Design Contracts
for Freelance Web Designers

Jacob C. Myers - 2012

Table Of Contents

Introduction To Form Documents

This guide contains form and example documents essential to any web design business. The available documents are listed below.

To Complete the Form:
1. Search this Form Pack for the document you need, and follow the included instructions.
2. Replace the bracketed placeholders (*[PLACEHOLDER]*) with your information.
3. Follow any instructions (*-- INSTRUCTION: included instruction. --*) included in the form.
4. Use the example documents as a reference for creating your own document.
5. Print and Enjoy!

List of Available Form Documents

1. **Letter of Agreement:** Use for quick jobs or where a client wouldn't like a long contract.

2. **Project Proposal:** Explains project essentials such as scope, milestones, timeline and fees. Use with either the Full Terms & Conditions or Condensed Terms & Conditions.

3. **Full Terms & Conditions:** Protect yourself the best you can using a comprehensive set of terms and conditions. Use with the Project Proposal.

4. **Condensed Terms & Conditions:** Where you need brevity and protection, use this condensed set of terms and conditions. Use with the Project Proposal.

5. **Invoice:** You can't get paid unless you send a bill. Send an invoice and get paid.

6. **Past Due Reminder:** Have slow or absent-minded clients? Send them a friendly reminder that you enjoy being paid.

7. **Collections Letter:** Client still not cooperating? Send them a firmly worded letter showing that you mean business.

Letter of Agreement

The next time a client comes to you with a quick job, save yourself time and aggravation by sending them a quick Letter of Agreement to be signed BEFORE you start working. The letter is basically an abbreviated contract confirming the scope of the job, the schedule, fees to paid and essential terms and conditions. Use this style of contract for quick jobs or where a full-blown contract would make the client apprehensive.

Instructions on using a Letter of Agreement
This Letter of Agreement is like a standard business letter, except that it requires a reply. Use this format or your own letterhead. Replace the bracketed items ([ITEMS]) with your information.

Explanations of Copyright Usage
1. Exclusive v. Non-Exclusive Use: Exclusive means that this is the only client that can use this work. Non-Exclusive means that you can license this work to other clients.
2. Duration of Use: How long does the license last (1 year, 5 years, unlimited, etc.)?
3. Geographic Territory: Where in the world does this license apply (North America, Worldwide, etc.)?
4. Medium of Use: On what medium does this license apply (electronic only, print, etc.)?
5. Category of Use: Where specifically does this license apply (this website, online advertising, etc.)?
6. * This is not an exhaustive list. Consult an Attorney if you need more detailed license rights.

NOTE: Be sure to send this to your client AND get it back before starting work!

Included Documents:
1. Letter of Agreement Template Form (1 page)
2. Example Letter of Agreement (1 page)

Letter of Agreement Template Form

[YOUR NAME]
[YOUR ADDRESS]
[YOUR TELEPHONE]
[YOUR FAX]
[YOUR EMAIL]

[DATE]
[CLIENT NAME]
[CLIENT TITLE]
[CLIENT COMPANY NAME]
[CLIENT COMPANY ADDRESS]

Confirmation of Engagement
Job No.: *[JOB NUMBER]*

Project Title/Description: *[TITLE]*
[PROJECT DESCRIPTION]

Schedule: Preliminary Designs: *[DATE]*, **Final Design:** *[DATE]*

Copyright Usage: The rights granted to Client are for the usage of the Final Design in its original form only. Client may not modify the Final Design. License: *[EXCLUSIVE / NON_EXCLUSIVE USE], [DURATION OF USE],[GEOGRAPHIC TERRITORY], [MEDIUM OF USE], [CATEGORY OF USE]*. All other rights to be negotiated separately.

Fee: *[FEES]*

TERMS
1. **Reservation of Rights:** All rights not expressly granted above are retained by the Designer. Any use additional to that expressly granted above requires arrangement for payment of a separate fee.
2. **Revisions:** Revisions may be made only by the Designer at the Preliminary Design phase. Additional fees will be charged for revisions made after *[NUMBER OF REVISIONS]* preliminary design revisions, and for additions to project scope.
3. **Payment Schedule:** *[UP-FRONT FEE]* upon project commencement, remaining upon project completion.
4. **Payment Terms:** Payment due *[NET30 / NET15]* days from issuance of invoice. A one and one half (1.5%) monthly service charge will be billed against late payments. Grant of copyright is conditioned upon receipt of final payment, and upon Client's compliance with the terms of this agreement.
5. **Cancellation Fees:** In the event of Cancellation, Designer will be compensated for services performed through the date of cancelation in the amount of a prorated portion of the fees due. Upon cancellation all rights to the website revert to the Designer and all original art must be returned, including sketches, comps, or other preliminary materials.
6. **Credits and Promotion:** A credit line suitable to the design of the pages will be used. Client agrees to pay an additional fifty percent (50%) of the total fee, excluding expenses, for failure to include credit line. Designer reserves the right to include screen shots of the completed work in his portfolio.
7. **Preliminary Works:** Designer retains all rights in and to all Preliminary Designs. Client shall return all Preliminary Designs to Designer within thirty (30) days of completion of the project and all rights in and to any Preliminary Designs shall remain the exclusive property of Designer.
8. **Permissions and Releases:** The Client agrees to indemnify and hold the Designer harmless against any and all claims, costs, and expenses, including attorney's fees, due to materials included in the Design at the request of the Client for which no copyright permission or privacy release was requested, or for which uses exceed the uses allowed pursuant to a permission or release.
9. **Miscellaneous:** This Agreement shall be binding upon the parties, their heirs, successors, assigns, and personal representatives. This Agreement constitutes the entire understanding of the parties. Its terms can be modified only by a writing signed by both parties, except that the Client may authorize expenses or revisions orally. Any dispute arising out of this agreement will be resolved by negotiation between the parties. If they are unable to resolve the dispute, either party may commence mediation and/or binding arbitration through the American Arbitration Association. A waiver of a breach of any of the provisions of this Agreement shall not be construed as a continuing waiver of other breaches of the same or other provisions. This Agreement shall be governed by the laws of the State of California and courts of such state shall have exclusive jurisdiction and venue.

This Agreement must be signed and returned before Designer can schedule or begin this job.

Designer Signature   Print Designer Name   Date

Client Signature   Print Client Name   Date

Example Letter of Agreement

Samus Samuelson
512 Main St., Brea, CA 99999
Tel: 555-123-7890
Fax: 555-123-7891
email@example.com

April 25, 2012
Beaufort Brimley
Owner
Fancy Meats Co., 123 Fake St.
Orange, CA 99999

Confirmation of Engagement
Job No.: **00009**

Project Title/Description: Meat Packing Business Website
5 page design (Home, About, Contact, Services, Profile), Works on all modern browsers (IE9+, Latest Build of Firefox, Chrome and Safari). No mobile support.

Schedule: Preliminary Designs: 06/01/2012, **Final Design:** 07/01/2012

Copyright Usage: The rights granted to Client are for the usage of the Final Design in its original form only. Client may not modify the Final Design. Client shall have: Nonexclusive rights, unlimited duration, worldwide, electronic use, this website only. All other rights to be negotiated separately.

Fee: $2,500

TERMS
1. **Reservation of Rights:** All rights not expressly granted above are retained by the Designer. Any use additional to that expressly granted above requires arrangement for payment of a separate fee.
2. **Revisions:** Revisions may be made only by the Designer at the Preliminary Design phase. Additional fees will be charged for revisions made after 3 preliminary design revisions, and for additions to project scope.
3. **Payment Schedule:** Fifty percent (50%) upon project commencement, remaining upon project completion.
4. **Payment Terms:** Payment due Net Thirty (30) days from issuance of invoice. A one and one half (1.5%) monthly service charge will be billed against late payments. Grant of copyright is conditioned upon receipt of final payment, and upon Client's compliance with the terms of this agreement.
5. **Cancellation Fees:** In the event of Cancellation, Designer will be compensated for services performed through the date of cancelation in the amount of a prorated portion of the fees due. Upon cancellation all rights to the website revert to the Designer and all original art must be returned, including sketches, comps, or other preliminary materials.
6. **Credits and Promotion:** A credit line suitable to the design of the pages will be used. Client agrees to pay an additional fifty percent (50%) of the total fee, excluding expenses, for failure to include credit line. Designer reserves the right to include screen shots of the completed work in his portfolio.
7. **Preliminary Works:** Designer retains all rights in and to all Preliminary Designs. Client shall return all Preliminary Designs to Designer within thirty (30) days of completion of the project and all rights in and to any Preliminary Designs shall remain the exclusive property of Designer.
8. **Permissions and Releases:** The Client agrees to indemnify and hold the Designer harmless against any and all claims, costs, and expenses, including attorney's fees, due to materials included in the Design at the request of the Client for which no copyright permission or privacy release was requested, or for which uses exceed the uses allowed pursuant to a permission or release.
9. **Miscellaneous:** This Agreement shall be binding upon the parties, their heirs, successors, assigns, and personal representatives. This Agreement constitutes the entire understanding of the parties. Its terms can be modified only by a writing signed by both parties, except that the Client may authorize expenses or revisions orally. Any dispute arising out of this agreement will be resolved by negotiation between the parties. If they are unable to resolve the dispute, either party may commence mediation and/or binding arbitration through the American Arbitration Association. A waiver of a breach of any of the provisions of this Agreement shall not be construed as a continuing waiver of other breaches of the same or other provisions. This Agreement shall be governed by the laws of the State of California and courts of such state shall have exclusive jurisdiction and venue.

This Agreement must be signed and returned before Designer can schedule or begin this job.

Designer Signature   Print Designer Name   Date

Client Signature   Print Client Name   Date

Project Proposal

A written proposal can make a lasting impression on a client and should be used frequently. Proposals include specific details which vary quite a bit based on the individual project. However, there is a fairly standard structure for the proposal document itself. Most proposal documents follow a fairly standard structure, though specific structure can vary based on the individual project and designer. Most proposal documents include:

1. A description of the scope of work and specific objectives for this project, meaning need that must be met and the targets that must be hit.
2. Your work process including descriptions of your design phases, milestones, sequence of steps, deliverables, number of comps, included revisions, timeframes, client responsibilities, format for delivery, etc.
3. A schedule of fees, taxes, total fees and expenses, recap of the milestones and total timeframe.
4. A schedule of billing, detailing invoice amounts and when they happen during the project.
5. Chose either the Full Terms & Conditions or Condensed Terms & Conditions.
6. Signature lines.
7. It's also a good idea to include a line inviting the client to follow-up with you and to show a willingness to revise or negotiate the scope of work, if needed.

