

# terms of business

of farmout Pty Ltd



## Definitions

- 'brief':** information, either written or verbal, provided by the client to describe the scope of a project.
- 'client':** any person, group of people, a company or group of companies that request *farmout* to commence work on a project.
- 'estimate':** written estimated charges associated with completing a project inline with the brief.
- 'expenses':** costs reasonably incurred by *farmout* in the course of producing a project.
- 'fees':** charges for services provided by *farmout* in the course of producing a project.
- 'file':** any information or images belonging, or related to, a project stored in written or electronic format.
- 'project':** the totality of all the work outlined in an estimate.
- 'product':** all items, artwork or things created, provided or obtained by *farmout* to complete a project. This includes writing, editing, drawings, concepts, artwork, photographs, designs or other materials produced to satisfy the brief.
- 'you':** the customer/client, including your successors.

## Terms

### Guarantee

The person who signs this agreement for and on behalf of you guarantees to *farmout* the payment of fees, GST and expenses for acting on your behalf in the same manner and to the same extent as if that person was actually you under this agreement. You have agreed to enter into this agreement at the request of the executing person.

### Estimates

1. Where a product, or products, are submitted to you for any reason where terms of business have not been agreed, their provision is made on the basis that *farmout* retains copyright and all other intellectual property rights in the product or products. You will keep it/them confidential and will return it/them complete and uncopied.
2. You agree not to provide third parties with any of *farmout's* estimates, invoices, documentation or other materials provided either as part of a proposal to obtain business, or in the course of developing a project or product.
3. All costs stated in an estimate are relevant for to the scope of work described in the initial brief. If you significantly alter the brief and/or scope of a project, *farmout* reserves the right to provide a revised estimate based on the altered brief and/or project scope and invoice you inline with the revised estimate.
4. You are obligated to notify *farmout* if you change your phone number, address, business name or any other contact details.
5. You are obligated to advise *farmout* if you expect to be uncontactable for an extended period.
6. Amendments to prioritisation of work undertaken may be made and documented via exchange of emails.

### Commencement and completion of projects

7. When you request *farmout* to commence work on a project, a contract will come into existence comprising these terms and *farmout's* estimate. This may be varied only with written approval from you and *farmout*. You will be responsible for paying *farmout* all charges for work carried out and all materials acquired in relation to a project even when, at a later date, you may decide not to complete the project.
8. You will endeavour to ensure all instructions are clear in writing. You agree to sign for the approval of work at significant stages of a project, as requested by *farmout*. *farmout* will not be liable for any errors or omissions resulting from your failure to thoroughly review a project or sign approval.
9. *farmout* will source and supply estimates for any services required from third parties, notify you and seek your approval of any additional expenses before they are incurred.
10. If you require *farmout* to work with preferred suppliers that you nominate, you are obliged to provide *farmout* with the contact details of such suppliers in a timely manner.

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## Invoices and payments

11. 50% of estimated charges will be invoiced on commencement. Subsequent progress invoices will be issued until a final invoice has been issued when work is 100% finalised.
12. *farmout*'s fees and the terms of payment are set out on invoices. An invoice must be paid within 30 days of the invoice date.
13. *farmout* will issue monthly progress invoices for projects ongoing at the end of each calendar month.
14. If a progress invoice has been issued and any amount is outstanding beyond 30 days of the invoice date, *farmout* reserves the right, after advising you, to cease work on the project until all outstanding amounts are paid. *farmout* shall not be liable to you for any damage, claim or other liability caused by delay associated with your failure to pay on time.
15. Non-payment of invoices beyond 30 days will result in you incurring additional charges associated with debt recovery.
16. Monthly invoices will be issued at the end of each month for work being undertaken in return for a monthly retainer payment.
17. You are responsible for any expenses directly associated with your project that are arranged by, and payable by *farmout* to third parties. You will reimburse *farmout* the costs for such supplies or services within 14 days of the invoice date.

## Cancellation of commenced projects

18. If you cancel a project for any reason, you must pay all fees for work *farmout* has conducted and expenses incurred that are relevant to the project to the date of such cancellation:
  - a) where not more than one half of the work has been completed – you are required to pay 50% of the fees plus all expenses; or
  - b) where more than one half of the work has been completed – you are required to pay 100% of the fees and expenses.

## Timelines, work progress, copyright, confidentiality and indemnity

19. All suggested completion dates stated by *farmout* are estimates only. Work completion dates rely heavily on input, feedback and written approvals from you. Whilst *farmout* strives to make every effort to achieve such goals, it will not be liable for any loss, damage or complication resulting from failure to meet any timeline stipulation.
20. If a project has not progressed for 28 days or more due to a lack of input, signed approval or other necessary communication from you, *farmout* will provide a progress invoice for all work done to that point. *farmout* will endeavour to complete such a project as swiftly as possible once communication has been received from you.
21. *farmout* will assign copyright of a product to you only once full payment of all invoices associated with the project has been received. Copyright will be limited to the purpose, media and geographic area described in the relevant brief, estimate and/or invoice. *farmout* shall not be obliged to wholly transfer to you any idea, project, product/s, images or files developed and stored by *farmout*.
22. A fee will apply to resupply a file to you.
23. A fee will apply when a project produced by *farmout* is used by you for a purpose, or in a geographical area not stipulated in the original brief. A fee will apply to every adaptation when a project originally produced by *farmout* forms the basis of the adaptation.
24. *farmout* may use any of the projects or products it has developed for self-promotional or competitive purposes. *farmout* will endeavour to avoid using any confidential information contained within a project or product.
25. *farmout* will maintain the confidentiality of any information supplied by you, but only if you advise in writing that such information is confidential.
26. You will indemnify *farmout* against all claims arising from any information or documents supplied by you or for any action taken by *farmout* on your instructions or with your approval.
27. *farmout* makes no warranty for the final written content of projects or products. You have final editorial discretion over the content of a project drafted by *farmout* and will indemnify *farmout* against all claims arising from the written content of any project you sponsor.
28. *farmout* makes no warranty regarding the suitability of a project or product for your purposes and it is your responsibility to ensure that a product complies with the requirements of any legislation regarding the registration, marketing, labeling, packaging, distribution or other regulation associated with such a product. You are also responsible for ensuring a project or product meets ethical and conduct standards as appropriate to a product's purpose.
29. Each party (you and *farmout*) agrees to keep the other party fully indemnified against all costs (including legal fees), claims and damages incurred directly in connection with any failure to perform its obligations pursuant to this agreement.
30. Subject to the specific details of the relevant estimate, these terms cover all ongoing and future projects undertaken by *farmout* for you unless varied with *farmout*'s written consent.