CLIENT SERVICE AGREEMENT

OVERVIEW: What it is and explaining the legal jargon in a non-jargon way

INTRO

A year ago, I got screwed with $5,500.

I did the work, the client was happy, and he just decided one morning to initiate a PayPal refund request and that was it - $5,500 left my account.

I disputed it, but there was a major problem:

I didn't have a contract in place.

Things are different now, but I learned my lesson and that's exactly why you have this contract.

I don't want you to lose out like I did, and this contract will help you avoid and/or be better equipped to handle legal disputes if they do come up.

Not only that, but it also helps put everything in perspective about what the client can expect from you, what you expect from the client, etc.

If you're offering once-off projects or retainer work, this will be a helpful template for you.

As a general rule, and only if it's a <u>not</u> a deal-breaker, try and avoid receiving high-value payments via PayPal and get payment upfront – this will solve most potential legal disputes.

DISCLAIMER

The legal resources provided within this template, including the master service agreement contract and overview are resources for informational and educational purposes only and should not take the place of hiring an attorney.

Using this template does not create an Attorney-Client relationship between you and its creators. Personalized legal advice is not provided within this resource. This template provides legal information created for awareness of significant legal issues that arise between freelancers and their clients and provides you with recommended language to govern that agreement and relationship.

GENERAL OVERVIEW FOR CHANGES

The changes you need to make are:

RED – Replace the necessary info such as the date, address, platform, etc.

GREEN – Remove/Add what is a necessary service.

BLUE – Explains the relevant section and what you need to do with it such as removing a section if it does not apply to your service that you are offering. You need to remove this text completely.

Other than that, do not make any other adjustments to this agreement.

It's needless to say, but when you do make the changes, remove the squared brackets [ ] and change the color of all text to black.

GENERAL OVERVIEW AND INSTRUCTIONS OF CONTENT

1 IDENTIFICATION OF THE PARTIES

1.1 This Service Agreement (the 'Agreement') is made and entered into on this [Current Date] day of [Current Month] (the 'Effective Date') by and between [Client Company Name] with its registered address at [Client Company Address] (the 'Client') and [Your Company Name] (the 'Service Provider').

1.2 The Client and the Service Provider are hereinafter referred to individually as a 'Party' and collectively as the 'Parties'.

1.3 By accepting this Agreement and subject to the terms and conditions herein, the Service Provider agrees to provide [Website Development / Marketing Services / Website and Marketing Services] (the 'Services') to the Client in connection with its business operations.

Section 1 above is outlining WHO the agreement is with and WHAT it's about.

2 ENGAGEMENT AND SERVICES

2.1 The Client hereby engages the Service Provider to provide and perform the following Services in connection with [Website Development / Marketing Services / Website Development and Marketing Services]. These Services shall include the following:

2.1.1 Website Development

2.1.2 Marketing Strategy and Improvements

2.1.3 AdWords Campaign Setup, On-page SEO Improvements, Social Media Ad Campaign Setup

2.1.4 Weekly Progress Reports

Section 2.1 above is for project-based (a set period of work) or once-off work (such as a website). This is where you will list the main tasks such as Content Writing, Website Development, Logo Design, etc. – whatever is necessary to your service offering.

2.2   The Client hereby engages the Service Provider to provide and perform the following Services on an ongoing basis, in terms of a retainer arrangement OR to be billed on an hourly basis, in connection with [insert name or description of project/business operations]. These Services shall include the following

2.2.1   Website Development

2.2.2   Marketing Strategy and Improvements

2.2.3   AdWords Campaign Setup, Social Media Ad Campaign Setup

2.2.4   Content Writing and SEO

2.2.5   AB Split Testing and Optimization

Section 2.2 above is for retainer-based work **or** services that you bill by the hour. This is for monthly work.

3   SERVICE PERIOD AND TERMINATION

3.1   This Agreement shall commence on the Effective Date and shall remain in effect until the completion of the Service or the earlier termination of this Agreement as provided in section 3.2 of the Agreement.

This Agreement shall commence on [date] and shall run indefinitely OR terminate on [date].

Section 3.1 above is outlining how long the project will be for and the remainder of section 3 outlines the terms for cancellation and any adjustments to the agreement.