Instructions on using a Project Proposal
The Scope of Work should include an introductory paragraph summarizing what is to be done. The rest of the Scope of Work should describe the phases and milestones of project development. If the client is not familiar with the design process, include an explanation of what you are doing at each phase and when the client will be given materials. Be as specific as possible when describing the project. Include detailed information about the nature and number of deliverables. Describe the project well enough to accurately convey the complexity of the proposed project.

Design work is typically billed in phases. For a flat-fee project, it may be best to break the fee out by design phase. It will be easier to collect fee for work completed, if the project is canceled.

Include either the *Full Terms & Conditions* or *Condensed Terms & Conditions*.

Include a cover letter, on your letterhead, when presenting a client with a Project Proposal. In it, mention the source of your contact, your availability and time constraints, and invite further discussion of the proposal. Keep it short and sweet.

> *"Dear [Potential Client],*
>
> *[Contact], a friend of yours, recommended that I contact you about building a website for your business. [Contact] as explained the nature of your business and its website needs. I believe I can help. Please review the attached project proposal and feel free to contact me if you wish to discuss this project further.*
>
> *Thank You,*
> *Signed [Designer].*

Included Documents:
1. Project Proposal Template Form (6 pages)
2. Example Project Proposal (6 pages)

Project Proposal Template Form

[YOUR NAME]

[PROJECT TITLE]

Prepared For:

[DATE]
[CLIENT NAME]
[CLIENT TITLE]
[CLIENT COMPANY NAME]
[CLIENT COMPANY ADDRESS]

Prepared By:

[YOUR NAME]
[YOUR ADDRESS]
[YOUR TELEPHONE]
[YOUR FAX]
[YOUR EMAIL]

Scope of Work
[SCOPE OF WORK]

Work Plan & Milestones

The table below outlines the work process phases, milestones, due dates, deliverables and fees needed to complete this project. This four phase process begins at the concept phase where everything is planned, then the design phase where look and feel (artwork) is produced, next is the technical phase where design is given life, and finally the testing phase where everything is thoroughly tested and reviewed. This process is designed to ensure project efficiency and your complete satisfaction.

Concept Phase

Milestone	Due Date	Deliverables	Fee

Design Phase

Milestone	Due Date	Deliverables	Fee

Technical Phase

Milestone	Due Date	Deliverables	Fee

Test Phase

Milestone	Due Date	Deliverables	Fee

Total:

Detail

Thank you for this opportunity. If you have any questions or concerns regarding this project proposal or included terms & conditions, please don't hesitate to call *[PHONE].*

Concept Elements

Description	Fee

Design Elements

Description	Fee

Technical Elements

Description	Fee

Subtotal:	
Tax:	
Total:	

Terms & Conditions

All information in this proposal is subject the the following terms and conditions:

[TERMS & CONDITIONS]

-- INSTRUCTION: Choose an appropriate set of terms and conditions. I recommend using either the Full Terms & Conditions or Condensed Terms & Conditions found in this guide. --

Signatures

Client's signature below authorizes designer to begin work. If the information and terms in this proposal are to Clients satisfaction and approval, kindly return a signed copy of this Project Proposal to Designer.

Designer Signature   Print Designer Name   Date

Client Signature   Print Client Name   Date

Project Proposal Example

Designer Samus Samuelson

Meat Packing Business Website

Prepared For:

April 25, 2012
Beaufort Brimley
Owner
Fancy Meats Co.
123 Fake St.
Orange, CA 99999

Prepared By:

Samus Samuelson
512 Main St.
Brea, CA 99999
Tel: 555-123-7890
Fax: 555-123-7891
email@example.com

Scope of Work

I will develop a completely custom website for Fancy Meats Co. The goal of this website is to provide Fancy Meats Co. with an online presence and to provide current and prospective customer vital information about Fancy Meats Co. business operations.

The website will be a 5 page website consisting of the following pages: Home, About, Contact, Services, Profile. The home page will have text and pictures about Fancy Meat Co. The about page will give a company history. The contact page will have a form allowing customers to send an email to Fancy Meat Co. The services page will list services. The profile page will have a photo and profile for each of Fancy Meat Co.s 12 employees.

The design process consists of four (4) phases: Concept, Design, Technical, and Testing. In the concept phase, I begin work by outlining the basic flow and gathering text and images for the website. In the design phase I create digital artwork for the outlined webpages and integrate the images and text. In the technical phase I enable the website server, domains and add interactive functionality like forms and emails. In the testing phase, I check the entire website to make sire it is operating as expected.

This website will work in all Grade-A browsers. It will not be designed to operate on mobile devices.

On the following pages, you will find a more detailed description of the project phases, timeline, due dates, deliverables and fees. You will also find a set of terms and conditions.

Work Plan & Milestones

The table below outlines the work process phases, milestones, due dates, deliverables and fees needed to complete this project. This four phase process begins at the concept phase where everything is planned, then the design phase where look and feel (artwork) is produced, next is the technical phase where design is given life, and finally the testing phase where everything is thoroughly tested and reviewed. This process is designed to ensure project efficiency and your complete satisfaction.

Concept Phase

Milestone	Due Date	Deliverables	Fee
Work Begins	When Received	• Signed Contract	$1,245
Information Architecture	Week 1	• Site map • Info Layout	$1,245

Design Phase

Milestone	Due Date	Deliverables	Fee
Visual Design	Week 2	• Photoshop Design Template • Contact Form Design • Email Format	$1,245
HTML / CSS Template	Week 3	• Design in html/css • Contact form in html/css • Email in plaintext and html	$1,245

Technical Phase

Milestone	Due Date	Deliverables	Fee
Hosting Server	Week 4	• Server Setup • Domain Name Setup	$1,245
Programming	Week 5	• Form javascript and PHP	$1,245

Test Phase

Milestone	Due Date	Deliverables	Fee
Initial Test	Week 6	• Upload website to server with test credentials • Tested Interface • Tested form and email	$1,245
Site Launch	Week 7	• Move site to live status	$1,245
		Total:	$9,960

Detail

Thank you for this opportunity. If you have any questions or concerns regarding this project proposal or included terms & conditions, please don't hesitate to call **555-123-7890**.

Concept Elements

Description	Fee
Consulting	$1,100
Research	$500
Site Outline	$900

Design Elements

Description	Fee
Site Template Design	$2,200
Contact Form Design	$1,500

Technical Elements

Description	Fee
Server & Domain Setup	$750
Contact Form Functions	$2,550
HTML / CSS Development	$1,460

	Subtotal:	$9,960
	Tax:	$0
	Total:	$9,960

Terms & Conditions

All information in this proposal is subject the the following terms and conditions:

Include: Full Terms & Conditions or Condensed Terms & Conditions.

Signatures

Client's signature below authorizes designer to begin work. If the information and terms in this proposal are to Clients satisfaction and approval, kindly return a signed copy of this Project Proposal to Designer.

Designer Signature   Print Designer Name   Date

Client Signature   Print Client Name   Date

Full Terms & Conditions

This set of Full Terms and Conditions is meant to be comprehensive. It covers the the basic areas of most web design projects and includes many provisions that are essential to the designer.

Instructions on using the Full Terms & Conditions
Include these Full Terms and Conditions in your [Project Proposal](). Just fill in the *[PLACEHOLDERS]* and use.

This sample contract focuses on the terms most important to freelance web designers. It is written with the most common web design project scenario in mind.

1. **Getting Paid:** Payment is due when you finish the milestones in your [Project Proposal]()and are payable some number of days after the client receives your invoice. You are also entitled to your expenses and any additional costs. Late payments get a 1.5% per month service charge. Any grant of copyright is conditioned on full payment. This is to encourage prompt payment.
2. **Scope Creep:** This document gives a process for dealing with changes in scope. Scope creep is less likely when clients know there is a process to follow to request more work.
3. **Slow Clients:** To avoid being held up by clients, this document provides a day-for-day extension on delivery dates for delays caused by clients not providing needed materials. Additionally, work product is automatically approved after a number of days of being sent to the client. An expiration clause is included to avoid your client delaying the start of the project. If the client waits too long, they will need to request a new Project Proposal. This lets you adjust you prices and services offered based on your availability at the time the client actually accepts your proposal.
4. **Copyright:** Copyright is in favor of the designer. The client gets to use the website you create, but you retain the rights to it, including rights to make alterations.

Great effort was taken to make this contract as readable and understandable as possible while retaining all legal effect. **Take care in reading this. document. Know what rights and obligations it requires.**

Full Terms & Conditions Template Form

DEFINITIONS

Agreement means the Project Proposal, Terms and Conditions and any other attached documents.

Project means the scope and purpose of the Client's identified usage of the work product as described in the Project Proposal.

Services means all services and the work product to be provided to Client by Designer as described and otherwise further defined in the Project Proposal.

Final Deliverables means the final versions of Deliverables provided by Designer and accepted by Client.

Deliverables means the services and work product specified in the Project Proposal to be delivered by Designer to Client.

Client Content means all materials, writing, images or other creative content provided by Client used in preparing or creating the Deliverables.

Third Party Materials means proprietary third party materials which are incorporated into the Final Deliverables, including without limitation stock photography or illustration.

Designer Tools means all design tools developed and/or used by Designer in performing the Services, including pre-existing and newly developed software including source code, Web authoring tools, type fonts, and application tools, together with any other software, or other inventions whether or not patentable, and general non-copyrightable concepts such as website design, architecture, layout, navigational and functional elements.

DESIGNER SERVICES

Designer shall perform the services listed the Scope of Work according to the Work Plan and Milestones schedule.

PROPOSAL

The terms of this Agreement expires *[DAYS]* days after being submitted to Client. If this Agreement expires, Designer may modify the Agreement and resubmit it to Client.

COMPENSATION

Fees. Client agrees to pay Designer the fees listed in the Project Proposal, including all taxes.

Expenses: Client will pay Designer expenses, including but not limited to: (a) Incidental and out-of-pocket expenses at cost plus Designers standard markup of *[PERCENT]*; (b) Milage reimbursement, other than normal commuting, at [PRICE] per mile; (c) Travel expenses, other than normal commuting, but including airfare and rental vehicles, with client approval.

Additional Costs: Pricing in the Project Proposal includes only Designer fees. Any other costs, such as hosting, art licensing or photography, will be billed to Client.

Hosting Final Deliverables: Designer will host the Final Deliverables on Designers web space while the Project is under construction. If the Final Deliverables are not completed by the completion date listed in the Project Proposal, and the delay is not caused by Designer, Client agrees to pay Designer

[AMOUNT] per month for hosting until the Final Deliverables are moved to Clients server.

