

Services Agreement Template

Instructions are written in [brackets]. Remove all the instructions in brackets once you have customized this template to your needs.

Ensure all square brackets are removed. Complete required information or delete wording contained in square brackets if not relevant to your situation.

SAMPLE

This Agreement (the “Agreement”) is made and entered into as of the Effective Date by and between:

- (1) [INSERT FULL NAME OF PURCHASER], organized under the laws of [INSERT THE JURISDICTION OF INCORPORATION OF THE ORGANIZATION], with its principal place of business at [INSERT ADDRESS] (“**Purchaser**”); and
- (2) [INSERT FULL NAME OF SERVICE DELIVERY ORGANIZATION], a[n] [INSERT TYPE OF SERVICE DELIVERY ORGANIZATION] organized under the laws of [INSERT THE JURISDICTION OF THE ENTITY], with its principal place of business at [INSERT ADDRESS].

(each, a “**Party**” and, together, the “**Parties**”).

INTRODUCTION

- A.** [NAME OF ENTITY] is a specialist provider of [INSERT TYPE OF SERVICES PROVIDED].
- B.** The Purchaser is [INSERT DESCRIPTION OF THE PURCHASER.]
- C.** The Purchaser wishes to engage [NAME OF ENTITY] to provide [INSERT THE TYPE OF SERVICES] subject to the terms of this Agreement.
[Guidance: Where this is a renewal, amendment or extension of an existing agreement, insert the wording below together with the date of the earlier agreement:]
- D.** *The Parties have entered into an agreement with an effective date of [INSERT DATE] (the “Existing Agreement”), under which [NAME OF ENTITY] agreed to provide [INSERT THE TYPE OF SERVICES] to the Purchaser. The Parties wish to [renew/extend/amend and restate] the Existing Agreement by entering into this Agreement.*

NOW, THEREFORE, the Parties agree as follows:

1. Effective Date and Term

This Agreement shall take effect on the signature of both Parties (the “**Effective Date**”) and shall continue until [INSERT END DATE] (the “**Expiration Date**”) (the “**Term**”), unless terminated earlier by the Parties in accordance with this Agreement. The Parties may agree to extend the Term at any time for any period of time by a written amendment.

[Guidance: Insert the start date of the contract (the ‘Effective Date’) and the end date (the ‘Expiration Date’)]

2. Service Specifications and Deliverables

[NAME OF ENTITY] will provide the services and deliverables as described in Schedule 1 to this Agreement (the “**Services**”) to the Purchaser during the Term of this Agreement, subject to the terms and conditions of this Agreement.

[NAME OF ENTITY] and the Purchaser agree to cooperate in good faith to achieve satisfactory completion of the Services in a timely and professional manner.

3. Reporting Requirements

[NAME OF ENTITY] shall provide reports during the Term of this Agreement for the periods specified in Schedule 2 to this Agreement.

4. Fees

The Purchaser will pay [NAME OF ENTITY] [INSERT THE TOTAL AMOUNT IN THE RELEVANT CURRENCY] (the “Fees”) for the Services provided by it under this Agreement. The Fees will be payable [in advance/in arrears] in accordance with the payment schedule as set out in Schedule 3 to this Agreement. [The expenses for the performance of the Services will be included in the amount of Fees/The Purchaser will reimburse [NAME OF ENTITY] for expenses reasonably incurred by it in the performance of its Services. [NAME OF ENTITY] will provide reasonable documentation for all expenses as requested by the Purchaser.]

[Guidance: Insert the total/maximum amount the Purchaser will pay – or where appropriate amend and set out calculations in schedule 3. Take off square brackets where you wish to keep the language contained therein or delete when you do not.]

5. Payment Procedures

All payments pursuant to this Agreement shall be made in accordance with the payment procedures in Schedule 3 to this Agreement.

6. Liability

[[NAME OF ENTITY]' sole liability under this Agreement shall be the clinical management of any complications or adverse events arising from the provision of Services. [NAME OF ENTITY] shall be entitled to recover from the Purchaser all costs and reasonable fees incurred as a result of the management of such clinical complications or adverse events. [NAME OF ENTITY] will inform the Purchaser as soon as reasonably practical after it has been made aware of any complications or adverse events requiring follow up clinical care for which additional costs were incurred.]

