

[COMPANY]'s terms of engagement

These terms of engagement ("Terms") apply to all work carried out by us ([COMPANY]) for you ([CLIENT]).

Services

We provide to you services in relation to the engineering and development of software code. We usually provide to you Deliverables as a result of those services. We charge for our time, not the Deliverables themselves.

Fees

Our fees are charged on an hourly basis at the Billing Rate. No fixed-priced agreements will be entered into.

The "Billing Rate" is \$[RATE] NZD per Billable Hour, plus GST.

Estimates

Estimates are not accurate. Our experience and best judgement is used to estimate as accurately as we can. Nevertheless, estimates may be inaccurate by 100% (i.e. half or double), or more on occasions.

We will communicate with you as soon as we are aware that an estimate is inaccurate by more than 50%. At that point we will cease to log Billable Hours on the estimated task and wait for your approval before logging any more Billable Hours on the estimated task.

Regardless of the accuracy of any estimate, and regardless of whether the task is completed or not, each Billable Hour logged on the estimated task is billable at the Billing Rate.

Unestimated tasks

Unestimated tasks, such as meetings, planning, communications and reviews are logged and invoiced as Billable Hours at the Billing Rate, even if there are no Deliverables.

Time log

"Billable Hours" is the time spent preparing deliverables, working on estimated or unestimated tasks, or any other task requested by you under these terms, measured in hours and rounded up to the nearest 0.25 hours (15 minutes).

A "Time Log" is a list of line items, where each line item includes the number of Billable Hours, a summary of what was done and the date.

We make available a Time Log of Billable Hours. We expect you to review this frequently to avoid unexpected surprises when we invoice you.

At any time you may request more detail about any Billable Hours or Time Logs, and we will make available any and all information about the time spent on tasks, such as any complete or incomplete Deliverables, what precisely was done and how.

In exceptional circumstances where that information is not readily available, we may log Billable Hours for the time spent to recover such information, and provide that information to you as a Deliverable. This scenario is unlikely if you *promptly* query any doubts or questions about logged Billable Hours.

Invoices

Invoices will be sent once per month at the end of each calendar month in which we have logged Billable Hours for you or incurred Expenses on your behalf.

Invoices are due on receipt. We consider one week sufficient time for you to make the payment. You should tell us as soon as possible if you need more time.

If an invoice is unpaid for more than one month, or more than 10 days without communication about the delays, we will cease to make our services available to you and consider legal action.

Invoices that are not paid for a month will accrue interest at a rate of 5% *per month*.

"Expenses" are costs incurred by us on your behalf, and approved by you before the Expense is incurred.

Deliverables

"Deliverables" include any software code, documentation (in any format) or supporting material authored, or any server or software configuration created or configured, by us for for you, or anything else you request from us under these terms.

Until all of the corresponding Billable Hours have been paid;

- You may not use the Deliverables, except for testing purposes.

- The copyright of the Deliverables belongs to us.

Software code is licensed under the terms of the GPL version 2: <http://www.gnu.org/licenses/gpl-2.0.html>

Once the corresponding Billable Hours are paid:

- You own the copyright on any Deliverables.
- You may only license the code under any Open Source Initiative approved license, unless otherwise agreed before work on the Deliverables has commenced: <http://opensource.org/licenses>
- You may license other deliverables under any Creative Commons licence: http://creativecommons.org/licenses/by/3.0/nz/deed.en_GB

Public domain deliverables

We will seek your permission before making public any Deliverables or parts of deliverables. This includes new software projects derived from Deliverables that are beneficial to the general public in the public domain, software code that extends, enhances or fixes a problem (bug-fix) in third party software, patches and extensions, such as "jQuery libraries" and "Drupal modules".

Deliverables retention

We take reasonable steps to keep the Deliverables, your data and your clients' data secure during our engagement. You may request additional security measures. Such additional measures may be at your expense.

In the interests of your and your clients' data security, we do not store your data or Deliverables for more than 12 months (usually a lot less) beyond the duration of our engagement, except when that Deliverable was exchanged by email, which is archived indefinitely.

It is your responsibility to store, backup, destroy or retain any data or Deliverable after the corresponding Billable Hours have been paid.

Deadlines

We endeavour to render our services promptly. For your planning purposes, we will tell you how many hours we have available for you in any future calendar week ("Availability"). For our planning purposes, we expect you to tell us how many of those hours you expect to use ("Usage").

We will notify you if our Availability changes as soon as we know. We expect you to notify us of any changes in your expected Usage as soon as you know.

You determine the priorities among the services you require. We will usually help you determine these priorities by providing advice and Estimates.

Physical location

Our invoices are sent from a New Zealand GST registered company. We usually maintain a physical presence in Auckland, New Zealand. We reserve the right to provide our services from any location in the world.

Any travel costs to meet you in person in another city will be an Expense.

Our declaration

We agree to these terms of engagement.

[NAME]
Director, [COMPANY]

Your Declaration

We agree to these terms of engagement.

Director,
[CLIENT]