PAYMENT

Payment Schedule: Payment is due when Designer completes each milestone as listed in the Work Plan and Milestones schedule, and Client accepts the Deliverables for that milestone.

Invoices: All invoices are payable within *[DAYS]* of receipt. Invoices shall list any expenses and additional costs as separate items.

LATE PAYMENT

Late Fee: A monthly service fee of 1.5 percent, or the maximum allowed by law, is payable on all overdue balances.

Crediting Late Payments: Payments will be credited to late payments first, then to unpaid balances.

Collection Expenses: Client shall pay all collection or legal fees caused by late payments.

Withholding Delivery: Designer may withhold delivery and transfer of ownership of any current work if accounts are not current or overdue invoices are not paid in full.

Withholding License: All grants of any license to use or transfer ownership of any intellectual property rights under this Agreement are conditioned on full payment, including all outstanding Additional Costs, Expenses, Fees, or any other charges.

CHANGES TO PROJECT SCOPE

Change Request: If Client wants to change the Scope of Work after acceptance of this Agreement, Client shall send Designer a written Change Order describing the requested changes in detail. Within *[DAYS]* of receiving a Change Order, Designer will respond with a statement proposing designers availability, additional fees, changes to delivery dates, and any modification to the Terms and Conditions. Designer will evaluate each Change Order at its standard rate and charges.

Major Change: If Client requests are at or near *[PERCENT]* percent of the time required to produce Deliverables, or the value of the Scope of Services, Designer shall be entitled to submit a new and separate Proposal to Client for written approval. Designer shall not begin work on the revised services until he receives a fully signed revised proposal and any additional fees.

Minor Change: If Client requests are not Major Changes, Client will be billed on a time and materials basis at Designers hourly rate of *[RATE]* per hour. Such charges shall be in addition to all other amount payable under this Agreement, despite any maximum budget, contract price or final price identified. Designer may extend or modify any delivery schedule or deadlines in the Agreement as may be required by such changes.

Acceptance/Rejection: Client will have *[DAYS]* days to respond in writing accepting or rejecting the new proposal. If Client rejects the proposal, Designer will not be obligated to perform any services beyond those in the original Agreement.

DELAYS

Designer Delays: Designer shall use all reasonable efforts to meet the Work Plan and Milestones delivery schedule. Designer may extend the due date for any Deliverable by giving written notice to Client. The total of all extensions shall not exceed [DAYS] days.

Client Delays: Client shall use all reasonable efforts to provide needed information, materials and approvals. Any delay by Client will result in a day-for-day extension of the due date for all Deliverables.

General Delays: Any delay caused be conditions beyond the reasonable control of the parties shall not be considered a breach and will result in a day-for-day extension any performance due. Each party shall use reasonable efforts to notify the other party, in writing, of a delay. Conditions beyond the reasonable control of the parties include, but are not limited to, natural disasters, acts of government after the date of agreement, power failure, fire, flood, acts of God, labor disputes, riots, acts of war, terrorism and epidemics.

EVALUATION AND ACCEPTANCE

Testing: Designer will test and correct Deliverables using commercially reasonable efforts before providing Deliverables to Client.

Approval Periods: Client shall, within *[DAYS]* business days after receiving each Deliverable, notify Designer in writing of any failure to comply with the specification of the Project Proposal or of any other objections, corrections or changes required. Designer shall, within *[DAYS]* business days of receiving Clients notification, correct and submit a revised Deliverable to Client. Client shall, within [DAYS] business days of receiving a revised Deliverable, either approve the corrected version or make further changes. If after *[AMOUNT]* corrections by Designer, Client finds the Deliverables are not acceptable, Client may terminate this agreement subject to the termination clauses of this Agreement. If Client fails to provide approval or comments during any approval period, those Deliverables will be considered approved and accepted. All objections, corrections and changes shall be subject to the terms and conditions of this Agreement.

CLIENT RESPONSIBILITIES

Client acknowledges that it is responsible for performing the following in a reasonable and timely manner: (a) Provide Client Content in a form suitable for use in the Deliverables without further preparation by Designer, unless otherwise specified in the Project Proposal; (b) Proofread all Deliverables. Client will be charged for correcting errors after the acceptance of any Deliverable; (c) Make decisions regarding other parties.

ACCREDITATION AND PROMOTION

Accreditation: Designer shall be entitled to place accreditation, as a hyperlink or otherwise, in the form, size and location as incorporated by Designer in the Deliverables on each page of the Final Deliverables.

Promotion: Designer retains the right to reproduce, publish and display the Deliverables in Designer's portfolios and websites, in galleries, design periodicals and other media or exhibits for the purposes of recognition of creative excellence or professional advancement, and to be credited with authorship of the Deliverables in connection with such uses.

Promotional Approval: Either party, subject to the other's reasonable approval, may describe its role in the Project on its website and in other promotional and marketing materials, and, if not expressly objected to, include a link to the other party's website.

CONFIDENTIAL INFORMATION

Client's "Confidential Information" includes information that Designer should reasonably believe to be confidential. Designer's "Confidential Information" includes the source code of any Designer Tools. All material considered confidential by either party shall be designated as confidential. Confidential Information shall not be disclosed to third parties and shall only used as needed to perform this Agreement.
Confidential Information shall not include any information that is already known by the recipient, becomes publicly known through no fault of the recipient, or is received from a third party without a restriction on disclosure

RELATIONSHIP OF THE PARTIES

Independent Contractor: Designer is an independent contractor. Designer shall determine, in its sole discretion, the manner and means by which the Services are accomplished. No agency, partnership, joint venture, or employee-employer relationship is intended or created by this Agreement. Neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. Designer and the work product or Deliverables prepared by Designer shall not be deemed a work for hire as defined under Copyright Law. All rights granted to Client are contractual in nature and are expressly defined by this Agreement.

Design Agents. Designer shall be allowed to use third party's as independent contractors in connection with the Services ("Design Agents"). Designer shall remain fully responsible for Design Agents' compliance with this Agreement.

No Exclusivity. This Agreement does not create an exclusive relationship between the parties. Client is free to engage others to perform services of the same or similar nature to those provided by Designer, and Designer shall be entitled to offer and provide design services to others, solicit other clients and otherwise advertise the services offered by Designer.

REPRESENTATIONS AND WARRANTIES

By Client. Client represents and warrants to Designer that: (a) To the best of Client's knowledge, use of the Client Content does not infringe the rights of any third party; (b) Client shall comply with the terms and conditions of any licensing agreements which govern the use of Third Party Materials; (c) Client will obtain all necessary and appropriate rights and licenses to grant license to Designer to use Third Party Materials.

By Designer: Designer represents and warranty to Client that: (a) Designer will provide the Services identified in the Agreement in a professional and workmanlike manner; (b) Designer shall secure all necessary rights, title, and interest in and to the Final Deliverables, including Designer Tools, sufficient for Designer to grant the intellectual property rights provided in this Agreement; (c) To the best of Designer's knowledge, the Deliverables will not violate the rights of any

third parties; (d) If Client or third parties modify the Deliverables or use the Deliverables outside of the scope or purpose of this Agreement, all representations and warranties of Designer shall be void.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS AGREEMENT, DESIGNER MAKES NO WARRANTIES WHATSOEVER. DESIGNER EXPLICITLY DISCLAIMS ANY OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH LAWS OR GOVERNMENT RULES OR REGULATIONS APPLICABLE TO THE PROJECT.

INDEMNIFICATION AND LIABILITY

By Client: Client shall indemnify Designer from any and all damages, liabilities, costs, losses, expenses or attorney fees arising out of any claim, demand, or action by a third party arising out of any breach of Client's responsibilities or obligations, representations or warranties under this Agreement. Designer shall promptly notify Client in writing of any third party claim or suit. Client shall have the right to fully control the defense and any settlement of such claim or suit.

By Developer: In the case of a third party lawsuit or proceeding based on a claim that Deliverables breach the third party's intellectual property rights, and it is determined that such infringement has occurred, Designer may at its own expense, replace any infringing content with non-infringing content.

Limitation of Liability. THE SERVICES AND THE WORK PRODUCT OF DESIGNER ARE SOLD "AS IS." IN ALL CIRCUMSTANCES, THE MAXIMUM LIABILITY OF DESIGNER, ITS DIRECTORS, OFFICERS, EMPLOYEES, DESIGN AGENTS AND AFFILIATES ("DESIGNER PARTIES"), TO CLIENT FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CLIENT'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO THE NET PROFIT OF DESIGNER. IN NO EVENT SHALL DESIGNER BE LIABLE FOR ANY LOST DATA OR CONTENT, LOST PROFITS, BUSINESS INTERRUPTION OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE MATERIALS OR THE SERVICES PROVIDED BY DESIGNER, EVEN IF DESIGNER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

TERM AND TERMINATION

Term: This agreement shall begin when both parties sign and shall continue until all Services are complete and delivered, or until the Agreement is Terminated.

Termination for Cause: Either party may terminate this agreement at any time, on *[DAYS]* days prior written notice if the other party breaches any of its material responsibilities or obligations under this Agreement and fails to cure that breach during that *[DAYS]* day period.

Termination for Insolvency: Either party may terminate this agreement at any time, on written notice to the other party, if the other party ceases to conduct business in its normal course; makes an assignment for the benefit of creditors; is liquidated or otherwise dissolved; becomes insolvent; files a petition in bankruptcy; or a receiver, trustee, or custodian is appointed for it.

Termination by Mutual Agreement: This agreement my be terminated by the mutual agreement of the parties.

Termination for Convenience: Either party may terminate this agreement at any time and for any reason on *[DAYS]* days prior written notice to the other party. If Client terminates the Agreement under this section, Designer shall, at Clients reasonable discretion, complete any work assigned or scheduled during the notice period in accordance with the terms and conditions of this Agreement.

Termination Fees: In the event of termination, Client shall pay Designer for the Services performed through the date of termination in the amount of a prorated portion of the fees due. Client shall pay all Expenses, Fees, and Additional Costs incurred through the date of termination.

Intellectual Property: If Client terminates and on full payment of compensation, Designer grants Client right and title as provided by this Agreement with respect to those Deliverables provided and accepted by Client as of the date of termination.

Confidential Information: On expiration or termination of this Agreement: (a) each party shall return or, at the disclosing party's request, destroy the Confidential Information of the other party, and (b) all rights and obligations regarding Confidential Information shall survive.

RIGHTS TO FINAL ART

License: Designer grants to Client a non-exclusive, perpetual and worldwide license to use and display the Final Deliverables in accordance with this Agreement. The rights granted to Client are for use of the Final Deliverables in its original form only. Client may not change, create derivative works or extract portions of the Final Deliverables.

