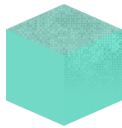




ENG Township / SAMPLE Software Development Services Agreement

Nº ID	SOW-87
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Township will provide technical consulting and design services to _____ ("Client") under the terms of this Agreement. This Agreement has three parts, which follow this Cover Page:

1. **Statements of Work.** Each project that Township completes for Client will have its own SOW. SOWs describe the services, deliverables, fees, responsibilities, and other special terms related to a project. This Agreement includes a SOW for the initial project. If Township and Client agree to future projects, they will prepare and sign a new SOW, which will become a part of this Agreement. The Initial SOW is included in the initial Agreement being signed. Follow-on SOWs will substantially follow the structure of the Initial SOW.
2. **Terms and Conditions.** The Terms and Conditions contain general promises that apply to all projects between Township and Client.
3. **Glossary.** This Agreement uses many capitalized words and phrases, which the lawyers call "defined terms." Defined terms offer a precise shorthand for ambiguous words, complex ideas and longer names. The Glossary contains definitions for all of the defined terms used in this Agreement.

By signing below, Township and Client acknowledge that they have read the entire Agreement, including the Initial SOW, the Term and Conditions, and the Glossary and agree to its terms.

CLIENT LEGAL NAME:

TOWNSHIP LLC

By: _____

By: _____

Name:

Name:

Title:

Title:

Address:

Address:



Initial Statement of Work

Pursuant to the Services Agreement between Township and Client dated:

1. Project Title:

SAMPLE CONTRACT

2. Description of Services:

SAMPLE CONTRACT for a monthly retainer.

3. Project Timeline:

This project will have a duration of _ months, kicking off on _____.

- Kickoff:
- Estimated Project Completion:

Schedule Details Detailed above is a schedule based on the amount of time and resources required to complete the services requested. This schedule may adjust as required by project scope.

4. Client Responsibilities, Dependencies, Assumptions:

SAMPLE CONTRACT

5. Fees and Payment Terms:

- Township will invoice Client monthly for time worked providing the Services by Township employees. Township's billing rates are \$_____ per hour.
Township will bill Client for a minimum of _____ per month and a maximum of _____ per month.
- Rush Work - If Client requests that any work be completed in less than 72 hours, Township will charge \$_____ per hour for that work, in addition to any other fees described under this SOW. Township cannot guarantee that it will have capacity to complete any work in less than 72 hours.

6. Reimbursable Expenses:

- All of Township's reasonable out-of-pocket expenses (travel, stock photography, font licenses, printing, software licenses, etc.) will be billed to Client as incurred.

7. Other Terms:

a. Project Cancellation

The project will be considered canceled if either:

1. Client terminates this SOW prior to delivery of the Final Deliverable(s) without a material breach of the Agreement by Township, or
2. Client fails to respond to inquiries from Township or fails to provide Township with requested feedback for 14 days.

If the project is canceled, ownership of all copyrights and the original artwork will be retained by Township, and Client shall pay all expenses incurred through the termination date, plus a cancellation fee.

The cancellation fee shall be 100% of any worked, but unbilled, Township team time, plus 50% of remaining estimated project fees.



Terms and Conditions

1. Services

- a. **What Township will Do for Client.** Township agrees to perform the Services for Client as described in the Initial SOW and any Follow-on SOWs.
- b. **How We'll Agree on Future Projects.** After the initial date of this Agreement, Township and Client may agree to collaborate on additional projects. Each new project will be governed by a separate SOW. Each SOW must be signed by both Township and Client before Township will commence work on the new project.
- c. **How We'll Agree to Project Changes.** Client may request reasonable changes to the project specifications and/or scope of the Services or Deliverables. If the request will affect estimated timetables, costs, or specifications, Township will provide Client with a Change Order. Township shall not proceed with the Services under the Change Order unless and until it receives written acceptance of the Change Order from Client.
- d. **The SOWs Have Priority Over the Terms and Conditions.** Any conflict or inconsistency between the Terms and Conditions and a SOW shall be resolved by giving precedence to the SOW under which the Services are to be performed and then to the Terms and Conditions.
- e. **Who Will Work on Your Project.** Township will have sole discretion over the personnel used to provide the Services, provided that Township shall ensure that the personnel are suitably qualified and experienced. Township employees spend six hours every Friday working on non-client work. They're encouraged to work on personal side projects, learn new technologies, or explore related fields of work. We believe this time is crucial for our employees' personal growth and progress. We ask that our clients respect this time.