[Guidance. It is important to specify in the contract whether the SDO is responsible for management of complications or adverse events resulting from services delivered under contract. In general, the SDO takes responsibility. The question then becomes who pays for the costs. The language of clause 6 provides for the Purchaser to pay. Your Purchaser may or may not agree to this. Customize this clause to reflect what you have agreed with your Purchaser. If the SDO takes responsibility to pay, you need to get insurance to cover this and have assessed the cost of such insurance and your total aggregate liability should be no more than the value of 24 months of this Agreement. The Regional Director's consent is required if there is no cap on the maximum liability.]

[NAME OF ENTITY] shall not be responsible or held liable for any injury, illness, death, accident or harm arising from activities carried out by the Purchaser directly, even in circumstances where [NAME OF ENTITY] may have provided training or consultancy advice to the staff of the Purchaser.

[Guidance. If this contract covers technical assistance or other non-direct service provision, include this clause to protect the SDO from any liability related to complications or adverse events resulting from delivery of services in which the SDO providers did not play a direct service delivery role.]

7. Suspension and Termination

This Agreement may be suspended or terminated, in whole or in part, at any time:

- i. by the agreement of both Parties on a mutually agreed date;
- ii. by [NAME OF ENTITY] with immediate effect on written notice to the Purchaser in the event that the Purchaser fails to make any payment within 30 days of the due date.
- iii. by either Party with immediate effect on written notice to the other Party if the other Party is in material breach of any terms and conditions under this Agreement and the other Party fails to cure that breach within 30 days of the breach first taking place.

In the event of a termination, the Purchaser shall pay [NAME OF ENTITY] for all the Services performed by it prior to the date of termination and the Parties shall take the necessary steps to bring the Agreement to a prompt and orderly conclusion.

[Guidance. 'Material breach' is normally left for the parties/ a court to interpret unless you specifically define what constitutes 'material.' Material breach means something very serious eg. not paying, not delivering services etc.]

8. Force Majeure

Force majeure shall mean any act of God, war, riot, act of terrorism, outbreak of hostilities, strike, or other industrial action or any malicious damage default of suppliers or sub-contractors accident failure or breakdown of plant or machinery, fire, flood, explosion, any act of local or national government or authority, and any cause or circumstance whatsoever outside the reasonable control of the Party affected.

Neither Party shall be liable for delay in performing obligations under this Agreement if the delay results from force majeure provided that where possible they have taken reasonable steps to minimize the delay. In the event that any delay continues for a period in excess of 90 consecutive days a Party shall have the right to terminate this Agreement with immediate effect.

[Guidance. 'Force majeure' gives both parties an option for a pause (without breaching the agreement) when faced with circumstances beyond the control of the parties that negatively affect the implementation of the project. However, force majeure is not intended to excuse negligence and general non-performance.]

9. Records Requirements

- A. [NAME OF ENTITY] shall retain a client record form for each client served to verify the performance of the Services.
- B. [NAME OF ENTITY] shall maintain these records for a period of [X] years after the provision of the Services.

[Guidance. In most countries, the requirement is five (5) or seven (7) years. In addition, this requirement may be donor driven. If your purchaser does not have a specific requirement, THE SDO can recommend five (5) years.]

10. Amendments

This Agreement may be amended only by a written instrument signed by the duly authorized representatives of both Parties.

[Guidance. Variations to this contract are possible and need to be mutually agreed and made in writing. Amendments are considered part of the contract documentation, and are issued to make formal changes to the contract. Examples include a change in the end date, a budget realignment, a change in key personnel, and increasing or decreasing the obligated amount. All amendments must be formal, written documents, signed by authorized representatives of both organizations.]

11. Notices

All notices by either Party must be in writing and shall be delivered by hand or sent by mail to: [X]

[INSERT appropriate address and contact person]

12. Confidentiality

Neither Party shall reproduce, disclose, or use the others confidential or proprietary information, except as may be essential to perform its obligations under the Agreement, or with the prior written authorization of the other Party.