Liquidation for unlicensed use: Additional use of any Deliverables by Client outside the scope of the license granted above requires additional fees. Designer shall be entitled to further compensation equal to *[PERCENT]* percent of the total original Project fee unless otherwise agreed in writing by both parties. In the event of non-payment, Designer shall be entitled to pursue all remedies under law and equity.

RIGHTS TO DELIVERABLES OTHER THAN FINAL ART

Client Content: Client Content is the exclusive property of the Client. Client grants Designer a nonexclusive, nontransferable license to use, reproduce, modify, display and publish the Client Content solely in connection with Designer's performance of the Services and limited promotional uses of the Deliverables as authorized in this Agreement.

Preliminary Works. Designer retains all rights in and to all Preliminary Works. Client shall return all Preliminary Works to Designer within thirty (30) days of completion of the Services.

Designer Tools. All Designer Tools are and shall remain the exclusive property of Designer. Designer grants Client a nonexclusive, nontransferable, perpetual, worldwide license to

use the Designer Tools solely to the extent necessary with the Final Deliverables for the Project.

SUPPORT SERVICES

Warranty Period. During the first [MONTHS]months following expiration of this Agreement, Designer shall provide up to [HOURS] hours of Support Services at no additional cost to Client. Support Services means commercially reasonable technical support and assistance to maintain and update the Deliverables, including correcting any errors or Deficiencies. Requests for additional support will be billed on a time and materials basis at Designers standard rate.

Maintenance Period. After the Warranty Period expires and at Client's option, Designer will provide Support Services for the following *[MONTHS]* months for Designer's hourly fees of *[AMOUNT]* per hour.

No Enhancements: The services in the Warranty Period and the Maintenance Period do not include enhancements to the Project or other services outside the scope of the Proposal.

ENHANCEMENTS

During the Maintenance Period, Client may request that Designer develop enhancements to the Deliverables. Designer shall exercise commercially reasonable efforts to prioritize Designer's resources to create such enhancements. Client understands Designer may have preexisting obligations that may delay requested enhancements. Designer shall provide any enhancements shall be provided on a time and materials basis at at Designers standard rate.

Alterations. Alteration of any Deliverable is prohibited without the express permission of Designer. Designer will be given the first opportunity to make the required alterations. Unauthorized alterations shall constitute additional use and will be billed accordingly.

DISPUTE RESOLUTION

Negotiation: Parties agree to attempt to resolve any dispute by negotiation between the parties.

Arbitration/Mediation: If parties are unable to resolve the dispute by negotiation, either party may start mediation and/or binding arbitration in a forum mutually agreed to by the parties.

Litigation: In all other circumstances, the parties specifically consent to the local, state and federal courts located in the state of *[STATE]*. The parties waive any jurisdictional or venue defenses available to them and further consent to service of process by mail.

Attorney Fees: The prevailing party shall be entitled to recover its attorneys' fees and costs in any dispute resolved by binding arbitration or litigation.

GENERAL

Modification/Waiver: Modifications to this Agreement must be in writing and signed by both parties. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.

Notices. All notices under this Agreement shall be given in writing either by: (a) Fax or Email, with return confirmation of receipt; (b) Certified or Registered mail, with return receipt requested. Notice will be effective when received, or in the case of email or fax, on confirmation of receipt.

No Assignment. Rights or obligations under this Agreement shall not be transferred, assigned or encumbered without the prior written consent of the other party.

Governing Law. This Agreement shall be governed by the law of *[STATE].*

Severability: If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect. Where possible the invalid or unenforceable provision shall be interpreted in such manner as to be effective and valid under applicable law.

Headings: Headings and numbering used in this Agreement are for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of this Agreement, and shall not have any legal effect.

Complete Agreement: This Agreement is the entire understanding of the parties and supersedes all prior understandings and documents relating to the subject matter of this Agreement.

Example Project Proposal Including Full Terms & Conditions

Designer Samus Samuelson

Meat Packing Business Website

Prepared For:

April 25, 2012
Beaufort Brimley
Owner
Fancy Meats Co.
123 Fake St.
Orange, CA 99999

Prepared By:

Samus Samuelson
512 Main St.
Brea, CA 99999
Tel: 555-123-7890
Fax: 555-123-7891
email@example.com

Scope of Work

I will develop a completely custom website for Fancy Meats Co. The goal of this website is to provide Fancy Meats Co. with an online presence and to provide current and prospective customer vital information about Fancy Meats Co. business operations.

The website will be a 5 page website consisting of the following pages: Home, About, Contact, Services, Profile. The home page will have text and pictures about Fancy Meat Co. The about page will give a company history. The contact page will have a form allowing customers to send an email to Fancy Meat Co. The services page will list services. The profile page will have a photo and profile for each of Fancy Meat Co.s 12 employees.

The design process consists of four (4) phases: Concept, Design, Technical, and Testing. In the concept phase, I begin work by outlining the basic flow and gathering text and images for the website. In the design phase I create digital artwork for the outlined webpages and integrate the images and text. In the technical phase I enable the website server, domains and add interactive functionality like forms and emails. In the testing phase, I check the entire website to make sire it is operating as expected.

This website will work in all Grade-A browsers. It will not be designed to operate on mobile devices.

On the following pages, you will find a more detailed description of the project phases, timeline, due dates, deliverables and fees. You will also find a set of terms and conditions.

Work Plan & Milestones

The table below outlines the work process phases, milestones, due dates, deliverables and fees needed to complete this project. This four phase process begins at the concept phase where everything is planned, then the design phase where look and feel (artwork) is produced, next is the technical phase where design is given life, and finally the testing phase where everything is thoroughly tested and reviewed. This process is designed to ensure project efficiency and your complete satisfaction.

Concept Phase

Milestone	Due Date	Deliverables	Fee
Work Begins	When Received	• Signed Contract	$1,245
Information Architecture	Week 1	• Site map • Info Layout	$1,245

Design Phase

Milestone	Due Date	Deliverables	Fee
Visual Design	Week 2	• Photoshop Design Template • Contact Form Design • Email Format	$1,245
HTML / CSS Template	Week 3	• Design in html/css • Contact form in html/css • Email in plaintext and html	$1,245

Technical Phase

Milestone	Due Date	Deliverables	Fee
Hosting Server	Week 4	• Server Setup • Domain Name Setup	$1,245
Programming	Week 5	• Form javascript and PHP	$1,245

Test Phase

Milestone	Due Date	Deliverables	Fee
Initial Test	Week 6	• Upload website to server with test credentials • Tested Interface • Tested form and email	$1,245
Site Launch	Week 7	• Move site to live status	$1,245
		Total:	$9,960

Detail

Thank you for this opportunity. If you have any questions or concerns regarding this project proposal or included terms & conditions, please don't hesitate to call **555-123-7890***.*

Concept Elements

Description	Fee
Consulting	$1,100
Research	$500
Site Outline	$900

Design Elements

Description	Fee
Site Template Design	$2,200
Contact Form Design	$1,500

Technical Elements

Description	Fee
Server & Domain Setup	$750
Contact Form Functions	$2,550
HTML / CSS Development	$1,460

Subtotal:	$9,960
Tax:	$0
Total:	$9,960

Terms & Conditions

All information in this proposal is subject the the following terms and conditions:

DEFINITIONS

Agreement means the Project Proposal, Terms and Conditions and any other attached documents.

Project means the scope and purpose of the Client's identified usage of the work product as described in the Project Proposal.

Services means all services and the work product to be provided to Client by Designer as described and otherwise further defined in the Project Proposal.

Final Deliverables means the final versions of Deliverables provided by Designer and accepted by Client.

Deliverables means the services and work product specified in the Project Proposal to be delivered by Designer to Client.

Client Content means all materials, writing, images or other creative content provided by Client used in preparing or creating the Deliverables.

Third Party Materials means proprietary third party materials which are incorporated into the Final Deliverables, including without limitation stock photography or illustration.

Designer Tools means all design tools developed and/or used by Designer in performing the Services, including pre-existing and newly developed software including source code, Web authoring tools, type fonts, and application tools, together with any other software, or other inventions whether or not patentable, and general non-copyrightable concepts such as website design, architecture, layout, navigational and functional elements.

DESIGNER SERVICES

Designer shall perform the services listed the Scope of Work according to the Work Plan and Milestones schedule.

PROPOSAL

The terms of this Agreement expires thirty (30) days after being submitted to Client. If this Agreement expires, Designer may modify the Agreement and resubmit it to Client.

COMPENSATION

Fees. Client agrees to pay Designer the fees listed in the Project Proposal, including all taxes.

Expenses: Client will pay Designer expenses, including but not limited to: (a) Incidental and out-of-pocket expenses at cost plus Designers standard markup of fifteen (15%); (b) Milage reimbursement, other than normal commuting, at fifty-five (0.55) cents per mile; (c) Travel expenses, other than normal commuting, but including airfare and rental vehicles, with client approval.

Additional Costs: Pricing in the Project Proposal includes only Designer fees. Any other costs, such as hosting, art licensing or photography, will be billed to Client.

Hosting Final Deliverables: Designer will host the Final Deliverables on Designers web space while the Project is under construction. If the Final Deliverables are not completed by the completion date listed in the Project Proposal, and the delay is not caused by Designer, Client agrees to pay Designer forty-five ($45) per month for hosting until the Final Deliverables are moved to Clients server.

PAYMENT

Payment Schedule: Payment is due when Designer completes each milestone as listed in the Work Plan and Milestones schedule, and Client accepts the Deliverables for that milestone.

Invoices: All invoices are payable within fifteen (15) of receipt. Invoices shall list any expenses and additional costs as separate items.

LATE PAYMENT

Late Fee: A monthly service fee of 1.5 percent, or the maximum allowed by law, is payable on all overdue balances.

Crediting Late Payments: Payments will be credited to late payments first, then to unpaid balances.

Collection Expenses: Client shall pay all collection or legal fees caused by late payments.

Withholding Delivery: Designer may withhold delivery and transfer of ownership of any current work if accounts are not current or overdue invoices are not paid in full.

Withholding License: All grants of any license to use or transfer ownership of any intellectual property rights under this Agreement are conditioned on full payment, including all outstanding Additional Costs, Expenses, Fees, or any other charges.

CHANGES TO PROJECT SCOPE

Change Request: If Client wants to change the Scope of Work after acceptance of this Agreement, Client shall send Designer a written Change Order describing the requested changes in detail. Within five (5) days of receiving a Change Order, Designer will respond with a statement proposing designers availability, additional fees, changes to delivery dates, and any modification to the Terms and Conditions. Designer will evaluate each Change Order at its standard rate and charges.