- f. **Client Gets to Review All Deliverables.** If a SOW specifies the delivery of Deliverables, within three (3) business days following receipt of any Deliverables, Client will provide Township with either (a) written approval and acceptance of such Deliverable (which will not be unreasonably withheld), or (b) a written list of reasonable modification guidelines that will bring the Deliverables into compliance with the SOW. Each Deliverable under this Agreement will be considered accepted by Client if Township does not receive written notice of requested modifications within three (3) business days of its delivery to Client.

2. Cooperation

- a. **Client's Role in the Project.** Client shall undertake the responsibilities specified in the applicable SOW at its own expense. Client shall make Client's Representative available to Township. Township is not responsible for any late delivery, delay, or failure of performance caused in whole or in part by Client's failure to timely perform any of its obligations under this Agreement. Client's failure to respond to inquiries from Township, withholding of feedback, and other actions or omission that hinder Township's ability to complete the Services in a timely manner constitute material breaches of this Agreement.
- b. **Who Speaks for Client.** Client shall make Client's Representative available to Township. Client's Representative will be authorized to make binding decisions for Client regarding the obligations which are the subject of this Agreement, and shall perform other duties and requirements of Client as set forth in this Agreement or in an applicable SOW.
- c. **Standards for Materials that Client Sends Township.** All copy provided by Client will be in electronic format suitable for typesetting. Where photographs, illustrations or other visual materials are provided by Client, the materials will be of professional quality and in a form suitable for reproduction. Client shall pay all fees and expenses required to bring nonconforming materials up to such standards. Client warrants that all assets, concepts, materials, specifications, information and instructions provided by Client or its agents may be exploited pursuant to this Agreement and any applicable SOW, including on the Internet, without violating any laws and without violating or infringing any rights of any third parties.

3. Fees and Expenses

- a. **What Client Pays Township.** Client shall pay Township the Fees specified in each applicable SOW. Client shall reimburse Township for expenses only on the terms specified in each applicable SOW.
- b. **When and How Client Pays Township.** All invoices will be payable net fourteen (14) days from the receipt by Client. If Client fails to pay any Fees or reimburse any Reimbursable Expenses when due, late payments will be subject to a late payment fee equal to the lesser of (a) 1.5% per month and (b) the highest amount permitted under applicable law. To dispute any Fees or Reimbursable Expenses, Client must provide Township written notice of such dispute, in reasonable detail, within seven (7) days of the invoice date. Client's failure to timely notify Township of a dispute constitutes acceptance of the Fees and Reimbursable Expenses. The Parties will work to resolve any fee dispute within seven (7) days.

4. Term and Termination

- a. **The Agreement Remains in Effect Until Client or Township Terminates It.** This Agreement will remain in full force and effect until terminated under these Terms and Conditions.
- b. **Either Client or Township Can Terminate the Agreement as Long as They Provide Notice.** Either Party may terminate this Agreement or any SOW for any reason, or no reason whatsoever, by providing the other Party with at least thirty (30) days' prior written notice.
- c. **Either Client or Township Can Terminate the Agreement if the Other Violates the Agreement.** If a Party materially breaches this Agreement, the other Party may terminate this Agreement by providing the breaching Party written notice at least fifteen (15) days' prior to the effective date of termination. Notice of termination must provide sufficient detail regarding the nature of the breach. The breaching Party will be afforded the opportunity to cure the breach during the notice period. No advance notice of termination is required for any payment related breaches.
- d. **Bankruptcy Triggers Termination.** If either Party files for bankruptcy or becomes insolvent, the other Party may immediately terminate this Agreement.
- e. **What Happens After the Agreement Terminates.** Upon termination of this Agreement for any reason: (a) Client shall immediately pay to Township all amounts owed to Township pursuant to Section 3 of this Agreement for Services performed and Reimbursable Expenses incurred prior to the date of termination; and (b) Township shall immediately deliver to Client all Deliverables to the extent paid for by Client.