13. Intellectual Property

Each Party's intellectual property ("IP") shall remain their exclusive property, but each shall grant the other Party a license to use its IP in any material relating to this agreement, such license terminating at the termination or expiration of this Agreement. Where either party creates IP in connection with this Agreement during its term, it shall belong to that party. Where the parties jointly create new IP, the parties shall mutually agree the ownership of such IP, taking into account the extent each party was involved in the creation of the IP, the use each party will be able to make of such IP going forwards and principles of equity and fairness. .

Where IP used in the performance of this Agreement is owned by a third party the party providing such IP shall ensure that any license or written authorization to use that IP has

been obtained from the third party owner prior to using or providing it to the other Party and shall indemnify the other Party for any claims or disputes that may arise out of any unauthorized use of such IP.

This clause shall survive the expiration or earlier termination of this agreement.

[Guidance. As intellectual property (IP) is developed in the course of many contracts such as written manuals and instructions, new brand names, new logos etc., it is important to secure the SDO's rights but also to give due rights to contract parties as needed.]

14. Governing Language

The governing language of this Agreement and all communications relating to it shall be [English/ French/ Spanish/ Other]

[Guidance. Select the appropriate governing language of the contract. Please note that the SDO contracts team may require official translation in order to review in a language other than English.]

15. Governing Law

This Agreement will be governed by and construed in accordance with the laws of [X].

[Guidance Typically X will be the country in which the contract will be implemented]

16. Disputes

The procedure set forth in clauses 15 and 16 shall be the exclusive method of resolving all disputes. The Parties shall attempt to resolve all issues arising under or relating to the Agreement amicably through negotiation between its nominated representatives. If any dispute remains unresolved after 30 days of negotiations between the Parties, the matter can be referred by either Party to arbitration in accordance with clause 16 below. [NAME OF ENTITY] shall be at liberty to suspend the Services without any liability until such dispute is resolved.

17. Arbitration

A. In the event that a dispute cannot be settled amicably, either Party may refer the matter to arbitration. In any such arbitration, the Parties agree as follows: (1) each shall bear its own costs, including without limitation the costs and fees of legal and expert consultants, except that the arbitrator may in his or her award allocate all or a portion of the prevailing party's costs to the non-prevailing Party if it is deemed equitable; (2) the costs and fees of the appointing authority shall be assessed by the arbitrator; (3) the place of arbitration shall be London or any other location on which the Parties may subsequently agree, and shall be in accordance with the Rules of UNCITRAL (the United Nations Commission on International Trade Law) (4) the language of all proceedings, communications, and the award, shall be English; (5) the Parties shall mutually agree on the identity of a single arbitrator (failing which, either Party may request the appointing authority to make a

designation); (6) unless otherwise mutually agreed in writing, the arbitrator shall decide the case solely on the submission of written documentation and statements .

B. An award in accordance with this section of the Agreement shall be final and binding on the Parties.

18. Entire Agreement

This Agreement is the Parties' entire agreement and supersedes all prior agreements, understandings, communications, negotiations, and discussions, whether oral, written or electronic, involving the Parties.

[Guidance. This section states that the entirety of the agreement between the parties is included in this contract. It means that any other understandings, negotiations etc. that are not explicitly stated in this contract are not binding to the activities and conditions of this contracting arrangement.]

19. Severability

If any provision of this Agreement is deemed by any court of competent jurisdiction to be void, voidable, invalid or unenforceable for any reason, the remainder of the provisions shall not be affected and shall remain valid and enforceable.

20. Non-Waiver

Failure by either Party to insist on strict compliance with any provision of this Agreement shall not be deemed to be a waiver of, or affect or modify, any of that Party's rights or the other Party's duties under this Agreement, nor shall any waiver of any such right or duty in one case be construed as a waiver in another case.