Major Change: If Client requests are at or near ten (10%) percent of the time required to produce Deliverables, or the value of the Scope of Services, Designer shall be entitled to submit a new and separate Proposal to Client for written approval. Designer shall not begin work on the revised services until he receives a fully signed revised proposal and any additional fees.

Minor Change: If Client requests are not Major Changes, Client will be billed on a time and materials basis at Designers hourly rate of sixty-five ($65) dollars per hour. Such charges shall be in addition to all other amount payable under this Agreement, despite any maximum budget, contract price or final price identified. Designer may extend or modify any delivery schedule or deadlines in the Agreement as may be required by such changes.

Acceptance/Rejection: Client will have ten (10) days to respond in writing accepting or rejecting the new proposal. If Client rejects the proposal, Designer will not be obligated to perform any services beyond those in the original Agreement.

DELAYS

Designer Delays: Designer shall use all reasonable efforts to meet the Work Plan and Milestones delivery schedule. Designer may extend the due date for any Deliverable by giving written notice to Client. The total of all extensions shall not exceed [DAYS] days.

Client Delays: Client shall use all reasonable efforts to provide needed information, materials and approvals. Any delay by Client will result in a day-for-day extension of the due date for all Deliverables.

General Delays: Any delay caused be conditions beyond the reasonable control of the parties shall not be considered a breach and will result in a day-for-day extension any performance due. Each party shall use reasonable efforts to notify the other party, in writing, of a delay. Conditions beyond the reasonable control of the parties include, but are not limited to, natural disasters, acts of government after the date of agreement, power failure, fire, flood, acts of God, labor disputes, riots, acts of war, terrorism and epidemics.

EVALUATION AND ACCEPTANCE

Testing: Designer will test and correct Deliverables using commercially reasonable efforts before providing Deliverables to Client.

Approval Periods: Client shall, within five (5) business days after receiving each Deliverable, notify Designer in writing of any failure to comply with the specification of the Project Proposal or of any other objections, corrections or changes required. Designer shall, within five (5) business days of receiving Clients notification, correct and submit a revised Deliverable to Client. Client shall, within five (5) business days of receiving a revised Deliverable, either approve the corrected version or make further changes. If after three (3) corrections by Designer, Client finds the Deliverables are not acceptable, Client may terminate this agreement subject to the termination clauses of this Agreement. If Client fails to provide approval or comments during any approval period, those Deliverables will be considered approved and accepted. All objections, corrections and changes shall be subject to the terms and conditions of this Agreement.

CLIENT RESPONSIBILITIES

Client acknowledges that it is responsible for performing the following in a reasonable and timely manner: (a) Provide Client Content in a form suitable for use in the Deliverables without further preparation by Designer, unless otherwise specified in the Project Proposal; (b) Proofread all Deliverables. Client will be charged for correcting errors after the acceptance of any Deliverable; (c) Make decisions regarding other parties.

ACCREDITATION AND PROMOTION

Accreditation: Designer shall be entitled to place accreditation, as a hyperlink or otherwise, in the form, size and location as incorporated by Designer in the Deliverables on each page of the Final Deliverables.

Promotion: Designer retains the right to reproduce, publish and display the Deliverables in Designer's portfolios and websites, in galleries, design periodicals and other media or exhibits for the purposes of recognition of creative excellence or professional advancement, and to be credited with authorship of the Deliverables in connection with such uses.

Promotional Approval: Either party, subject to the other's reasonable approval, may describe its role in the Project on its website and in other promotional and marketing materials, and, if not expressly objected to, include a link to the other party's website.

CONFIDENTIAL INFORMATION

Client's "Confidential Information" includes information that Designer should reasonably believe to be confidential. Designer's "Confidential Information" includes the source code of any Designer Tools. All material considered confidential by either party shall be designated as confidential. Confidential Information shall not be disclosed to third parties and shall only used as needed to perform this Agreement. Confidential Information shall not include any information that is already known by the recipient, becomes publicly known through no fault of the recipient, or is received from a third party without a restriction on disclosure

RELATIONSHIP OF THE PARTIES

Independent Contractor: Designer is an independent contractor. Designer shall determine, in its sole discretion, the manner and means by which the Services are accomplished. No agency, partnership, joint venture, or employee-employer relationship is intended or created by this Agreement. Neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. Designer and the work product or Deliverables prepared by Designer shall not be deemed a work for hire as defined under Copyright Law. All rights granted to Client are contractual in nature and are expressly defined by this Agreement.

Design Agents. Designer shall be allowed to use third party's as independent contractors in connection with the Services ("Design Agents"). Designer shall remain fully responsible for Design Agents' compliance with this Agreement.

No Exclusivity. This Agreement does not create an exclusive relationship between the parties. Client is free to engage others to perform services of the same or similar nature to those provided by Designer, and Designer shall be entitled to offer and provide design services to others, solicit other clients and otherwise advertise the services offered by Designer.

REPRESENTATIONS AND WARRANTIES

By Client. Client represents and warrants to Designer that: (a) To the best of Client's knowledge, use of the Client Content does not infringe the rights of any third party; (b) Client shall comply with the terms and conditions of any licensing

agreements which govern the use of Third Party Materials; (c) Client will obtain all necessary and appropriate rights and licenses to grant license to Designer to use Third Party Materials.

By Designer: Designer represents and warranty to Client that: (a) Designer will provide the Services identified in the Agreement in a professional and workmanlike manner; (b) Designer shall secure all necessary rights, title, and interest in and to the Final Deliverables, including Designer Tools, sufficient for Designer to grant the intellectual property rights provided in this Agreement; (c) To the best of Designer's knowledge, the Deliverables will not violate the rights of any third parties; (d) If Client or third parties modify the Deliverables or use the Deliverables outside of the scope or purpose of this Agreement, all representations and warranties of Designer shall be void.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS AGREEMENT, DESIGNER MAKES NO WARRANTIES WHATSOEVER. DESIGNER EXPLICITLY DISCLAIMS ANY OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH LAWS OR GOVERNMENT RULES OR REGULATIONS APPLICABLE TO THE PROJECT.

INDEMNIFICATION AND LIABILITY

By Client: Client shall indemnify Designer from any and all damages, liabilities, costs, losses, expenses or attorney fees arising out of any claim, demand, or action by a third party arising out of any breach of Client's responsibilities or obligations, representations or warranties under this Agreement. Designer shall promptly notify Client in writing of any third party claim or suit. Client shall have the right to fully control the defense and any settlement of such claim or suit.

By Developer: In the case of a   third party lawsuit or proceeding based on a claim that Deliverables breach the third party's intellectual property rights, and it is determined that such infringement has occurred, Designer may at its own expense, replace any infringing content with non-infringing content.

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Termination for Convenience: Either party may terminate this agreement at any time and for any reason on thirty (30) days prior written notice to the other party. If Client terminates the Agreement under this section, Designer shall, at Clients reasonable discretion, complete any work assigned or scheduled during the notice period in accordance with the terms and conditions of this Agreement.

Termination Fees: In the event of termination, Client shall pay Designer for the Services performed through the date of termination in the amount of a prorated portion of the fees due. Client shall pay all Expenses, Fees, and Additional Costs incurred through the date of termination.

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Liquidation for unlicensed use: Additional use of any Deliverables by Client outside the scope of the license granted above requires additional fees. Designer shall be entitled to further compensation equal to fifty (50%) percent of the total original Project fee unless otherwise agreed in writing by both parties. In the event of non-payment, Designer shall be entitled to pursue all remedies under law and equity.

RIGHTS TO DELIVERABLES OTHER THAN FINAL ART

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Designer Tools. All Designer Tools are and shall remain the exclusive property of Designer. Designer grants Client a nonexclusive, nontransferable, perpetual, worldwide license to use the Designer Tools solely to the extent necessary with the Final Deliverables for the Project.

SUPPORT SERVICES

Warranty Period. During the first [MONTHS]months following expiration of this Agreement, Designer shall provide up to [HOURS] hours of Support Services at no additional cost to Client. Support Services means commercially reasonable technical support and assistance to maintain and update the Deliverables, including correcting any errors or Deficiencies. Requests for additional support will be billed on a time and materials basis at Designers standard rate.

Maintenance Period. After the Warranty Period expires and at Client's option, Designer will provide Support Services for the following three (3) months for Designer's hourly fees of sixty-five ($65) dollars per hour.

No Enhancements: The services in the Warranty Period and the Maintenance Period do not include enhancements to the Project or other services outside the scope of the Proposal.

ENHANCEMENTS

During the Maintenance Period, Client may request that Designer develop enhancements to the Deliverables. Designer shall exercise commercially reasonable efforts to prioritize Designer's resources to create such enhancements. Client understands Designer may have preexisting obligations that may delay requested enhancements. Designer shall provide any enhancements shall be provided on a time and materials basis at at Designers standard rate.

Alterations. Alteration of any Deliverable is prohibited without the express permission of Designer. Designer will be given the first opportunity to make the required alterations. Unauthorized alterations shall constitute additional use and will be billed accordingly.

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Negotiation: Parties agree to attempt to resolve any dispute by negotiation between the parties.

Arbitration/Mediation: If parties are unable to resolve the dispute by negotiation, either party may start mediation and/or binding arbitration in a forum mutually agreed to by the parties.

Litigation: In all other circumstances, the parties specifically consent to the local, state and federal courts located in the state of California. The parties waive any jurisdictional or venue defenses available to them and further consent to service of process by mail.

Attorney Fees: The prevailing party shall be entitled to recover its attorneys' fees and costs in any dispute resolved by binding arbitration or litigation.

GENERAL

Modification/Waiver: Modifications to this Agreement must be in writing and signed by both parties. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.

Notices. All notices under this Agreement shall be given in writing either by: (a) Fax or Email, with return confirmation of receipt; (b) Certified or Registered mail, with return receipt requested. Notice will be effective when received, or in the case of email or fax, on confirmation of receipt.

No Assignment. Rights or obligations under this Agreement shall not be transferred, assigned or encumbered without the prior written consent of the other party.

Governing Law. This Agreement shall be governed by the law of California

Severability: If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect. Where possible the invalid or unenforceable provision shall be interpreted in such manner as to be effective and valid under applicable law.

Headings: Headings and numbering used in this Agreement are for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of this Agreement, and shall not have any legal effect.

Complete Agreement: This Agreement is the entire understanding of the parties and supersedes all prior understandings and documents relating to the subject matter of this Agreement.

Signatures

Client's signature below authorizes designer to begin work. If the information and terms in this proposal are to Clients satisfaction and approval, kindly return a signed copy of this Project Proposal to Designer.

