**[Company Name]**

**Service Agreement & Statement of Work**

Project Details, Terms, and Conditions between [Client Name] & [Company Name]

DATE \@ "dddd, MMMM d, y" Monday, December 8, 2014

# Hi [Client’s First Name]!

We’re happy that You’ve chosen to work with Us, and We look forward to a lasting relationship! This is our Service Agreement (“Agreement”). It begins as of [Month] [Day], 2014, and is made between SuperFriendly Co. (“Us”) and [Client Name] (“You”).

In short, **We will build a website for You with the goal of [Goal]. We will work and collaborate with you to the best of our ability to complete it by [end date]. In total, that will cost $[Fee].**

For details, read on!

# A little background

* 1. The purpose of this Agreement is to iron out all the details of our relationship. We recognize that even though each party is working as hard as possible, questions sometimes arise, and this Agreement is meant to address as much about our relationship as possible.
  2. You are hiring Us as experts to complete work for You, the specifics of which will be explained over the following pages. We’ll do our best to make this Agreement simple to understand by steering clear of legal jargon, so we’ve tried to eliminate it as much as possible. The biggest exception is the next paragraph, which our lawyer insists We keep. Brace yourself:
  3. The parties, intending to be legally bound, agree as follows:
  4. (That wasn’t so bad, was it?)

# The Project

* 1. Project summary. You are hiring Us to [insert project summary]. Once the project is completed, here’s a list of what You can expect Us to deliver (the “Deliverables”):
  + Item 1
  + Item 2
  + Item 3
  + Item 4
  1. Project exclusions. This project does not include:
  + Item 1
  + Item 2
  + Item 3
  + Item 4
  1. Change process for deliverables. Because the project is just getting started, it’s important to remember that the Deliverables may change once We begin brainstorming. If it becomes necessary to change the Deliverables, we can discuss the changes and both parties will sign an addendum to this Agreement, memorializing the changes we’ve agreed on.
  2. Requirements. Throughout the project, it’s important that You maintain communication with Us. The project will be divided into phases, and each phase will require certain things from both parties. The phases will be listed below, but for now, it’s important to know that We are agreeing to provide everything We are supposed to according to this Agreement to complete each phase, and that You are also promising to provide everything You are supposed to according to this Agreement to complete each phase, including, but not limited to, feedback, copy, custom photography and other content related aspects of the project. If either party does not provide what is required of them for each phase in a timely manner, the other party can consider it a breach of this Agreement.

| Phase title | Estimated date of completion | Percentage of effort |
| --- | --- | --- |
| Phase 1 | January 1, 2014 | 50% |
| Phase 2 | January 2, 2014 | 10% |
| Phase 3 | January 3, 2014 | 30% |
| Phase 4 | January4, 2014 | 10% |

# The Phases

* 1. Phase breakdown. Below is a breakdown of each phase, as well as an estimated date for completion of each phase:
  2. Change process for phases. Again, because the project is just getting started, the dates and content of each phase are subject to change. If it becomes necessary to change any phase, including dates, We will notify you in writing of the change. Additionally, if after the project begins You decide You want Us to do more work than is accounted for in these phases, together we can agree to add phases. Of course, You agree that, with the addition of phases, We may, after approval by You, raise the Fee.
  3. Percentage assignment. Each phase is assigned a percentage denoting approximately how much of the project that phase represents. Once We submit everything that is required of Us for a particular phase, that phase is considered complete. In the event the project does not go to completion, You agree to pay Us an amount of the total Fee that is proportionate to the percentage of the project We have completed.
  4. Feedback process. Throughout Our completion of phases, We will be seeking Your feedback. You agree to make yourself available to provide feedback. Although We are going to work very hard to make sure You are completely satisfied, You agree that Your approval is not needed for the purposes of considering a phase completed.
  5. Term. This project will be considered completed upon the completion of all phases listed above, and delivery of the Deliverables, or ends on January 1, 2014, whichever occurs first. Anything outside these deliverables and phases list or after January 1, 2014 will be considered out of scope.
  6. Pauses. You may, at Your option, choose to have Us temporarily halt work on the project (“Pause”). If You elect to Pause, You must inform Us in writing of Your decision as well as the projected length of time for the Pause. We cannot guarantee that We will be able to resume work on Your project immediately following a Pause, but together both parties will agree on a date to resume the project. Because We have arranged Our schedule to devote a specific time period to Your project, if over the course of the project the amount of time Your requested Pauses last totals more than 30 days We may charge You, and You agree to pay, an amount equal to 5% of the Fee. If the total amount of time for all Pauses lasts more than sixty days, We may consider that Your notice of Your intention to terminate this Agreement, and the provisions of the article headed “Termination” will apply, including the addition of a 10% termination fee to the total sum You owe.
  7. Both parties agree that if a Pause lasts longer than two weeks, We may need to rescope the project, including changing the completion date for the project and dates phases are due.

