#### **PROJECT SPECIFICATIONS**

[A one or two paragraph description of the project goes here. Plain language, clear explanations and simplicity are the goal.]

Your initials indicate you have read and agree to

the Project Specifications as shown and/or attached

as Addendum(s). \_\_\_\_\_ [client initial]

# FEES

\$\_\_\_\_\_\_for Project Specifications as shown and/or attached as Addendum(s). In addition, Client shall pay all [related fees such as printing, hosting, photos, shipping or whatever]

Your initials indicate you have read and agree to Fees. \_\_\_\_\_ [*client initial*]

#### **DELIVERY SCHEDULE**

Your initials indicate you have read and agree to the Delivery Schedule as shown and/or attached as Addendum 1: Designer's Delivery Schedule.

\_\_\_\_\_[client initial]

#### TERMS

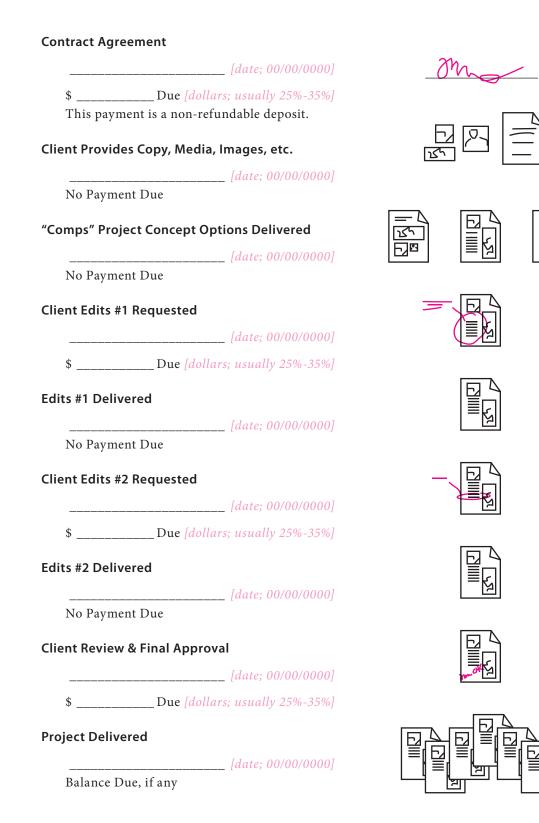
Your initials indicate you have read and agree Addendum 2: Contractual Terms of Service.

\_\_\_\_\_[client initial]

DESIGNER	CLIENT
[company]	[company]
[name]	[name]
[email]	[email]
[phone]	[phone}
[address]	[address]
Party agrees to this contract as of date signed. [authorized signature]	Party agrees to this contract as of date signed. [authorized signature]
[date]	[date]

# ADDENDUM 1: DESIGNER'S DELIVERY SCHEDULE

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#### **1. WARRANTY OF ORIGINALITY**

#### a. Work Original and/or Properly Licensed

Designer warrants and represents that, to the best of its knowledge, the work assigned hereunder is original and has not been previously published, or that consent to use has been obtained on an unlimited basis or application-appropriate limited basis; that all work or portions thereof obtained through the undersigned from third parties is original or, if previously published, that consent to use has been obtained on an unlimited basis or application-appropriate limited basis; that Designer has full authority to make this agreement; and that the work prepared by Designer does not contain any scandalous, libelous, or unlawful matter.

#### b. Additional Uses

This warranty does not extend to any uses that the Client or others may make of Designer's product which may infringe on the rights of others. Client expressly agrees that it will hold designer harmless for all liability caused by the Client's use of Designer's product to extent such use infringes on the rights of others.

## 2. CODE OF FAIR PRACTICE

The Client and Designer agree to comply with the provisions of the Code of Fair Practice, a copy of which may be obtained from the Graphic Artists Guild, Joint Ethics Committee, P.O. Box 179, Grand Central Station, New York, New York, 10017, USA, or is available on the web at http://www.graphicartistsguild.org/ theguild/code-of-fair-practice/.

#### **3. PAYMENT**

#### a. Time for Payment

Payment is due at each milestone due date as noted in the Production Schedule. All invoices for Billable Expenses are payable within thirty (30) days of receipt. A 1.5% monthly service charge is payable on all overdue balances of milestone payments and Billable Expenses. Designer retains all rights to all intermediate deliverables submitted at each milestone. The grant of any license or right of copyright to the Client is conditioned on receipt of full payment by the Client of the Total amount and all Billable Expenses.

