



FOR THE LIFE OF YOUR BUSINESS
Ohio Southern Chapters

Brief #02.11

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Sales Agreements for Service Providers

(Refer to Brief 12.02 for Contents of a Purchase or Sales Agreement for stock or asset sales transactions)

Whenever a supplier of services sells to its customers it is vital that a written agreement be established spelling out the specific services to be provided, when, at what price and other pertinent terms. This written document takes the form of a Sales Agreement Contract. In many instances this Sales Agreement is the supplier's signed proposal with a place for the buyer to sign his acceptance of the proposal. The key elements of the Sales Proposal are:

1. Supplier's company logo
2. Contact information including company name, address, phone & FAX numbers, e-mail address and web site.
3. Marketing information such as:
 - "Bonded and Insured"
 - "Work Guaranteed"
 - "Fully Covered by Workman's Compensation"
4. Proposal Number, Revision Number
5. Proposal submitted to: Name and address of client
6. Detailed description of goods and services to be supplied: Include here also any special conditions such as services to be provided by the client (water, power, access, etc...)
 - Who will obtain and provide licenses and permits.
 - When the work will be performed and its duration.
 - Specify cleanup to be provided and equipment to be removed (e.g. old appliances; construction debris, etc..)
 - Statement on form saying: "Unless specifically detailed herein, no other work is to be considered included with this agreement.
7. List any specific items that are explicitly excluded.
8. Pricing and payment terms (prepayment of a portion at start of work or upon contract acceptance; final payment upon work completion or within 10 or 30 days).
9. The level of client support/participation to be provided, if any.

10. Statement that any changes/additions to the specific items listed are subject to a negotiated price change.
11. Name, title and signature of proposer, including date of proposal.
12. Term for which the proposal remains valid (10, 30, 45, 60 days)
13. Place for signature of buyer and date of acceptance
14. Any notices of the right of the seller or buyer to cancel the proposal or agreement (such as if work is not started or completed by a certain date, buyer's property becomes unavailable (fire, flood, destruction, etc..))
15. This agreement is rendered in two originals, one for each party. Any change to an original invalidates the proposal and must be redrafted and signed by both to become effective.
16. One original of the signed agreement is retained by the Seller and one original of the signed copy is given to the Buyer.

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