Software Development Agreement

Between Company A and Company B

# 1. Introduction

This Software Development Agreement ("Agreement") is entered into as of January 1, 2025, by and between Party A and Party B.

The purpose of this Agreement is to define the terms and conditions under which the Developer will provide software development services to the Client.

## 1.1 Definitions

For the purposes of this Agreement, the following terms shall have the meanings set forth below:

### 1.1.1 Software

"Software" means the computer programs, applications, and related documentation to be developed under this Agreement.

### 1.1.2 Services

"Services" means the software development, testing, and implementation services to be provided by the Developer.

## 1.2 Scope of Work

The Developer agrees to develop and deliver the Software in accordance with the specifications outlined in Exhibit A attached hereto.

# 2. Project Details

|  |  |
| --- | --- |
| Project Name | Enterprise Resource Planning System |
| Duration | 12 months |
| Budget | $500,000 |
| Start Date | February 1, 2025 |

# 3. Payment Terms

The Client agrees to pay the Developer according to the following schedule:

## 3.1 Payment Schedule

|  |  |  |
| --- | --- | --- |
| Milestone | Percentage | Amount |
| Project Initiation | 25% | $125,000 |
| Development Phase | 50% | $250,000 |
| Final Delivery | 25% | $125,000 |

## 3.2 Payment Terms

Payment shall be made within 30 days of receipt of invoice. Late payments will incur interest at a rate of 1.5% per month.

# 4. Confidentiality

Both parties agree to maintain the **confidentiality** of all proprietary information disclosed during the term of this Agreement.

"Confidential Information" includes all technical and business information, source code, designs, and any other materials disclosed by either party.

# 5. Termination

Either party may terminate this Agreement upon 30 days written notice to the other party.

## 5.1 Effect of Termination

Upon termination, all work in progress shall be delivered to the Client, and final payment shall be calculated on a pro-rata basis.