Designer Signature   Print Designer Name   Date

Client Signature   Print Client Name   Date

Condensed Terms & Conditions

This set of Condensed Terms and Conditions is less comprehensive than the [Full Terms & Conditions](#). Though this document covers the same basic areas, it only includes provisions that are essential to the designer.

Instructions on using the Condensed Terms & Conditions
Include these Condensed Terms and Conditions in your [Project Proposal](#). Just fill in the *[PLACEHOLDERS]* and use.

This sample contract focuses on the terms most important to freelance web designers. It is written with the most common web design project scenario in mind.

1. **Getting Paid:** Payment is due when you finish milestones stated in your Project Proposal and are payable some number of days after the client receives your invoice. You are also entitled to your expenses and any additional costs. Late payments get a 1.5% per month service charge, and any grant of copyright is conditioned on full payment. This is to encourage prompt payment.
2. **Scope Creep:** This document gives a process for dealing with changes in scope. Scope creep is less likely when clients know there is a process to follow to request more work.
3. **Slow Clients:** To avoid being held up by clients, this document provides a day-for-day extension on delivery dates for delays caused by clients not providing needed materials. Additionally, work product is automatically approved after a number of days of being sent to the client. An expiration clause is included to avoid your client from delaying the start of the project. If the client waits too long, they will need to request a new Project Proposal. This lets you adjust you prices and services offered based on your availability at the time the client actually accepts your proposal.
4. **Copyright:** Copyright is in favor of the designer. The client gets to use the website you create, but you retain the rights to it, including making alterations.

Great effort was taken to make this contract as readable and understandable as possible while retaining all legal effect. **Take care in reading this. document. Know what rights and obligations it requires.**

Condensed Terms & Conditions Template Form

PROPOSAL

The terms of this Agreement expires *[DAYS]* days after being submitted to Client. If this Agreement expires, Designer may modify the Agreement and resubmit it to Client.

COMPENSATION

Client agrees to pay Designer the fees listed in the Project Proposal, including all taxes. Client will pay Designer expenses, including but not limited to: (a) Incidental and out-of-pocket expenses at cost plus Designers standard markup of *[PERCENT]*; (b) Milage reimbursement, other than normal commuting, at *[PRICE]* per mile; (c)Travel expenses, other than normal commuting, but including airfare and rental vehicles, with client approval. Pricing in the Project Proposal includes only Designer fees. Any other costs, such as hosting, art licensing or photography, will be billed to Client.

PAYMENT

Payment is due when Designer completes each milestone as listed in the Work Plan and Milestones schedule, and Client accepts the Deliverables for that milestone. All invoices are payable within *[DAYS]* of receipt. Invoices shall list any expenses and additional costs as separate items.

LATE PAYMENT

A monthly service fee of 1.5 percent, or the maximum allowed by law, is payable on all overdue balances. All grants of any license to use or transfer ownership of any intellectual property rights under this Agreement are conditioned on full payment, including all outstanding Additional Costs, Expenses, Fees, or any other charges.

CHANGES TO PROJECT SCOPE

If Client wants to change the Scope of Work after acceptance of this Agreement, Client shall send Designer a written Change Order describing the requested changes in detail. Within *[DAYS]* days of receiving a Change Order, Designer will respond with a statement proposing designers availability, additional fees, changes to delivery dates, and any modification to the Terms and Conditions. Designer will evaluate each Change Order at its standard rate and charges. Client will be billed on a time and materials basis at Designers hourly rate of *[RATE]* per hour. Such charges shall be in addition to all other amount payable under this Agreement, despite any maximum budget, contract price or final price identified. Designer may extend or modify any delivery schedule or deadlines in the Agreement as may be required by such changes. Client will have *[DAYS]* days to respond in writing accepting or rejecting the new proposal. If Client rejects the proposal, Designer will not be obligated to perform any services beyond those in the original Agreement.

DELAYS

Client shall use all reasonable efforts to provide needed information, materials and approvals. Any delay by Client will result in a day-for-day extension of the due date for all Deliverables. Any delay caused be conditions beyond the reasonable control of the parties shall not be considered a breach and will result in a day-for-day extension any performance due. Each party shall use reasonable efforts to notify the other party, in writing, of a delay. Conditions beyond the reasonable control of the parties include, but are not limited to, natural disasters, acts of government after the date of agreement, power failure, fire, flood, acts of God, labor disputes, riots, acts of war, terrorism and epidemics.

EVALUATION AND ACCEPTANCE

Client shall, within *[DAYS]* business days after receiving each Deliverable, notify Designer in writing of any failure to comply with the specification of the Project Proposal or of any other objections, corrections or changes required. Designer shall, within *[DAYS]* business days of receiving Clients notification, correct and submit a revised Deliverable to Client. Client shall, within [DAYS] business days of receiving a revised Deliverable, either approve the corrected version or make further changes. If after *[AMOUNT]* corrections by Designer, Client finds the Deliverables are not acceptable, Client may terminate this agreement subject to the termination clauses of this Agreement. If Client fails to provide approval or comments during any approval period, those Deliverables will be considered approved and accepted. All objections, corrections and changes shall be subject to the terms and conditions of this Agreement.

ACCREDITATION AND PROMOTION

Designer shall be entitled to place accreditation, as a hyperlink, in the form, size and location as incorporated by Designer in the Deliverables on each page of the Final Deliverables. Designer retains the right to reproduce, publish and display the Deliverables in Designer's portfolios and websites, in galleries, design periodicals and other media or exhibits for the purposes of recognition of creative excellence or professional advancement, and to be credited with authorship of the Deliverables in connection with such uses.

CONFIDENTIAL INFORMATION

All material considered confidential by either party shall be designated as confidential. Confidential Information shall not be disclosed to third parties and shall only used as needed to perform this Agreement. Confidential Information shall not include any information that is already known by the recipient, becomes publicly known through no fault of the recipient, or is received from a third party without a restriction on disclosure.

RELATIONSHIP OF THE PARTIES

Designer is an independent contractor. Designer shall determine, in its sole discretion, the manner and means by which the Services are accomplished. No agency, partnership, joint venture, or employee-employer relationship is intended or created by this Agreement. Neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. Designer and the work product or Deliverables prepared by Designer shall not be deemed a work for hire as defined under Copyright Law. All rights granted to Client are contractual in nature and are expressly defined by this Agreement.

REPRESENTATIONS AND WARRANTIES

Client represents and warrants to Designer that to the best of Client's knowledge, use of the Client Content does not infringe the rights of any third party. Designer represents and warranty to Client that to the best of Designer's knowledge, the Deliverables will not violate the rights of any third parties.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS AGREEMENT, DESIGNER MAKES NO WARRANTIES WHATSOEVER. DESIGNER

EXPLICITLY DISCLAIMS ANY OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH LAWS OR GOVERNMENT RULES OR REGULATIONS APPLICABLE TO THE PROJECT.

INDEMNIFICATION AND LIABILITY

Client shall indemnify Designer from any and all damages, liabilities, costs, losses, expenses or attorney fees arising out of any claim, demand, or action by a third party due to materials included in Deliverables at the request of the Client.

THE SERVICES AND THE WORK PRODUCT OF DESIGNER ARE SOLD "AS IS." IN ALL CIRCUMSTANCES, THE MAXIMUM LIABILITY OF DESIGNER, ITS DIRECTORS, OFFICERS, EMPLOYEES, DESIGN AGENTS AND AFFILIATES ("DESIGNER PARTIES"), TO CLIENT FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CLIENT'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO THE NET PROFIT OF DESIGNER. IN NO EVENT SHALL DESIGNER BE LIABLE FOR ANY LOST DATA OR CONTENT, LOST PROFITS, BUSINESS INTERRUPTION OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE MATERIALS OR THE SERVICES PROVIDED BY DESIGNER, EVEN IF DESIGNER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

TERM AND TERMINATION

This agreement shall begin when both parties sign and shall continue until all Services are complete and delivered, or until the Agreement is Terminated. Either party may terminate this agreement at any time, on *[DAYS]* days prior written notice if the other party breaches any of its material responsibilities or obligations under this Agreement and fails to cure that breach during that *[DAYS]* day period. Either party may terminate this agreement at any time, on written notice to the other party, if the other party ceases to conduct business in its normal course; makes an assignment for the benefit of creditors; is liquidated or otherwise dissolved; becomes insolvent; files a petition in bankruptcy; or a receiver, trustee, or custodian is appointed for it. In the event of termination, Client shall pay Designer for the Services performed through the date of termination in the amount of a prorated portion of the fees due. Client shall pay all Expenses, Fees, and Additional Costs incurred through the date of termination.

LICENSE

Designer grants to Client a non-exclusive, perpetual and worldwide license to use and display the Final Deliverables in accordance with this Agreement. The rights granted to Client are for use of the Final Deliverables in its original form only. Client may not change, create derivative works or extract portions of the Final Deliverables.

PRELIMINARY WORKS

Designer retains all rights in and to all Preliminary Works. Client shall return all Preliminary Works to Designer within thirty (30) days of completion of the Services. All Designer Tools are and shall remain the exclusive property of Designer. Designer grants Client a nonexclusive, nontransferable, perpetual, worldwide license to use the Designer Tools solely to the extent necessary with the Final Deliverables for the Project.

SUPPORT SERVICES

During the first *[MONTHS]* months following expiration of this Agreement, Designer shall provide up to *[HOURS]* hours of Support Services at no additional cost to Client. Support Services means commercially reasonable technical support and assistance to maintain and update the Deliverables, including correcting any errors or Deficiencies. Requests for additional support will be billed on a time and materials basis at Designers standard rate. The services in the Warranty Period and do not include enhancements to the Project or other services outside the scope of the Proposal.

ALTERATIONS

Alteration of any Deliverable is prohibited without the express permission of Designer. Designer will be given the first opportunity to make the required alterations. Unauthorized alterations shall constitute additional use and will be billed accordingly.

DISPUTE RESOLUTION

Parties agree to attempt to resolve any dispute by negotiation between the parties. If parties are unable to resolve the dispute by negotiation, either party may start mediation and/or binding arbitration in a forum mutually agreed to by the parties. The prevailing party shall be entitled to recover its attorneys' fees and costs in any dispute resolved by binding arbitration or litigation.