#### b. Default in Payment

The Client shall assume responsibility for all collection of legal fees necessitated by default in payment.

# English Language Translation (we = Designer; you = Client)

1. a. Either we made all the parts of the design, like illustrations, layouts and fonts, or properly licensened them from another vendor for this project.

1. b. If you reuse the design later for something else, we are not responsible for bad stuff that may happen.

2. We are professionals and expect you to be the same.

3. a. Pay on time. If you don't pay us you can't use the design.

3. b. If you don't pay us you will also be responsible for collections and court fees.

#### c. Estimates

If this form is used for an estimate or assignment proposal, the fees and Billable Expenses shown are minimum expenses only. Final fees and Billable Expenses shall be shown when invoice is rendered. The Client's approval shall be obtained for any increases in fees or expenses that exceed the original estimate by twenty percent (20%) or more.

#### d. Billable Expenses

The Client shall reimburse Designer for all direct and indirect billable expenses arising from this assignment, regardless of whether the assignment is Canceled or Terminated. Billable Expenses include but are not limited to costs of commissioning images or subcontracting talent, software or run-time license costs, the payment of any sales tax due on this assignment, any travel, research, postage and delivery, photocopying, and storage media expenses. The markup charged by Designer for supervisory and handling time on all Billable expenses shall be 25% percent of the Billable Expenses incurred. The Client shall advance 100% of anticipated Billable Expenses to Designer upon the acceptance of the Primary Design and/or Production Roughs for payment of said Billable Expenses.

#### e. Client's Alterations

There shall be no charges to the Client for revisions or corrections or additions made necessary by errors on the part of Designer. Any other changes requested by the Client shall be considered Client's Alterations if they are requested after the acceptance of the First Proof. Any changes and additions not due to the fault of Designer and requested by the Client before the approval of one of the designs are not considered Client's Alterations. The Client shall be responsible for making additional payments at the rate noted \_\_\_\_\_\_\_ dollars per hour for any Client's Alterations and any other changes in original assignment requested by the Client. However, no additional payment shall be made for changes required to conform to the original assignment description. The Client shall offer Designer the first opportunity to make any changes.

# English Language Translation (we = Designer; you = Client)

3. c. An estimate is a reasonable guess, not a promise. If the bill is going to be 20% more than you were quoted we'll get your approval before doing the work.

3. d. Sometimes you ask us to find you a reliable vendor such as a photographer or web hosting company. We're happy to do this. However, we will markup their bill to cover our expenses dealing with them. You also have to front us the money to pay them.

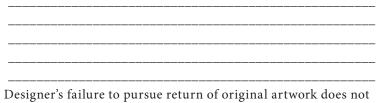
3. e. Unless you have approved a proof, if we screw up and leave an error in a proof, we'll fix it at our expense.

If you ask for changes or revisions beyond original project scope you will need to pay us for the time we spend.

# 4. OWNERSHIP, LICENSING AND GRANT OF RIGHTS

# a. Ownership and Return of Artwork

The Client acknowledges and agrees that Designer retains ownership of all original artwork, in any media, including digital files, whether preliminary or final. The Client waives the right to challenge the validity of Designer's ownership of the art subject to this agreement because of any change or evolution of the laws. The Client shall return such artwork within thirty (30) days of use unless indicated otherwise below:



Designer's failure to pursue return of original artwork does not indicate relinquished ownership.

#### **b.** Limitations

Upon receipt of full payment, Designer grants to the Client the following rights to the final design limited to the following:

use or purpose(s):\_\_\_\_\_

specified product(s), publication(s) specific electronic media
production(s) and/or website applications(s):\_\_\_\_\_\_

geographic location(s):\_\_\_\_\_

time limitation(s): \_\_\_\_\_

other limitation(s):\_\_\_\_\_

\_\_\_\_\_

With respect to the usage shown above, the Client shall have non-exclusive rights unless exclusive rights are indicated with a check here:  $\Box$ 

# English Language Translation (we = Designer; you = Client)

4. a. We own all parts of the project unless we worked out a special deal.

4. b. Here's our special deal: Once you pay us, you get rights to use our work for this (fill in the blank) purpose, in these (fill in the blank) ways, in these (fill in the blank) places and for this (fill in the blank) duration.

We can reuse and resell our work unless we both agree otherwise.

#### c. Electronic Rights

This grant of rights does not include electronic rights. For purposes of this agreement, electronic rights are defined as rights in the digitized form of works that can be encoded, stored, and retrieved from such media as computer disks, CD-ROM, computer databases, and network servers or other media as yet unrealized.

