

INDEPENDENT CONTRACTOR AGREEMENT

Before you use this: signing this agreement does not by itself make someone an independent contractor. The IRS, the U.S. Department of Labor and your state look at how the work is actually done. If the client will control the worker's hours and methods like an employee's, use an employment document instead.

This Independent Contractor Agreement ("Agreement") is made on [date] between:

Client: [Client's full legal business name], of [address] ("the Client")

Contractor: [Contractor's full legal name or business name], of [address] ("the Contractor")

1. Services

The Contractor will provide the following services ("the Services"): [short description]. The details, deliverables and deadlines are in the Statement of Work attached as Exhibit A. If this Agreement and Exhibit A conflict, this Agreement controls unless Exhibit A clearly says otherwise.

2. Term

This Agreement starts on [start date] and ends ☐ when the Services are completed and paid for ☐ on [end date], unless ended earlier under Section 9.

3. Independent contractor relationship

The Contractor is an independent business, not an employee, partner or agent of the Client. In particular:

- The Contractor decides how, when and where to perform the Services, as long as the deliverables and deadlines in Exhibit A are met.
- The Contractor supplies their own equipment, tools, software and workspace, unless Exhibit A says otherwise.
- The Contractor may provide services to other clients, including during this Agreement, as long as Section 7 (Confidentiality) is respected.
- The Contractor may hire helpers or subcontractors at their own cost, and is responsible for them.
- The Contractor is not eligible for the Client's employee benefits.
- The Contractor is responsible for their own income taxes, self-employment taxes, business licenses and insurance. The Client will not withhold taxes from payments, and may report payments to tax authorities as the law requires.

Both parties understand that how the relationship works in practice, not this section alone, determines the Contractor's legal status.

4. Fees

The Client will pay the Contractor (choose one):

- ☐ **Fixed fee:** [\$ amount] for all Services, paid ☐ in full on completion ☐ [percent]% upfront and the rest on completion
- ☐ **Hourly:** [\$ amount] per hour, up to [number] hours without written approval for more
- ☐ **Milestones:** as listed in Exhibit A

5. Invoices and payment

The Contractor will send invoices ☐ monthly ☐ on completion of each milestone ☐ on completion. The Client will pay each correct invoice within [number] days of receiving it. If the Client disputes part of an invoice, it will tell the Contractor in writing within [number] days and pay the undisputed amount on time.

Expenses: ☐ The Contractor pays their own expenses ☐ The Client will reimburse reasonable expenses it approves in writing in advance, with receipts.

6. Ownership of work

Deliverables. Once the Client has paid for them in full, the Contractor assigns to the Client all rights in the final deliverables created specifically for the Client under this Agreement.

Contractor's own materials. The Contractor keeps ownership of tools, code libraries, templates, methods and know-how they owned before this Agreement or developed independently. If any of these are built into a deliverable, the Contractor gives the Client a non-exclusive, perpetual, royalty-free license to use them as part of that deliverable.

Portfolio use. ☐ The Contractor may show the finished work in their portfolio ☐ The Contractor may not, without the Client's written permission.

7. Confidentiality

Each party will keep the other's non-public business information confidential and use it only for this Agreement. This doesn't apply to information that is public through no fault of the receiving party, was already lawfully known to it, or must be disclosed by law (after giving the other party notice where the law allows). These duties last for [number] years after this Agreement ends.

Nothing in this Agreement stops either party from reporting a possible violation of law to a government agency or making disclosures protected by law.

Whistleblower immunity notice. Under 18 U.S.C. 1833(b), an individual will not be held criminally or civilly liable under any federal or state trade secret law for disclosing a trade secret that is made (a) in confidence to a federal, state or local government official, directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (b) in a complaint or other document filed in a lawsuit or other proceeding, if that filing is made under seal. An individual who files a

lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to their attorney and use it in the court proceeding, if they file any document containing the trade secret under seal and do not disclose it except under court order.

8. Insurance and responsibility

☐ The Contractor will carry [type of insurance, e.g. general liability or professional liability] of at least [\$ amount] during this Agreement and give proof on request.

Each party is responsible for claims caused by its own negligence, wilful misconduct or breach of this Agreement. Neither party is liable to the other for indirect or consequential losses, such as lost profits, except for breach of Section 7 or for gross negligence or wilful misconduct. Nothing in this Agreement limits liability that the law does not allow to be limited.

9. Ending the Agreement

Either party may end this Agreement:

- for any reason, with [number] days' written notice; or
- immediately by written notice if the other party materially breaches this Agreement and doesn't fix the breach within [number] days after receiving written notice of it.

If the Agreement ends early, the Client will pay for Services performed and approved expenses incurred up to the end date, and the Contractor will deliver work completed up to that date. Sections 6, 7 and 8 continue after the Agreement ends.

10. Notices

Notices must be in writing and sent to the addresses above or to an email address a party has designated in writing. A notice is received when delivered in person, on the date shown on an email delivery or read receipt, or three business days after mailing.

11. General terms

- **Entire agreement.** This Agreement and its exhibits are the complete agreement about the Services and replace earlier discussions and proposals.
- **Changes.** Any change, including to Exhibit A, must be in writing and signed by both parties.
- **Governing law.** This Agreement is governed by the laws of the State of [State].
- **Severability.** If any part is found unenforceable, the rest stays in effect.
- **Assignment.** Neither party may transfer this Agreement without the other's written consent, except the Client may transfer it to a buyer of its business.
- **Counterparts and electronic signatures.** The parties agree this agreement may be signed electronically and in counterparts, and an electronic signature has the same effect as a handwritten one.

Exhibit A: Statement of Work

- **Project:** [name]
- **Deliverables:** [list each deliverable]
- **Deadlines or milestones:** [dates]
- **Milestone payments (if used):** [milestone and \$ amount]
- **Client contact:** [name, email]

Signatures

Contractor

Signature: _____

Name: [full name]

Date: [date]

Client

Signature: _____

Name: [full name]

Date: [date]