GENERAL

Modifications to this Agreement must be in writing and signed by both parties. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach. All notices under this Agreement shall be given in writing either by: (a) Fax or Email, with return confirmation of receipt; (b) Certified or Registered mail, with return receipt requested. Notice will be effective when received, or in the case of email or fax, on confirmation of receipt. Rights or obligations under this Agreement shall not be transferred, assigned or encumbered without the prior written consent of the other party. This Agreement shall be governed by the law of *[STATE]*. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect. Where possible the invalid or unenforceable provision shall be interpreted in such manner as to be effective and valid under applicable law. Headings and numbering used in this Agreement are for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of this Agreement, and shall not have any legal effect. This Agreement is the entire understanding of the parties and supersedes all prior understandings and documents relating to the subject matter of this Agreement.

Example Project Proposal Including Condensed Terms & Conditions

Designer Samus Samuelson

Meat Packing Business Website

Prepared For:

April 25, 2012
Beaufort Brimley
Owner
Fancy Meats Co.
123 Fake St.
Orange, CA 99999

Prepared By:

Samus Samuelson
512 Main St.
Brea, CA 99999
Tel: 555-123-7890
Fax: 555-123-7891
email@example.com

Scope of Work

I will develop a completely custom website for Fancy Meats Co. The goal of this website is to provide Fancy Meats Co. with an online presence and to provide current and prospective customer vital information about Fancy Meats Co. business operations.

The website will be a 5 page website consisting of the following pages: Home, About, Contact, Services, Profile. The home page will have text and pictures about Fancy Meat Co. The about page will give a company history. The contact page will have a form allowing customers to send an email to Fancy Meat Co. The services page will list services. The profile page will have a photo and profile for each of Fancy Meat Co.s 12 employees.

The design process consists of four (4) phases: Concept, Design, Technical, and Testing. In the concept phase, I begin work by outlining the basic flow and gathering text and images for the website. In the design phase I create digital artwork for the outlined webpages and integrate the images and text. In the technical phase I enable the website server, domains and add interactive functionality like forms and emails. In the testing phase, I check the entire website to make sire it is operating as expected.

This website will work in all Grade-A browsers. It will not be designed to operate on mobile devices.

On the following pages, you will find a more detailed description of the project phases, timeline, due dates, deliverables and fees. You will also find a set of terms and conditions.

Work Plan & Milestones

The table below outlines the work process phases, milestones, due dates, deliverables and fees needed to complete this project. This four phase process begins at the concept phase where everything is planned, then the design phase where look and feel (artwork) is produced, next is the technical phase where design is given life, and finally the testing phase where everything is thoroughly tested and reviewed. This process is designed to ensure project efficiency and your complete satisfaction.

Concept Phase

Milestone	Due Date	Deliverables	Fee
Work Begins	When Received	• Signed Contract	$1,245
Information Architecture	Week 1	• Site map • Info Layout	$1,245

Design Phase

Milestone	Due Date	Deliverables	Fee
Visual Design	Week 2	• Photoshop Design Template • Contact Form Design • Email Format	$1,245
HTML / CSS Template	Week 3	• Design in html/css • Contact form in html/css • Email in plaintext and html	$1,245

Technical Phase

Milestone	Due Date	Deliverables	Fee
Hosting Server	Week 4	• Server Setup • Domain Name Setup	$1,245
Programming	Week 5	• Form javascript and PHP	$1,245

Test Phase

Milestone	Due Date	Deliverables	Fee
Initial Test	Week 6	• Upload website to server with test credentials • Tested Interface • Tested form and email	$1,245
Site Launch	Week 7	• Move site to live status	$1,245
		Total:	$9,960

Detail

Thank you for this opportunity. If you have any questions or concerns regarding this project proposal or included terms & conditions, please don't hesitate to call **555-123-7890.**

Concept Elements

Description	Fee
Consulting	$1,100
Research	$500
Site Outline	$900

Design Elements

Description	Fee
Site Template Design	$2,200
Contact Form Design	$1,500

Technical Elements

Description	Fee
Server & Domain Setup	$750
Contact Form Functions	$2,550
HTML / CSS Development	$1,460

Subtotal:	$9,960
Tax:	$0
Total:	$9,960

Terms & Conditions

All information in this proposal is subject the the following terms and conditions:

PROPOSAL

The terms of this Agreement expires thirty (30) days after being submitted to Client. If this Agreement expires, Designer may modify the Agreement and resubmit it to Client.

COMPENSATION

Client agrees to pay Designer the fees listed in the Project Proposal, including all taxes. Client will pay Designer expenses, including but not limited to: (a) Incidental and out-of-pocket expenses at cost plus Designers standard markup of fifteen percent (15%); (b) Milage reimbursement, other than normal commuting, at fifty-five (0.55) cents per mile; (c)Travel expenses, other than normal commuting, but including airfare and rental vehicles, with client approval. Pricing in the Project Proposal includes only Designer fees. Any other costs, such as hosting, art licensing or photography, will be billed to Client.

PAYMENT

Payment is due when Designer completes each milestone as listed in the Work Plan and Milestones schedule, and Client accepts the Deliverables for that milestone. All invoices are payable within fifteen (15) of receipt. Invoices shall list any expenses and additional costs as separate items.

LATE PAYMENT

A monthly service fee of 1.5 percent, or the maximum allowed by law, is payable on all overdue balances. All grants of any license to use or transfer ownership of any intellectual property rights under this Agreement are conditioned on full payment, including all outstanding Additional Costs, Expenses, Fees, or any other charges.

CHANGES TO PROJECT SCOPE

If Client wants to change the Scope of Work after acceptance of this Agreement, Client shall send Designer a written Change Order describing the requested changes in detail. Within ten (10) days of receiving a Change Order, Designer will respond with a statement proposing designers availability, additional fees, changes to delivery dates, and any modification to the Terms and Conditions. Designer will evaluate each Change Order at its standard rate and charges. Client will be billed on a time and materials basis at Designers hourly rate of sixty-five ($65) dollars per hour. Such charges shall be in addition to all other amount payable under this Agreement, despite any maximum budget, contract price or final price identified. Designer may extend or modify any delivery schedule or deadlines in the Agreement as may be required by such changes. Client will have ten (10) days to respond in writing accepting or rejecting the new proposal. If Client rejects the proposal, Designer will not be obligated to perform any services beyond those in the original Agreement.

DELAYS

Client shall use all reasonable efforts to provide needed information, materials and approvals. Any delay by Client will result in a day-for-day extension of the due date for all Deliverables. Any delay caused be conditions beyond the reasonable control of the parties shall not be considered a breach and will result in a day-for-day extension any performance due. Each party shall use reasonable efforts to notify the other party, in writing, of a delay. Conditions beyond the reasonable control of the parties include, but are not limited to, natural disasters, acts of government after the date of agreement, power failure, fire, flood, acts of God, labor disputes, riots, acts of war, terrorism and epidemics.

EVALUATION AND ACCEPTANCE

Client shall, within five (5) business days after receiving each Deliverable, notify Designer in writing of any failure to comply with the specification of the Project Proposal or of any other objections, corrections or changes required. Designer shall, within five (5) business days of receiving Clients notification, correct and submit a revised Deliverable to Client. Client shall, within five (5) business days of receiving a revised Deliverable, either approve the corrected version or make further changes. If after three (3) corrections by Designer, Client finds the Deliverables are not acceptable, Client may terminate this agreement subject to the termination clauses of this Agreement. If Client fails to provide approval or comments during any approval period, those Deliverables will be considered approved and accepted. All objections, corrections and changes shall be subject to the terms and conditions of this Agreement.

ACCREDITATION AND PROMOTION

Designer shall be entitled to place accreditation, as a hyperlink, in the form, size and location as incorporated by Designer in the Deliverables on each page of the Final Deliverables. Designer retains the right to reproduce, publish and display the Deliverables in Designer's portfolios and websites, in galleries, design periodicals and other media or exhibits for the purposes of recognition of creative excellence or professional advancement, and to be credited with authorship of the Deliverables in connection with such uses.

CONFIDENTIAL INFORMATION

All material considered confidential by either party shall be designated as confidential. Confidential Information shall not be disclosed to third parties and shall only used as needed to perform this Agreement. Confidential Information shall not include any information that is already known by the recipient, becomes publicly known through no fault of the recipient, or is received from a third party without a restriction on disclosure.

RELATIONSHIP OF THE PARTIES

Designer is an independent contractor. Designer shall determine, in its sole discretion, the manner and means by which the Services are accomplished. No agency, partnership, joint venture, or employee-employer relationship is intended or created by this Agreement. Neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. Designer and the work product or Deliverables prepared by Designer shall not be deemed a work for hire as defined under Copyright Law. All rights granted to Client are contractual in nature and are expressly defined by this Agreement.

REPRESENTATIONS AND WARRANTIES

Client represents and warrants to Designer that to the best of Client's knowledge, use of the Client Content does not infringe the rights of any third party. Designer represents and warranty to Client that to the best of Designer's knowledge, the Deliverables will not violate the rights of any third parties.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS AGREEMENT, DESIGNER MAKES NO WARRANTIES WHATSOEVER. DESIGNER EXPLICITLY DISCLAIMS ANY OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH LAWS OR GOVERNMENT RULES OR REGULATIONS APPLICABLE TO THE PROJECT.

INDEMNIFICATION AND LIABILITY

Client shall indemnify Designer from any and all damages, liabilities, costs, losses, expenses or attorney fees arising out of any claim, demand, or action by a third party due to materials included in Deliverables at the request of the Client.

THE SERVICES AND THE WORK PRODUCT OF DESIGNER ARE SOLD "AS IS." IN ALL CIRCUMSTANCES, THE MAXIMUM LIABILITY OF DESIGNER, ITS DIRECTORS, OFFICERS, EMPLOYEES, DESIGN AGENTS AND AFFILIATES ("DESIGNER PARTIES"), TO CLIENT FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CLIENT'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO THE NET PROFIT OF DESIGNER. IN NO EVENT SHALL DESIGNER BE LIABLE FOR ANY LOST DATA OR CONTENT, LOST PROFITS, BUSINESS INTERRUPTION OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE MATERIALS OR THE SERVICES PROVIDED BY DESIGNER, EVEN IF DESIGNER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

TERM AND TERMINATION

This agreement shall begin when both parties sign and shall continue until all Services are complete and delivered, or until the Agreement is Terminated. Either party may terminate this agreement at any time, on thirty (30) days prior written notice if the other party breaches any of its material responsibilities or obligations under this Agreement and fails to cure that breach during that thirty (30) day period. Either party may terminate this agreement at any time, on written notice to the other party, if the other party ceases to conduct business in its normal course; makes an assignment for the benefit of creditors; is liquidated or otherwise dissolved; becomes insolvent; files a petition in bankruptcy; or a receiver, trustee, or custodian is appointed for it. In the event of termination, Client shall pay Designer for the Services performed through the date of termination in the amount of a prorated portion of the fees due. Client shall pay all Expenses, Fees, and Additional Costs incurred through the date of termination.

