

SOFTWARE DEVELOPMENT AGREEMENT

This Software Development Agreement ("Agreement") is entered into as of [Effective Date] ("Effective Date"), by and between:

Developer: [Developer Company Name and Address] ("Developer")

Client: [Client Company Name and Address] ("Client")

Developer and Client may be referred to individually as a "Party" and collectively as the "Parties".

1. PURPOSE AND BACKGROUND

WHEREAS, Client has conceptualized a software solution ("Software") and desires that Developer design, develop, test, deploy, and support such Software in accordance with a Software Requirements Specification ("SRS");

WHEREAS, Developer possesses the technical expertise and resources to perform such services;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows.

2. DEFINITIONS

"Acceptance Date" means the date on which the Client formally accepts the Software in writing.

"Deliverables" means all software, documentation, source code, object code, reports, and materials produced.

"Milestones" means project phases defined in the SRS.

"Confidential Information" means all non-public business, technical, or financial information.

3. SCOPE OF WORK

3.1 Developer shall perform the services described in the SRS.

3.2 The SRS shall serve as the governing document for requirements, milestones, and acceptance criteria.

3.3 Any work not expressly stated in the SRS shall be considered out of scope.

4. DEVELOPMENT METHODOLOGY

- 4.1 Developer shall use industry best practices including version control, code reviews, and testing.
 - 4.2 Client shall provide timely information, approvals, and resources.
 - 4.3 Developer shall provide periodic progress reports at each milestone.
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5. DELIVERY AND ACCEPTANCE

- 5.1 Developer shall deliver Deliverables in accordance with the milestone schedule.
 - 5.2 Client shall conduct User Acceptance Testing (UAT).
 - 5.3 Non-conformities shall be reported within thirty (30) days.
 - 5.4 Acceptance shall occur upon written confirmation by Client.
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6. CHANGE MANAGEMENT

- 6.1 Client may request changes in writing.
 - 6.2 Developer shall evaluate cost and timeline impact.
 - 6.3 Approved changes shall be documented in a Change Order.
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7. PAYMENT TERMS

- 7.1 Total Contract Fee: [Amount].
 - 7.2 Payment Schedule:
 - 60% upon signing
 - 24% upon 80% completion
 - 16% upon final delivery
 - 7.3 Late payments accrue interest at 12% per month or maximum allowed by law.
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8. TRAINING AND SUPPORT

- 8.1 Developer shall provide training materials and documentation.
- 8.2 Six months of support included.

8.3 Additional support billed separately.

9. INTELLECTUAL PROPERTY

9.1 Client owns all intellectual property in the Software.

9.2 Developer retains rights to background tools and libraries.

9.3 Developer may reference project for portfolio purposes.

10. DATA PROTECTION AND SECURITY

10.1 Developer shall comply with applicable data protection laws.

10.2 Developer shall implement reasonable security measures.

10.3 Developer shall notify Client of any security breach.

11. CONFIDENTIALITY

11.1 Confidential Information shall not be disclosed.

11.2 Obligations survive termination.

12. WARRANTIES

12.1 Developer warrants the Software shall conform to the SRS.

12.2 Warranty period is twelve (12) months.

12.3 No warranty of uninterrupted operation.

13. LIMITATION OF LIABILITY

13.1 Developer not liable for indirect damages.

13.2 Liability limited to fees paid.

14. TERMINATION

14.1 Either Party may terminate with fifteen (15) days written notice.

14.2 Client shall pay for completed work.

15. FORCE MAJEURE

Neither Party liable for delays due to acts of God, war, or natural disasters.

16. DISPUTE RESOLUTION

Disputes resolved by arbitration under UNCITRAL rules.

17. GOVERNING LAW

This Agreement governed by the laws of Kenya.

18. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement.

19. SEVERABILITY

Invalid provisions do not affect remaining sections.

20. SIGNATURES

Developer Name: _____

Signature: _____

Date: _____

Client Name: _____

Signature: _____

Date: _____