# Payment

* 1. Fee. You agree to pay Us $[Fee] (the “Fee”). You agree to pay the Fee in the following installments:
  2. Fee exclusions. This Fee does not include reimbursement for expenses including, but not limited to, fonts, stock photography/video/illustration, licenses, products, or other collateral or materials for Our Work (“Expenses”). These Expenses will be billed for separately, and You agree to reimburse Us the cost of such Expenses after We have provided documentation explaining them.
  3. Expertise. You recognize that You are not merely compensating Us for the completed project, but also Our expertise. Before We actually produce a physical Deliverable, We have invested hours into researching, brainstorming and problem-solving, and You agree that You are compensating Us for not only the physical Deliverables, but also all the work We have invested to create the Deliverables.

# Ownership

* 1. License during project. During the course of the project, and up until the Fee is paid-in-full, We will retain ownership of the Deliverables. However, We will grant you a revocable exclusive license for the duration of the project. If You fail to make a payment when it is due according to this Agreement, We reserve the right to revoke Your license.

| Payment | Date |
| --- | --- |
| $xxxxx | Due upon signing |
| $xxxxx | January 2, 2014 |
| $xxxxx | January 3, 2014 |
| $xxxxx | January4, 2014 |

* 1. Rights assignment. Upon full payment of the Fee, We will irrevocably assign and grant You all rights, title and interest to the Deliverables. This includes, but is not limited to, Our rights as owner of the copyright of the Deliverables. Even after full payment of the Fee, We will retain ownership of code created for general applicability, but We will grant You a license to use this code.
  2. Our license. Once We assign You all right, title, and interest in the Deliverables, You agree to grant Us an irrevocable, nonexclusive license to use the Deliverables for marketing purposes. We agree to not use the license You grant Us in any way that would hurt You economically.

# Warranties & Indemnification

* 1. Our warranty. We warrant to You that all the Deliverables, unless expressly specified, We provide to You are Our own work, and that they do not, to the best of Our knowledge, infringe on any third party copyright, or intellectual property rights.
  2. Third-party. If We use any third party material, We will inform You. If needed, We will obtain a license to use the third party material.
  3. Your warranty. You warrant to Us that any material You provide Us is not protected by a third party copyright or any third party intellectual property rights, and that We can use such material lawfully.
  4. Your indemnification. In the event litigation from a third party results from Our breach of Our warranty, We agree to indemnify and hold You harmless for any costs, damages, or liabilities associated with such breach of Our warranty. We also agree to indemnify You from third party claims resulting from Our gross negligence.
  5. Our indemnification. If a third party pursues litigation as a result of Your breach of Your warranty, You agree to indemnify and hold Us harmless for any costs, damages, or liabilities associated with such breach of Your warranty. You also agree to indemnify Us from third party claims resulting from Your gross negligence.

# Confidentiality

* 1. Acknowledgement of confidentiality. We recognize that You will be giving Us access to certain confidential information and We understand the need to keep that information confidential. We may also be giving You confidential information that You are also agreeing to keep confidential.
  2. Definition of confidential information. For purposes of defining confidential information for this Agreement, confidential information includes, but is not limited to, software, technology, programming, research, financial and business information, and any other piece of information that either party designates as confidential or proprietary. Information will not be considered confidential if it becomes public knowledge, or is received by a third party, without either of us breaking our confidentiality obligations, or if the receiving party can show they already knew the information before disclosure by the other party. Neither You nor We will disclose any confidential information without prior approval from the other party.

