

## The Managed Services Provider Contract

By Brian Von Hatten

Service providers are often surprised by the fact that they need more than one agreement to govern the relationship with their clients. There will usually be some sort of master agreement, often referred to as a business services agreement or master services agreement. This agreement will typically contain the terms and conditions governing all of the related transactions between the parties. There will likely be provisions concerning confidentiality, intellectual property, termination, and warranties, among many others. The master agreement will often be negotiated first, although it may sometimes be negotiated with other product or service specific agreements which are attached to the master agreement. The master agreement will often be of a longer term, for example, a 36-month agreement which renews annually.

In addition to the master agreement, there will often be addenda, attachments, or exhibits in which various aspects of the work or project to be completed is described. This may include pricing attachments, a statement or scope of work, or service level agreements. Depending on the nature of these attachments, they may apply through the term of the agreement (e.g., pricing) but may be of a limited time or scope. Additional products and services may be added by executing one of these smaller attachments.

An agreement structure that uses a modular approach can make it easier to manage or amend various aspects of the transactions between the parties without having to renegotiate the entire agreement. These agreements can be daunting and often contain complex legal language affecting the rights of both parties. For this reason, it is recommended that you seek the advice and counsel of attorneys who have experience negotiating these types of agreements.



About the author Brian Von Hatten:

Brian represents many large and mid-market organizations on matters related to transactions, software licensing, and disputes. Brian's focus includes substantial attention to complex information technology issues for companies of all sizes.

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