5. Intellectual Property

- a. **Who Owns the Deliverables.** Until Client pays all outstanding invoices for the Services (other than those disputed in good faith), all rights to the applicable Deliverables are the exclusive property of Township. After Client pays all outstanding invoices for the Services (other than those disputed in good faith), all rights to the applicable Final Deliverables are the exclusive property of the Client.
- b. **Final Deliverables are Works-for-hire.** The Final Deliverables are deemed works-for-hire. Once Client pays all outstanding invoices for the Services (other than those disputed in good faith), Township agrees to assign to Client the copyright in any applicable Final Deliverables that do not meet the requirements of a work-for-hire under the U.S. Copyright Act, as soon as such work is fixed in a tangible form or medium. Township further agrees to take such action(s) as may be required to confirm Client's ownership of the Final Deliverables.
- c. **What Stays Owned by Township.** Despite the assignment of ownership in Sections 5.1 and 5.2, Township will retain all rights to: (i) any creative works of Township that are not incorporated into the Final Deliverables and (ii) any Retained Intellectual Property Rights specified in the applicable SOW. Once Client pays all outstanding invoices for the Services (other than those disputed in good faith), Township grants to Client a worldwide, non-exclusive, irrevocable, perpetual, fully paid-up, assignable, sublicensable and royalty-free license with respect to any Retained Intellectual Property Rights included in the applicable Final Deliverables.
- d. **Township Can Use the Deliverables for Marketing.** Despite the assignment of ownership in Sections 5.1 and 5.2, Client grants Township a non-exclusive license to use the Final Deliverables as part of Township's professional portfolio displayed through Township's websites, social media accounts, and sales materials.

- e. **IP that Isn't Owned by Client or Township.** Township represents that it has appropriately licensed any Third-Party Materials incorporated into the Deliverables. Despite the assignment of ownership in Sections 5.1 and 5.2, the incorporation of Third-Party Materials into the Final Deliverables does not transfer any rights to the Third-Party Materials to Client, other than a license to use the incorporated Third-Party Materials as an element of the Final Deliverables. Township will identify for Client all Third-Party Materials that are required for use with any Final Deliverables on delivery and will provide Client with: (i) a copy of all documentation and third-Party license agreements relating to such Third-Party Materials available to Township; or (ii) the website or other information specifying where Client can access the documentation and third-Party license agreements.
- f. **Township May Use Open Source Code.** Client acknowledges and agrees that Township may incorporate Open Source Code into the Final Deliverables. Township represents, warrants, and agrees that no "copyleft" or "copyleft license" shall be included in any Deliverable or otherwise utilized in rendering the Services. Neither Client nor any user of any Deliverable will be subject to any license that requires that the software covered by the license: (i) be made available or distributed in a form other than binary; (ii) be licensed for the purpose of preparing derivative works; (iii) be licensed under terms that allow the Client's or other user's products or portions of those products to be reverse-engineered, reverse-assembled, or disassembled, or (iv) be redistributable at no license fee.
- g. **Township's Right to Use Materials that Client Provides.** Client grants Township a worldwide, non-exclusive, fully paid-up, assignable, sublicensable and royalty-free license to use, reproduce, perform, display, distribute, modify, and create derivative works and improvements of the Client Materials to develop the Deliverables and otherwise as necessary to perform the Services. This license will begin on Client's first delivery of Client Materials to Township and will remain in effect until the termination of this Agreement.

6. Warranties, Indemnification, and Limitation of Liability

- a. **Township and Client Are Allowed to Share Materials with Each Other.** The Parties represent and warrant to each other that their disclosure and delivery of any information, documents, software, media and other materials, and these use of those materials contemplated by this Agreement, will not knowingly violate any right of any third party, including, any copyright, trademark, patent or trade secret right.
- b. **Township's Limited Promises About its Work Product.** Township warrants that the Final Deliverables are suitable for the purposes that Client communicated to Township. All Deliverables are otherwise provided "as-is". Except as expressly provided in this Agreement, Township makes no warranties of any kind, whether express, implied, statutory or otherwise, and Township specifically disclaims all implied warranties to the maximum extent permitted by applicable law.
- c. **Township and Client Will Have Limited Liability to Each Other in a Dispute.** The Parties agree that neither Party's liability for damages to the other Party will exceed the fees paid or to be paid by Client under an applicable SOW. Neither Party will be liable for lost profits or any indirect, incidental, consequential, or special damages. This limitation of liability represents an

allocation of risks between Township and Client, which allocation is reflected in the price of the Services.