This restriction of rights does not include useage rights of specific product(s), publication(s) specific electronic media production(s) and/or website applications(s) shown above. However, rights are NOT granted to additional and/or derivative applications of Designs resulting from broadening of application product(s), publication(s) specific electronic media production(s) and/or website applications(s) scope.

#### d. Additional Usage

If Client wishes to make any additional uses of the Designs, Client agrees to seek permission from Designer and make such payments as are agreed to between the parties at that time.

#### e. Reservation of Rights.

All rights not expressly granted hereunder are reserved to the Designer, including but not limited to all rights in sketches, comps, or other preliminary materials created by Designer.

#### 5. ACCEPTANCE PROCEDURES

#### a. Point of Contact

Designer shall designate (primary contact person listed on contract) and the Client shall designate (primary contact person listed on contract) as the only designated persons who will send and accept all deliverables and receive and make all communications between Designer and the Client. Neither party shall have any obligation to consider for approval or respond to materials submitted other than through the designated persons listed above. Each party has the right to change its designated person upon 3 calendar day(s) notice to the other.

#### b. Project Acceptance, Alterations and Termination

Unless otherwise noted in Acceptance milestone dates of the Designer's Delivery Schedule, during the Review Period within 3 calendar days of a Delivery, the Client shall either accept the deliverable and make the milestone payment set forth in the Designer's Delivery Schedule, or provide Designer with written notice of any

# English Language Translation (we = Designer; you = Client)

4. c. Don't reuse our design for something else.

For example: If we sell you a porcupine drawing to use on your truck, don't put it on your website.

Here's another example: If we sell you a porcupine drawing to use as your website mascot, don't create a video game series based on it.

4. d. If you want to use the design for something else, call us. We'll work something out.

4. e. We own the designs that we show you that you don't choose. Don't build a video game around one of those either.

5. a. We decide in the beginning who will talk to whom. We will only pay attention to what that person says. Don't send someone we don't know over with changes. Remember that game "telephone"?

5. b. You can terminate a job if you don't like what we have given you, but shoot us an email or something in writing. corrections to be made and a suggested date for completion of the corrections which should be mutually acceptable to both Designer and the Client, or provide a written notice of assignment Termination if the work is found not to be reasonably satisfactory. The Client can Terminate the assignment only during this Review Period following the Delivery of a milestone deliverable. Any other termination of the Assignment shall be considered a Cancellation subject to the stipulations of Item concerning Cancellations.

#### 6. CANCELLATION & TERMINATION

#### a. Termination

In the event that work in process is found by the client not to be reasonably satisfactory in accordance with the Acceptance Procedures, the client may pay a termination fee to terminate the assignment. Any milestone payments made or due prior to termination shall be retained by Designer or due immediately upon assignment termination. Regardless of when the assignment is terminated, all billable expenses already incurred by Designer or Designer is liable to pay for shall be paid by the Client in full. In the event of termination, Designer retains ownership of all copyrights and any original artwork created by Designer and already purchased by Designer on behalf of the Client from third parties.

#### b. Cancellation

The Client may declare the Cancellation of the assignment for reasons not related to assignment Termination. In the event of Cancellation of this assignment by the Client, any milestone payments made prior to cancellation shall be retained by Designer. Please note that this includes situations where cancellation occurs prior to the delivery of the Design Comp(s), in which case the non-refundable deposit provided by Client to engage Designer shall be retained by Designer. Regardless of when the project is cancelled, all billable expenses already incurred by Designer or Designer is liable to pay for shall be paid by the Client in full. In the event of cancellation, Designer retains ownership of all copyrights and any original artwork created by Designer and already purchased by Designer on behalf of the Client from third parties.

# English Language Translation (we = Designer; you = Client)

6. a. If you fire us because you didn't like our designs we get to keep whatever you have paid us for our work up to that point. If we hired a subcontractor or vendor for your project you still have to pay for that expense.

6. b. The same is true if you cancel a job for other reasons.

## 7. LIABILITY, PROTECTION, CREDIT, RELEASES AND AUTHORIZATION a. Limitation of Liability

Client agrees that it shall not hold Designer or its agents or employees liable for any incidental or consequential damages which arise from Designer's failure to perform any aspect of the Project in a timely manner, regardless of whether such failure was caused by intentional or negligent acts or omissions of Designer or a third party. Furthermore, Designer disclaims all implied warranties, including the warranty of merchantability and fitness for a particular use.

