

Service Agreement

Contractor:

Name of Business:	
Contact Person:	
Address:	
Phone:	
Email:	

Client:

Name of Business:	
Contact Person:	
Address:	
Phone:	
Email:	

Contractor and Client agree as follows:

1. Services to Be Performed

[Choose Alternative A or B.]

[Alternative A]

Contractor agrees to perform the following services: _____

[Alternative B]

Contractor agrees to perform the services described in Exhibit A, which is attached to and made part of this Agreement.

2. Payment

[Choose Alternative A or B and optional clause, if desired.]

[Alternative A]

In consideration for the services to be performed by Contractor, Client agrees to pay Contractor \$_____ according to the terms of payment set forth below.

[Alternative B]

In consideration for the services to be performed by Contractor, Client agrees to pay Contractor

at the rate of \$_____ per [unit of time] according to the terms of payment set forth below.

[Optional clause for Alternative B]

Unless otherwise agreed upon in writing by Client, Client's maximum liability for all services performed during the term of this Agreement will not exceed \$_____.

[End optional clause]

3. Terms of Payment

[Choose Alternative A, B, C, or D.]

[Alternative A]

Upon completion of Contractor's services under this Agreement, Contractor will submit an invoice. Client will pay Contractor the compensation described within [15, 30, 45, 60] days after receiving Contractor's invoice.

[Alternative B]

Contractor will be paid \$_____ upon the signing of this Agreement. The remainder of the compensation due under this Agreement will be payable upon completion of Contractor's services and submission of an invoice. Client will pay Contractor for the remainder of the compensation within _____ days after receiving Contractor's invoice.

[Alternative C]

Client will pay Contractor according to the schedule of payments set forth in Exhibit _____ attached to this Agreement. Client will pay Contractor within _____ days from the date of Contractor's invoice.

[Alternative D]

Contractor will invoice Client on a monthly basis for all work performed during the previous invoice period. Invoices will be submitted on Contractor's letterhead specifying an invoice number, the dates covered in the invoice, the time expended, and the work performed (in summary). Client will pay Contractor the amount due within _____ days after receiving Contractor's invoice.

4. Method of Payment

[Select A, B, C, or D below.]

Contractor shall be paid by:

[A] check sent to Contractor's principal place of business

[B] direct deposit to the following bank account: _____

[C] electronic payment via the following third-party settlement organization: _____

_____ to Contractor's email address: _____

[D] credit card or debit card.

5. Expenses

[Choose Alternative A or B.]

[Alternative A]

Contractor will be responsible for all expenses incurred while performing services under this Agreement. This includes license fees, memberships, and dues; automobile and other travel expenses; meals and entertainment; insurance premiums; and all salary, expenses, and other compensation paid to employees or contract personnel Contractor hires to complete the work under this Agreement.

[Alternative B]

Client will reimburse Contractor for the following expenses that are attributable directly to work performed under this Agreement: _____.

Contractor will submit an itemized statement of Contractor's expenses. Client will pay Contractor within 30 days after receipt of each statement.

6. Materials, Equipment, and Office Space

Contractor will furnish all materials, tools, and equipment used to provide the services required by this Agreement.

[Optional clause]

Client agrees to rent to Contractor the following office space and facilities: _____

_____.

The rental will begin on ___[date]___ and will end on the earliest of: (1) the date Contractor completes the services required by this Agreement; (2) ___[date]___; or (3) the date a party terminates this Agreement. The rental amount is \$ _____ per [unit of time].

[End optional clause]

7. Independent Contractor Status

Contractor is an independent contractor, and neither Contractor nor Contractor's employees or contract personnel are, or will be deemed, Client's employees. In its capacity as an independent contractor, Contractor agrees and represents, and Client agrees, as follows:

[Keep the bullets that apply; delete the rest.]

- Contractor has the right to perform services for others during the term of this Agreement.
- Contractor has the sole right to control and direct the means, manner, and method by which the services required by this Agreement will be performed.
- Contractor has the right to perform the services required by this Agreement at any place or location and at such times as Contractor may determine.
- Contractor has the right to hire assistants as subcontractors or to use employees to provide the services required by this Agreement.
- The services required by this Agreement will be performed by Contractor or by Contractor's employees or contract personnel, and Client will not hire, supervise, or pay any assistants to help Contractor.
- Neither Contractor nor Contractor's employees or contract personnel will receive any training from Client in the professional skills necessary to perform the services required by this Agreement.
- Neither Contractor nor Contractor's employees or contract personnel will be required by Client to devote full time to the performance of the services required by this Agreement.

8. Business Permits, Certificates, and Licenses

Contractor has complied with all federal, state, and local laws requiring business permits, certificates, and licenses required to carry out the services to be performed under this Agreement.

9. State and Federal Taxes

Client will not:

- withhold FICA (Social Security and Medicare taxes) from Contractor's payments or make FICA payments on Contractor's behalf
- make state or federal unemployment compensation contributions on Contractor's behalf, or
- withhold state or federal income tax from Contractor's payments.

Contractor will pay all taxes incurred while performing services under this Agreement—including all applicable income taxes and, if Contractor is not a corporation, self-employment (Social Security and Medicare) taxes. Upon demand, Contractor will provide Client with proof that such payments have been made.

10. Fringe Benefits

Contractor understands that neither Contractor nor Contractor's employees or contract personnel are eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of Client. If Contractor is subsequently classified by the IRS as a common law employee, Contractor expressly waives his or her rights to any benefits to which he or she was, or might have become, entitled.

11. Workers' Compensation

Client will not obtain workers' compensation insurance on behalf of Contractor or Contractor's employees or contract personnel. Contractor will provide Contractor's employees and contract personnel with workers' compensation insurance to the extent required by law and provide Client with a certificate of workers' compensation insurance. Contractor agrees to hold harmless and indemnify Client for any and all claims arising out of any injury, disability, or death of Contractor or any of Contractor's employees or contract personnel.

[Optional clause]

Contractor will obtain an "if any" policy of workers' compensation insurance coverage. Contractor will provide Client with proof that such coverage has been obtained before starting work.

[End optional clause]

12. Unemployment Compensation

Client will make no state or federal unemployment compensation payments on behalf of Contractor or Contractor's employees or contract personnel. Contractor will not be entitled to these benefits in connection with work performed under this Agreement.

13. Insurance

Client will not provide any insurance coverage of any kind for Contractor or Contractor's employees or contract personnel. Contractor will maintain a broad form commercial general liability insurance policy providing combined single limits of not less than \$_____ per occurrence and \$_____ annual aggregate. Before commencing any work, Contractor will provide Client with proof of this insurance and that Client has been made an additional insured under the policy.

Contractor will indemnify and hold Client harmless from any loss or liability arising from performing services under this Agreement.

14. Term of Agreement

This agreement will become effective when signed by both parties and will terminate on the earliest of:

- the date Contractor completes the services required by this Agreement
- [date] , or
- the date a party terminates the Agreement as provided below.

15. Terminating the Agreement

This Agreement may be terminated:

- without cause, by [number] days' prior written notice by either party, or
- with cause, immediately upon material breach of any term of this Agreement by either party.

Client shall promptly pay Contractor for services performed before the effective date of termination. Client shall not owe Contractor compensation for any services performed following