- d. **Township Will Cover Certain Expenses for Client That Township Causes.** Township shall indemnify and hold harmless Client Indemnified Parties from any Claims that result from: (i) the grossly negligent acts, acts of omission, or intentional acts of Township or its employees, subcontractors or agents, (ii) any breach of the provisions of the Agreement by Township, or (iii) any violation of federal, state or local law or regulation applicable to Township. Client will notify Township of any claim, action, or demand for which indemnity is required and will cooperate reasonably with Township at Township's expense. Township may not settle any lawsuit or matter relating to the culpability or liability of Client without the prior written consent of Client. Client will have the right to participate in any defense of a claim and/or to be represented by counsel of its own choosing at its own expense.
- e. **Client Will Cover Certain Expenses for Township That Client Causes.** Client shall indemnify and hold harmless Township Indemnified Parties from any Claims that result from: (i) the grossly negligent acts, acts of omission, or intentional acts of Client or its employees, subcontractors or agents, (ii) any breach of the provisions of the Agreement by Client, or (iii) any violation of federal, state or local law or regulation applicable to Client. Township will notify Client of any claim, action, or demand for which indemnity is required and will cooperate reasonably with Client at Client's expense. Client may not settle any lawsuit or matter relating to the culpability or liability of Township without the prior written consent of Township. Township will have the right to participate in any defense of a claim and/or to be represented by counsel of its own choosing at its own expense.

7. Confidentiality and Publicity

- a. **Township Won't Disclose Client's Confidential Information.** During the term of its engagement and for a period of five (5) years after its termination, Township shall maintain the Confidential Information in strict confidence and shall not disclose, publish or copy any part of the Confidential Information. Township shall use the Confidential Information solely for the purpose of performing its obligations under this Agreement. Township shall take reasonable precautions in handling the Confidential Information and will limit disclosures on a strict need-to-know basis. However, Township may disclose Confidential Information to comply with an order or requirement of a court, administrative agency, or other governmental body.
- b. **Township Can Mention the Project for Marketing Purposes.** Township may reference that Client was a client of Township and disclose the general nature of the work performed for Client in promotional materials, so long as Township does not disclose the proprietary business information of Client. This disclosure will not violate Township's confidentiality obligations in Section 7.1. Publicity represents value for Township, and that value is reflected in the price of the Services.

8. General Provisions

- a. **Client Can't Hire Away Township Employees.** During the term of this Agreement and the two years following its termination, Client agrees not to solicit or encourage any Township employees to (a) terminate their employment with Township or (b) to become employed by

Client. Client may, however, hire Township employees that are solicited through public job posts and who are actively seeking to leave Township.

- b. **How to Give Notice Under This Agreement.** All notices required under this Agreement must be either (a) in writing by registered U.S. mail to the addresses on the Cover Page, or to such other address as designated by the Parties in writing, to the attention of the signers of this Agreement, or (b) sent by email to Client's Representative or Township's Representative, as applicable, so long as the email has been acknowledged by the receiving Party (whether direct or implied by virtue of response, forward, or otherwise).
- c. **Client Needs Township's Consent to Assign its Rights.** Client may not assign its rights and/or obligations under this Agreement without the prior written consent of Township. This Agreement is a legally binding contract on the part of Client and Township and their respective heirs, representatives, successors and assigns.
- d. **What Happens if a Court Finds Part of this Agreement Invalid or Unenforceable.** If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions of this contract shall remain in full force and effect.
- e. **When Performance is Prevented by Unforeseeable Events.** Neither Party shall be responsible for any failure to timely perform any of its obligations under this Agreement, other than payment obligations, if the failure results from causes outside the reasonably foreseeable control of the Party.
- f. **How Disputes Will Be Resolved.** The Parties agree to make a reasonable, good faith attempt to settle all disputes through negotiation between Client's Representative and the Township's Representative before initiating litigation. If the Parties are unable to resolve the dispute in a reasonable period, the Parties agree to escalate the dispute to their respective presidents, managers, or equivalent officers. If, after a reasonable period, the Parties are still unable to resolve the dispute, the Parties agree to resolve the dispute in accordance with Section 8.7. If any legal proceeding is started by either Party hereto against the other Party under this Agreement, the prevailing Party is entitled to recover its reasonable attorneys' fees, reasonable expert expenses, and court costs from the non-prevailing Party. This Agreement is governed by the laws of the State of Rhode Island without regard to any choice of law principle that would dictate the application of the laws of another jurisdiction. Any legal proceeding commenced to resolve any matter arising under this Agreement must be commenced only in a state court of or a federal court located in the State of Rhode Island, and the Parties hereby consent to the jurisdiction of such a court. Each of the Parties voluntarily and irrevocably waives trial by jury in any action brought under this Agreement.
- g. **What Parts of the Agreement Survive its Termination.** The provisions of Sections 3, 5, 4.5, 6, 7, 8.6, and 8.7 shall survive the expiration or termination of this Agreement. All other provisions of this Agreement, including the Glossary, which by their terms or import are intended to survive such expiration or termination, shall survive.
- h. **This Agreement Encapsulates Client and Township's Promises to Each Other.** This Agreement supersedes all prior oral or written representations, communications, or agreements between the Parties and constitutes the final and entire understanding of the Parties regarding the subject matter of this Agreement.