By their signatures below, the Parties, through their representatives, have confirmed agreement to all provisions of this Agreement:

[Guidance. Authorized persons and signatures: The contract must be signed by an authorized legal representative from each party and dated]

For [X]

Signature:

Print Full Name:

Title:

Organization:

Date:

For [X]

Signature:

Print Full Name:

Title:

Organization:

Date:

SAMPLE

Schedule 1

Service Specifications and Deliverables

A. Deliverables. Deliverables are defined as [X].

[Deliverables are the specific products, services or service results. Often payments will be based on delivery of these results or on specific milestones associated with the results. See section 4 of the SDO Contracting and Insurance Handbook.

For [X], include your performance specifications meaning the definition of performance against your deliverables. This includes:

- Definition of deliverables
- Performance targets

B. Performance indicators. [X] indicators are agreed as a measure of contract performance.

[For [X], include:

- Methods of performance measurement, i.e. list all agreed indicators
- Mechanisms for monitoring and evaluation of performance
- Consequences of achievement or non-achievement of indicators. If payment is triggered by achieving your indicators include a 'see section 5' reference here.]

Schedule 2

Reporting Requirements

The following reports are due under this Agreement and shall be submitted electronically to the attention of [X], at [X].

[For X, insert name and department of the person responsible for receiving your reports.]

| Period | Type of report | Due dates |
|----------------|----------------|-----------|
| [Insert dates] | | |
| [Insert dates] | | |
| [Insert dates] | | |
| [Insert dates] | | |

| | | |
|----------------|--|--|
| [Insert dates] | | |
|----------------|--|--|

[Include here any additional relevant information that helps clearly describe the reports you are required to submit to your purchaser. Common reports include:

- Financial Reports and Invoices
- Advance payment requests, if applicable
- Narrative Reporting (and required data)
- Work plans/Project Implementation Plans
- Reports on Targets/Outcomes]

SAMPLE

Schedule 3

Payment Procedures

A. Payment methods

[Guidance. This section needs to specify whether payments will be made in advance, in arrears or a combination of advance and arrears. This has important implications for your program. See section 4 of the SDO Contracting and Insurance handbook for more information.]

B. Payment procedures

Payment will be made by Purchaser no later than [X] days after receipt of [X eg. Reports/invoice] from [NAME OF ENTITY].

Invoices shall be submitted to [Insert name of official or department to who you submit the invoice] at [Insert address or email address depending on how you are submitting the invoice]. [Payments will be made at [X] intervals]. First payment will be made on [X]. Final payment will be made on [X].

[Guidance. This section should reflect what you have agreed with your Purchaser regarding the process for submitting claims (invoices) for payments in arrears or budgets/ financial projections for payments in advance. Specify the timeframe within which your Purchaser agrees to pay you after submission of agreed invoices or budgets, to who invoices must be submitted, and at which department/ office. Specify the intervals at which payments will be made, e.g. monthly, quarterly, annually. Specify the agreed first and last payments for the contract.]

[Subject to [NAME OF ENTITY] completing [X] [insert any conditions for payment eg. meeting the performance indicator, the production of a work plan etc,] [NAME OF ENTITY] shall be paid in advance [or] in arrears pursuant to the following table:

[Guidance. If payment will be triggered by your successful achievement of one or more indicators, use this table to specify. If this is not part of your arrangement, you may delete this table.]

| Payment Date | Amount | Performance Indicator |
|---------------------|---------------|------------------------------|
| | | |
| | | |
| | | |

C. Payments shall be made to the following bank account:

[Insert relevant bank account details]

D. [NAME OF ENTITY] reserves the right to suspend unfunded activities until payment is received.

E. [NAME OF ENTITY] reserves the right to charge interest at [10%] on any sums more than 5 days overdue.
[Insert an interest rate appropriate in your country context]

F. [NAME OF ENTITY] shall be required to refund to Purchaser any funds received from Purchaser but not expended for the performance of the Services by the end of the Term.

[If you are receiving payment in advance, your Purchaser may require any unused funds to be returned.]

If there is a delay in payment longer than [three] months from the listed payment date, [NAME OF ENTITY] reserves the right to terminate this Agreement and sell assets funded by the Purchaser to cover costs incurred during the period of non-payment.

SAMPLE