#### **b.** Copy Protection

The Client must protect all final art which is the subject of this agreement against duplication and alteration.

#### c. Credit Lines

Designer and any other creators shall receive a credit line with any editorial usage. If similar credit lines are to be given with other types of usage, it must be so indicated here:

### d. Releases

The Client shall indemnify Designer against all claims and expenses, including reasonable attorney's fees, due to Designer's use of Client-provided-media for which appropriet licenses and releases were not aquired by Client.

The Client shall indemnify Designer against all claims and expenses, including reasonable attorney's fees, due to Client's uses for which no release was requested in writing from Designer or for Client's uses which exceed authority granted by a release by Designer.

#### e. Web Authorization

If the Client is engaging Designer or Designer's independent contractor for the specific project of developing and/or improving a website to be installed on the client's web space on a web hosting service's computer, the client hereby authorizes Designer to access this account, and authorizes the web hosting service to provide Designer with "write permission" for the client's webpage directory, cgi-bin directory, and any other directories or programs English Language Translation (we = Designer; you = Client)

7. a. If it doesn't work out you can't sue us for damages.

7. b. You are responsible for making sure the design doesn't end up some place random.

7. c. If the design gets some press, give us credit.

7. d. If you give us photos, text or other stuff to work with and it turns out you didn't have permission to do so, it's on your head, not ours.

If you (re)use our stuff without permission, it's on your head, not ours.

If you (re)use our stuff without making sure our original licenses allowed for it, it's on your head, not ours.

7. e. If we're doing web work for you, you give us permission to access all your web accounts and promotional channels.

which need to be accessed for this project. The Client also authorizes Designer to publicize their completed website to Web search engines, as well as other Web directories and indexes.

#### 8. DISPUTE RESOLUTION

This agreement shall be interpreted under the laws of the State of

Any litigation under this agreement shall be resolved in the courts of\_\_\_\_\_

County, State of \_\_\_\_\_

Any disputes in excess of\_\_\_\_\_

(\$ ) US dollars arising out of this Agreement shall be submitted to binding arbitration before a mutually agreed upon arbitrator pursuant to the rules of the American Arbitration Association. The Arbitrator's award shall be final, and judgment may be entered in any court having jurisdiction thereof. The Client shall pay all arbitration and court costs, reasonable attorney's fees, and legal interest on any award of judgment in favor of Designer.

#### 9. AGREEMENT

#### a. Entire Agreement

This Agreement and the Attachments hereto constitute the entire agreement between the contracting parties concerning the subject matter hereof. All prior agreements, discussions, representations, warranties, and covenants are merged herein. There are no warranties, representations, covenants, or agreements, express or implied, between the parties except those expressly set forth in this agreement. Any amendments or modifications of this agreement shall be in writing and executed by the contracting parties.

#### b. Modifications of the Agreement

Modifications of the Agreement must be written, except that the invoice may include, and the Client shall pay, fees or expenses that were orally authorized by the Client in order to progress promptly with the work.

#### c. Severability

If any provision of this Contract is held unenforceable, then such provision will be modified to reflect the parties' intention. All remaining provisions of this Contract shall remain in full force and effect.

# English Language Translation (we = Designer; you = Client)

8. If this all goes wrong, the slugfest will happen at (fill in the blank) location. If it is looking expensive, more than (fill inthe blank), we agree to arbitration. If we win, you pay all our many fees associated with said slugfest.

9. a. This is our agreement. It includes any attachments or addendums. Don't try to say we said something else over the phone or did something else before that overrides this agreement.

9. b. If we change the agreement it will be in writing. Email counts as writing.

This rule has the following exception: If you beg us for some last minute change and we do it because to wait for the "in writing" part would sink the deadline you can't refuse to pay for it when it shows up on the invoice. That's just not sporting.

9. c. If one part of this agreement is found to be weak it doesn't mean the whole thing can be thrown out the window.

#### PAGE 08 OF 08

#### d. Non-Waiver

The failure by one party to require performance of any provision shall not affect that party's right to require performance at any time thereafter, nor shall a waiver of any breach or default of this Contract constitute a waiver of any subsequent breach or default or a waiver of the provision itself.

#### **10. ACCEPTANCE OF TERMS**

Electronic initials affirming agreement of these terms, even if they appear on another document or in another medium shall indicate acceptance.

Last updated April 11th, 2010

English Language Translation (we = Designer; you = Client)

9. d. If either or us let one part of the agreement slide it doesn't mean that the whole agreement is defunct.

10. If you sign or intial this electronically, on another document or in some other medium, it still counts.