4   FEES FOR SERVICES PERFORMED

4.1   Payment is to be made via [PayPal / Freshbooks / Electronic Bank Transfer / Transferwise, etc.] within 3 working days on receipt of invoice to the following account details: [Insert your bank details or your account name]

4.2   Project Based Work:

4.2.1   The Client agrees to pay the Service Provider a project fee of [$3,500.00]. The Service Provider's obligation to render the Services mentioned in Section 2 of this Agreement is conditional upon payment by the Client in the following terms (the 'Project Based Schedule'):

4.2.1.1   100% upfront payment upon receipt of Invoice.

Section 4.2 – 4.2.1.1 above deals with getting paid. I ALWAYS advocate for 100% payment upfront as it solves almost every issue. Try this and if it's a deal-breaker, only then should you consider another payment method like the example in 4.2.1.2 below.

4.2.1.2   50% down payment upon receipt of Invoice (the 'Down Payment').

4.2.1.3   The remaining 50% is to be paid upon completion of website OR on [date].

Section 4.2.1.2 – 4.2.1.3 above deals with splitting up the amount in multiple payments. If you decide on getting the final payment on 'completion', you need to be clear as to what 'completion' actually is, because the client may have something different in their mind. I prefer to get the final payment on a set date in advance BEFORE the project has been completed as it's a relative term and can delay payment until the client sees it as 'completed'. So in this case, let's say you know a website will take 3 months, you get the 50% deposit upfront before you start, and then the other 50% at the end of the 2nd month.

4.3   Advertising fees

4.3.1   All advertising fees, such as Google Ads, Facebook Ads, and any other related advertising fees, are for the Client's account.

4.3.2   The Client is committed to spend a minimum of [$1,000.00] for Google Ads and [$500.00] for Facebook Ads each month, for the validity of this Agreement.

Section 4.3 above is pointing out that all ad spend related costs are for the client's account. IF you do decide to absorb this cost and pay the ad spend directly, then change the words "*Client's account*" to "*Service Provider's account*" and also update 4.3.2 to say, "*The Service Provider*" rather than "*The Client*".

8   NO COMPETITION

8.1   During the term of this Agreement, the Service Provider will engage in no business or other activities which are directly competitive with the business activities of the Client's local geographic target audience in the Client's respective trading city/town without obtaining the prior written consent of the Client.

Section 8.1 above relating to you as the Service Provider is important to reiterate when it comes to working with the same client industry in the same city. Let's say you have a dentist client in San Francisco. You can't work with another client in San Francisco (as long as they are working with you or the period mentioned in the contract), but you can work with a client in San Diego is no problem as it's a different city.

12   TRANSFER OF INTELLECTUAL PROPERTY RIGHTS

12.1   The Service Provider grants all IP rights to the Client upon final payment for the Services performed in exchange for a right to use the content developed for marketing and business development purposes, and retains ownership over the Work Product.

The Service Provider shall, upon the Client's compliance with the terms of the Agreement and final payment for Services performed, transfer or convey to the Client all rights, including, without limitation, copyrights, patents, trade secret rights, and other intellectual property rights associated with any ideas, concepts, inventions, works of authorship, Confidential Information – that have been or will be developed or created by the Service Provider, solely or jointly with others, for the Client for use in perpetuity in any manner whatsoever (the 'Work Product'). The Service Provider waives any moral right in respect of the Client's use of the Work Product. Notwithstanding the aforementioned clauses, the Client hereby agrees, irrevocably and non-exclusively, to grant the Service Provider a right to display the written or visual content developed by the Service Provider for the Client in advancing the Service Provider's business development and marketing strategy. Notwithstanding the aforementioned, the Service shall retain ownership to certain aspects of the Work Product:

- Google Ads Account, Campaign Setup and Strategy
- Facebook Ads Account, Campaign Setup and Strategy

Section 12 is referring to the IP, your Intellectual Property. Let's say you create an AdWords Account and manage it each month for your client, and they leave you after 6 months, should you give the client access to this account?

No, you should not. Why? Because it's your marketing strategy – it's what you created to get the client more sales and this is your IP, in this case, it's the 'Work Product' and this type of IP is yours – not the client's.

18   SIGNATURES

18.1   The Parties duly execute this Agreement by their signatures below:

Company: _____   Company: _____

Name: _____   Name: _____

Title: _____   Title: _____

Date: _____   Date: _____

The agreement will not be valid until the client signs it, so get the signature and information of the client, and the other section is for you to sign.