LICENSE

Designer grants to Client a non-exclusive, perpetual and worldwide license to use and display the Final Deliverables in accordance with this Agreement. The rights granted to Client are for use of the Final Deliverables in its original form only. Client may not change, create derivative works or extract portions of the Final Deliverables.

PRELIMINARY WORKS

Designer retains all rights in and to all Preliminary Works. Client shall return all Preliminary Works to Designer within thirty (30) days of completion of the Services. All Designer Tools are and shall remain the exclusive property of Designer. Designer grants Client a nonexclusive, nontransferable, perpetual, worldwide license to use the Designer Tools solely to the extent necessary with the Final Deliverables for the Project.

SUPPORT SERVICES

During the first three (3) months following expiration of this Agreement, Designer shall provide up to forty (40)hours of Support Services at no additional cost to Client. Support Services means commercially reasonable technical support and assistance to maintain and update the Deliverables, including correcting any errors or Deficiencies. Requests for additional support will be billed on a time and materials basis at Designers standard rate. The services in the Warranty Period and do not include enhancements to the Project or other services outside the scope of the Proposal.

ALTERATIONS

Alteration of any Deliverable is prohibited without the express permission of Designer. Designer will be given the first opportunity to make the required alterations. Unauthorized alterations shall constitute additional use and will be billed accordingly.

DISPUTE RESOLUTION

Parties agree to attempt to resolve any dispute by negotiation between the parties. If parties are unable to resolve the dispute by negotiation, either party may start mediation and/or binding arbitration in a forum mutually agreed to by the parties. The prevailing party shall be entitled to recover its attorneys' fees and costs in any dispute resolved by binding arbitration or litigation.

GENERAL

Modifications to this Agreement must be in writing and signed by both parties. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach. All notices under this Agreement shall be given in writing either by: (a) Fax or Email, with return confirmation of receipt; (b) Certified or Registered mail, with return receipt requested. Notice will be effective when received, or in the case of email or fax, on confirmation of receipt. Rights or obligations under this Agreement shall not be transferred, assigned or encumbered without the prior written consent of the other party. This Agreement shall be governed by the law of California. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect. Where possible the invalid or unenforceable provision shall be interpreted in such manner as to be effective and valid under applicable law. Headings and numbering used in this Agreement are for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of this Agreement, and shall not have any legal

effect. This Agreement is the entire understanding of the parties and supersedes all prior understandings and documents relating to the subject matter of this Agreement.

Signatures

Client's signature below authorizes designer to begin work. If the information and terms in this proposal are to Clients satisfaction and approval, kindly return a signed copy of this Project Proposal to Designer.

Designer Signature   Print Designer Name   Date

Client Signature   Print Client Name   Date

Invoice

Invoicing, its how you get paid. Knowing that clients can fall behind on payment quickly, it is important that you invoice quickly and regularly. Ideally, your invoicing and payment schedule is clearly outlined in your design contract with the client. Even the smallest jobs can use some payment schedule. At a minimum, get an advance payment for some percentage of the total bill before you start work.

Instructions on using an Invoice
Fill in the invoice by providing a short description of the work done and the total amount due for that work. There is no need to itemize every dollar due. Provide separate line items for reimbursable expenses. The easies way to write the invoice description is to use the milestone description from your Project Proposal or Letter of Agreement, assuming your schedule of payment is tied to milestones (which it should be).

You should include a "Terms" section that restates the payment terms from your Project Proposal or Letter of Agreement. "Upon Receipt", "Net 30 Days", or "Net 15 Days" are typical payment terms.

Included Documents:
1. Invoice Template Form (1 page)
2. Example Invoice (1 page)

Invoice Template Form

[YOUR NAME]
[YOUR ADDRESS]
[YOUR TELEPHONE]
[YOUR FAX]
[YOUR EMAIL]

[DATE]
[CLIENT NAME]
[CLIENT TITLE]
[CLIENT COMPANY NAME]
[CLIENT COMPANY ADDRESS]

Re: *[PROJECT TITLE], [JOB NUMBER / CHANGE ORDER NUMBER]*

-- INSTRUCTION: Use the Project Title from your Project Proposal or your Letter of Agreement. Reference the job number from your Project Proposal or your Letter of Agreement, or the Change Order number if you used a change order. --

Invoice: *[INVOICE NUMBER], [INVOICE DESCRIPTION]*

-- INSTRUCTION: Number your invoices to keep track of them for billing purposes. The invoice description should be the milestone description from your Project Proposal or Letter of Agreement, assuming your schedule of payment is tied to milestones. --

Description	Amount

	Subtotal:	
	Tax:	
	Total:	

Terms: *[PAYMENT TERMS]*

Designer Signature   Print Designer Name

Example Invoice

Samus Samuelson
512 Main St.
Brea, CA 99999
Tel: 555-123-7890
Fax: 555-123-7891
email@example.com

June 2, 2012
Beaufort Brimley
Owner
Fancy Meats Co.
123 Fake St.
Orange, CA 99999

Re: Meat Packing Business Website, Job No. 00009
Invoice: #00001, Preliminary Design

Description	Amount
Preliminary Design	$1,250
Subtotal:	$1,250
Tax:	$0
Total:	$1,250

Terms: Payment due Net Thirty (30) days from date of this invoice.

Designer Signature   Print Designer Name

Past Due Reminder

There is no way to reliably ensure a client pays on time. However, once an invoice is past due you should send a Past Due Reminder. This letter to the client is a gentle reminder to please pay promptly.

Instructions on using a Past Due Reminder
Once an invoice is past due you should follow the following schedule:

1. Contact the client by phone or email and mention a possible oversight of payment.
2. If no payment after a short time, Send the client a Past Due Reminder.
3. Again, if no payment after a short time, send another Past Due Reminder marked "Second Notice".
4. Yet again, if no payment after a short time, use your best judgement and send "Third Notice" if needed.
5. If that does not work, send a much stronger Collection Letter.
6. Just as important as it is for the client to pay on time, it is important for you to invoice on time. Ideally, your invoicing and payment schedule is clearly outlined in your design contract with the client. Hopefully, both you and your client diligently follow the schedules. If the client falls behind, be firm, but fair when collecting payment. It may be wise to be flexible and accept a revised payment schedule ,payment plan or other payment scheme.

Included Documents:
1. Past Due Reminder Template Form (1 page)
2. Example Past Due Reminder (1 page)

Past Due Reminder Template Form

[YOUR NAME]
[YOUR ADDRESS]
[YOUR TELEPHONE]
[YOUR FAX]
[YOUR EMAIL]

[DATE]
[CLIENT NAME]
[CLIENT TITLE]
[CLIENT COMPANY NAME]
[CLIENT COMPANY ADDRESS]

Re: [PROJECT REFERENCE -- JOB # or CLIENT # --]

-- INSTRUCTION: Use a Project Reference that identifies the project or client. If the client is past due on a single project, reference the project title and job number. If the client is past due on multiple projects reference the clients name and their client number. --

As of the date of this reminder, we have not received payment for the following invoices:

Invoice Date	Invoice Number	Amount Due	Service Fee
		Total Due:	

I would appreciate your prompt attention and payment. Please contact me if you have any questions about this reminder. Note: Invoices not paid according to terms are subject to a one and one half percent (1.5%) service fee.

Designer Signature   Print Designer Name

Example Past Due Reminder

Samus Samuelson
512 Main St.
Brea, CA 99999
Tel: 555-123-7890
Fax: 555-123-7891
email@example.com

May 25, 2012
Beaufort Brimley
Owner
Fancy Meats Co.
123 Fake St.
Orange, CA 99999

Re: Meat Packing Business Website, Job No. 00009

As of the date of this reminder, we have not received payment for the following invoices:

Invoice Date	Invoice Number	Amount Due	Service Fee
06/01/2012	00001	$1,250	$18.75
		Total Due:	$1,268.75

I would appreciate your prompt attention and payment. Please contact me if you have any questions about this reminder. Note: Invoices not paid according to terms are subject to a one and one half percent (1.5%) service fee.

Designer Signature   Print Designer Name

Collection Letter

If you efforts to collect past due invoices using the Past Due Reminder have failed, consider using this Collection Letter. This letter is a final notice and the last direct communication with the client.

Instructions on using a Past Due Reminder
If your prior collection efforts fail, you should follow this schedule:

1. Send the client this Collection Letter as a final notice.
2. Send the letter by registered mail (or a method where the client must sign for it).
3. If this fails to get payment, the last recourse is collections (either a Collection Agency, Attorney, or Small Claims).
4. Collection agencies can charge from 25 to 40 percent of the money collected. An Attorney can bring a lawsuit (a collection agency cannot) and hourly fees may be more economical. If the amount due is under a few thousand dollars, small claims court may be a cheap and viable option. Your local court offices will provide information about filing a claim.

Again, be firm, yet fair when collecting payment. It may be wise to be flexible and accept a revised payment schedule, payment plan or other payment scheme.

Collection Letter Template Form

[YOUR NAME]
[YOUR ADDRESS]
[YOUR TELEPHONE]
[YOUR FAX]
[YOUR EMAIL]

[DATE]
[CLIENT NAME]
[CLIENT TITLE]
[CLIENT COMPANY NAME]
[CLIENT COMPANY ADDRESS]

Re: [PROJECT REFERENCE -- JOB # or CLIENT # --]

-- INSTRUCTION: Use a Project Reference that identifies the project or client. If the client is past due on a single project, reference the project title and job number. If the client is past due on multiple projects reference the clients name and their client number. --

This account is seriously past due. I have repeatedly requested payment. I have not received payment nor have I been provided an explanation.

Payment is due immediately. If payment is not received within [DAYS] days of this notice, I will send this account to collection. This process may result in additional legal and court costs and may damage your credit rating.

It is not too late to contact me.

Designer Signature   Print Designer Name

Example Collection Letter

Samus Samuelson
512 Main St.
Brea, CA 99999
Tel: 555-123-7890
Fax: 555-123-7891
email@example.com

August 25, 2012
Beaufort Brimley
Owner
Fancy Meats Co.
123 Fake St.
Orange, CA 99999

Re: Meat Packing Business Website, Job No. 00009

This account is seriously past due. I have repeatedly requested payment. I have not received payment nor have I been provided an explanation.

Payment is due immediately. If payment is not received within ten (10) days of this notice, I will send this account to collection. This process may result in additional legal and court costs and may damage your credit rating.

It is not too late to contact me.

Designer Signature   Print Designer Name

Thank You!

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