- i. **These Bolded Headings are for Clarification Only.** The headings in this Agreement are provided for convenience only and have no legal meaning or effect.



Glossary

Capitalized words and phrases used in this Agreement are defined below.

1. **"Agreement"** means this Software Development Agreement, between Township and Client, dated _____ including the Cover Page, all SOWs, the Terms and Conditions, and the Glossary.
2. **"Change Order"** means a written notification from Township that changes to the Services requested by Client will impact the estimated timetables, costs, or specifications included in a SOW.
3. **"Claims"** means any of the following: claims, actions, proceedings, losses, profits, liabilities, judgments, penalties, fines, damages, costs and expenses, joint or several, including but not limited to reasonable counsel fees, disbursements, court costs and costs of settlement.
4. **"Client Materials"** means any information, documents, software, media and other materials provided to Township by Client for inclusion in the Deliverables or use in providing the Services
5. **"Client Indemnified Party"** means any of the following: Client and Client's parent company, subsidiaries, affiliates, directors, owners, managers, shareholders, members, officers, employees, consultants and agents.
6. **"Client's Representative"** means _____.
7. **"Confidential Information"** means proprietary information of Client or its affiliates, business partners or clients that a reasonable person in the circumstances would expect to be confidential. Confidential Information includes, but is not limited to, any data or information, oral or written, that relates to Client or any of Client's existing or contemplated business activities, technology, developments, software, methods, trade secrets, and clients. Confidential Information also includes the terms of this Agreement and the Services. Notwithstanding the foregoing, Confidential Information is deemed not to include information that: (i) is publicly available or in the public domain at the time disclosed, (ii) is or becomes publicly available or enters the public domain through no fault of Township, (iii) is rightfully communicated to Township by persons not bound by confidentiality obligations with respect thereto, (iv) is already in Township's possession free of any confidentiality obligations with respect thereto, (v) is independently developed by Township without use of any Confidential Information or (vi) is approved for release or disclosure by Client in writing without restriction.
8. **"Cover Page"** means the first page of this Agreement, on which the Parties' signatures appear.

9. **"Deliverables"** means the Preliminary Deliverables and the Final Deliverables, together.
10. **"Fees"** means the fees for the Services and Deliverables specified in the SOWs.
11. **"Final Deliverables"** means the finished deliverables resulting from the Services that are indicated to be "Final Deliverables" in an SOW.
12. **"Follow-on SOWs"** means SOWs agreed between the Parties to govern subsequent projects under this Agreement.
13. **"Glossary"** means the section of this Agreement containing the definitions of the capitalized words and phrases used in this Agreement.
14. **"Initial SOW"** means the SOW for the initial project to be completed under this Agreement.
15. **"Open Source Code"** means any code is available to the public for use, modification, or distribution by anyone, subject to the terms and conditions of open source license, as the term is generally used in the software development industry.
16. **"Party"** means either Township or Client.
17. **"Preliminary Deliverables"** means the deliverables resulting from the Services that are indicated to be "Preliminary Deliverables" in an SOW.
18. **"Reimbursable Expenses"** means Township's expenses that Client is required to reimburse under an applicable SOW.
19. **"Retained Intellectual Property Rights"** means all rights in the elements described under the heading "Retained Intellectual Property Rights" in an applicable SOW.
20. **"Services"** means the services to be performed by Township described in the SOWs.
21. **"SOW"** means a Statement of Work under this Agreement.
22. **"Terms and Conditions"** means the section of this Agreement titled "Terms and Conditions."
23. **"Third-Party Materials"** means any software, text, media, create works, or other materials owned by third parties.
24. **"Township"** means Township LLC, a Rhode Island limited liability company.
25. **"Township Indemnified Party"** means any of the following: Township or Township's parent company, subsidiaries, affiliates, directors, owners, managers, shareholders, members, officers, employees, consultants and agents.
26. **"Township's Representative"** means .