# Non-exclusivity & non-solicitation

* 1. Non-exclusivity. You agree that We may perform the same or similar types of services for other parties, including possibly some of Your competitors. Keep in mind that We are obligated to protect Your information through Our agreement to the information confidential, and that We take this provision, and the obligations it imposes, especially seriously.
  2. Non-solicitation. We agree not to solicit any of Your existing Clients for a period of one year without Your approval. A Client is a party that You have an existing business relationship with, and one that We have established a relationship with solely through Our participation in this project with You.

# Definition of Relationship

* 1. Relationship. This Agreement does not create an employee-employer relationship. Our relationship to You is that of independent contractors. As a result, both parties are solely responsible for all of our own employees, including the payment of compensation, worker’s compensation insurance, withholding taxes, and other required payments.

| Type | Amount |
| --- | --- |
| General Liability | $1,000,000.00 per occurrence and aggregate |
| Umbrella Liability | $2,000,000 per occurrence and aggregate |

* 1. Insurance. Additionally, during the term of this Agreement, both parties agree to maintain insurance with the following minimum limits:

# Force Majeure & Limitation of Liability

* 1. Force Majeure. Neither You nor We will be considered to be in default under this Agreement for delays in performance caused by events beyond our reasonable control.
  2. Limitation of liability. You agree that in no event shall We, including any of Our contractors, employees or owners, be liable for an amount greater than the portion of the Fee that You have paid, whether the basis of Your recovery be in contract law or tort law. In no event shall We be liable for consequential, incidental, or punitive damages.

# Termination

* 1. Mutual trust. We’re all hoping that our collaboration goes off without a hitch. After all, we trust each other, which is the reason we’re doing business together.
  2. Fairness. However, in the unfortunate case that we can’t come to an agreement, here’s what needs to happen. Even if things go awry, we want to make sure we’re treating you fairly, and vice versa.
  3. Notice. First of all, both parties agree to reasonably try to work things out so that the project is salvageable. If things can’t be worked out, either party can terminate this Agreement by giving the other party 10 days notice.
  4. Handoff. Upon termination, We agree to deliver to You any completed Deliverables, along with notes and any files We have pertaining to the project. Upon termination You agree to pay Us the portion of the Fee that is due according to what percentage of the project we have completed (determined by adding the percentage assigned to each completed phase). If We are in the middle of a phase when this Agreement terminates, that phase will be considered half completed. Because We have reserved a certain block of time to complete this project for You, if You terminate the project before it is completed, We may charge You an additional sum equal to 10% of the Fee.

# General Provisions

* 1. Merger. This Agreement states the full agreement between the parties and supersedes all prior negotiations and agreements.
  2. Amendments. No amendment or modification of this Agreement is binding unless in writing and signed by both parties.
  3. Severability. If any provision of this Agreement is illegal or unenforceable, that provision is severed from this Agreement and the other provisions remain in force.
  4. Counterparts. This Agreement may be executed in one or more counterparts, including by facsimile or electronic signature, each of which is an original, and all of which constitute only one agreement between the parties.
  5. Choice of Law. This Agreement is to be governed and construed in accordance with the laws of Pennsylvania, without regard to its conflict of law principles.

To evidence the parties’ agreement to this Agreement, we have executed and delivered it on [Month] [Day], 2014, but as of the date set forth in the preamble.

|  |  |
| --- | --- |
| For [Client Name]  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  [Client First Name] [Client Last Name]  [Client title]  [Client name]  [Client address]  [Client address 2]  [Client email]  [Client phone number]  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date | For SuperFriendly Co.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Dan Mall  President  SuperFriendly Co.  123 Anywhere Street  Springfield, PA 20202  [dan@superfriend.ly](mailto:dan@superfriend.ly)  xxx-xxx-xxxx  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date |

We’re really looking forward to working with you.

**Thanks!**