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LEGAL AND COMMERCIAL



*Essential Things To  
Include In A  
Services Agreement*



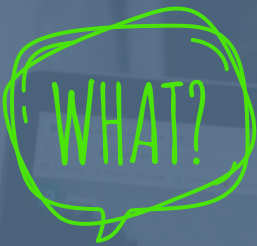
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# Introduction

Whether you are the business engaging a company or a sole trader to provide services for you, or you are the party providing services to another entity, it is **important to enter into a clear and well thought out Services Agreement** to make sure everyone is on the same page about the work to be done, fees to be paid and any other details of the arrangement.

## What is a Services Agreement?



A Services Agreement is a **written contract** made between the provider of the services and the client. The contract sets out what work will be performed as well as the responsibilities of each of the parties in terms of getting the work done and fees to be paid in return. These contracts are sometimes referred to as professional services agreements, client services agreements or a contract for work.

## Why do I need a Services Agreement?



When you are engaging a party to provide services, they are generally not provided instantaneously and rather occur over a period of time. It is also more than likely that you pay a portion of the fees at the point you engage someone to provide services.

For example, a content creator or producer who creates a video or presentation for a company will generally have to go through a number of steps from inception to delivery – from determining the company's purpose for the content, conceptualising, storyboarding, casting, shooting, editing and making revisions—before delivering anything to the client.



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## Why should the Services Agreement be written?

It is risky to rely on an oral agreement, especially when there may be some complexity in terms of timeframes, deliverables and fees. It is very easy to forget an important aspect of the terms in an oral agreement and details become hazy (and often differ) the longer the timeframe between agreement and delivery.

By completing a written Services Agreement, you minimise the chance for disputes and even litigation that may occur due to oversights and confusions.

## Who should have a Services Agreement?

If you do any of this type of work, then you should have a services agreement in place to protect your interests:

- management consultants
- graphic designers and illustrators
- photographers and videographers
- website developers and IT service providers
- general contractors
- accountants
- advertising and marketing professionals
- caterers
- event organisers
- production companies
- writers
- musicians



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# 10 essential things to include in a Services Agreement...

- set out work to be performed
- clearly state the responsibilities of each of the parties
- outline the payment terms and methods
- list deliverables that are not negotiables
- clearly set out timelines
- contemplate any Intellectual Property that may be created
- note the parties to the agreement and their legal entities
- articulate the term of the agreement (i.e. the duration of the agreement)
- confidentiality and non-compete clauses are essential
- outline actions that will result in a termination of the agreement and ramifications of a breach



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# How can I protect my Intellectual Property?

Many aspects of a service agreement can be standardised, and most lawyers can create a template providing the basics you'll need for your business most of the time. However, **it is unlikely to always be a one size fits all** and you may need to adjust your template for specific issues depending on the project and the client.

In creative fields like graphic design and photography, or anything involving content creation, service agreements specify who will own the finished product.

It is therefore essential you include a **provision for intellectual property**, especially if the provider owns it and licenses its use to the client, the license should describe the situations where the client may use it (in specified products or for a limited time, for example).

This is a complex area, and you should seek legal advice when including this in a service agreement, or where you are signing this as a provider of services based upon intellectual property.



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# Where can I get a Services Agreement?

Connected Legal and Commercial can work with you and your business to **create specialised templates** to cover most situations and we can also review your current agreements to ensure you are covered for what you and your clients need – to get the work done for the agreed price!



Book a call today for a free 15-minute chat to see where we can provide you with effective solutions for a reasonable price to get you and your business working as efficiently as possible and ensure your invoices are paid quicker and your rights are protected.





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Thank You!



I hope this checklist will help you get your Services Agreements on point.

If you have further questions or need clarification on any of the content, **book a call with us today for a free 15 minute chat.**

And remember having a Services Agreement in place with all of your clients will help you get your invoices paid quicker and protect your rights.

But most importantly, a Services Agreement will help save you money and unnecessary distress if you have a dispute with your client.

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