.

14.4 Co-Management and Admin Access: The Service Provider does not co-manage environments with the Client unless explicitly negotiated in the Agreement. Granting the Client admin access to the environment is not part of this Agreement and may require contract termination and off-boarding if required. Any support required due to Client's admin actions will be billable.

14.5 Staffing Changes: The Client is required to notify the Service Provider of any staffing changes (firings) in a timely fashion and provide at least seven (7) days' notice for new hires. Failure to notify the Service Provider in a timely manner may result in additional billable efforts or breach-related issues.

14.6 Price Adjustments: This contract will be adjusted for cost increases that the Service Provider incurs as well as overall inflation. This pricing increase shall not exceed 10% annually.

14.7 Assignment: Neither party may assign this Agreement without the prior written consent of the other party, except to a successor in interest or purchaser of all or substantially all of the party's assets or business.

14.8 Severability: If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

14.9 Waiver: The failure of either party to enforce any right or provision in this Agreement shall not constitute a waiver of such right or provision.

14.10 Notices: All notices under this Agreement shall be in writing and delivered by hand, email, or certified mail to the addresses specified by each party.

14.11 Relationship of Parties: The parties are independent contractors. This Agreement does not create any partnership, joint venture, or agency relationship.

14.12 Survival: Provisions that by their nature should survive termination of this Agreement shall survive, including confidentiality, intellectual property, indemnification, and limitation of liability.

14.13 Entire Agreement: This Agreement, including any attached exhibits or schedules, constitutes the entire agreement between the parties and supersedes all prior or contemporaneous agreements, proposals, or representations, written or oral, concerning its subject matter.

14.14 Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14.15 Continuous Improvement: Both parties commit to a process of continuous improvement. The Service Provider agrees to regularly assess and enhance service quality and efficiency. The Client agrees to provide feedback and participate in service review meetings. Both parties will work collaboratively to identify areas for improvement and implement agreed-upon enhancements.

15. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of [STATE/JURISDICTION], without regard to its conflict of law provisions.

Managed Services Agreement Template — Appendix

Appendix A: Service Level Agreement (SLA)

Response and Resolution Times:

- Critical issues (complete system failure or security breach):
  - Response within 15 minutes
  - Resolution or mitigation plan within 4 hours
- High priority issues (significant impairment of business operations):
  - Response within 1 hour
  - Resolution or mitigation plan within 8 hours
- Medium priority issues (limited impairment of business operations):
  - Response within 4 hours
  - Resolution or mitigation plan within 24 hours
- Low priority issues (minimal impact on business operations):
  - Response within 24 hours
  - Resolution or mitigation plan within 72 hours
  -

Service Availability:

- The Service Provider guarantees 99.9% uptime for network services.
- Standard Support: Monday through Friday, 8:00 AM to 6:00 PM local time, excluding holidays
- After-Hours Support: Available for critical and high priority issues
- Holiday Schedule: Defined in Exhibit B

Approved Communication Methods:

Client must use the following methods to request support:

- Phone: [SUPPORT PHONE NUMBER]
- Email: [SUPPORT EMAIL ADDRESS]
- Client Portal: [CLIENT PORTAL URL]

Support requests made through other channels (e.g., direct contact with staff members, social media, etc.) are not guaranteed and do not fall under the SLA

Penalties:

· Failure to meet the SLA metrics will result in service credits to the Client, calculated as [Amount]% of the monthly service fee for each hour of downtime beyond the SLA guarantees.

Escalation Process:

1. Level 1 Support: Initial contact and troubleshooting
2. Level 2 Support: Advanced technical support
3. Level 3 Support: Escalation to senior engineers or specialists
4. Management Escalation: If unresolved, escalate to management

Appendix B: Supported Equipment and Software

[List of supported equipment and software, including versions and any specific configurations required.]

Appendix C: Change Management

Change Request Procedure:

· All change requests must be submitted in writing using the Change Request Form provided in Appendix H.
· The Service Provider will review and respond to change requests within [Number] business days.
· Approved changes will be documented and may result in additional fees or adjusted timelines.

Change Request Form:

· Requester Name: [Client Representative Name]
· Date: [Request Date]
· Description of Change: [Detailed Description]
· Reason for Change: [Reason]
· Impact Analysis: [Impact on Services, Costs, and Timelines]
· Approval: [Service Provider Representative Signature]

Managed Services Agreement Template — Appendix

Signatures

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

[MSP NAME]   [CLIENT NAME]

By: _____   By: _____

Name: _____   Name: _____

Title: _____   Title: _____

Date: _____   Date: _____

[NOTARY BLOCK IF REQUIRED]