



## PROFESSIONAL SERVICES Terms and Conditions

*version 4, updated 27 April 2012*

Business carried out by Operational Dynamics is subject to these Terms and Conditions. Our agreements are structured so that multiple engagements can be undertaken between our Firm and a given Client with each individual project, presentation, or retainer described by a separate Schedule specific to that engagement. Terms specific to each type of engagement are set out below.

### **Consulting Projects**

These terms are applicable to engagements described in the Schedule as a “consulting project” whereby we and our Client are working jointly together to achieve an outcome.

Project fees will be listed in the accompanying Schedule specifying options for an individual consulting engagement. The exact amounts and due dates are as listed. Appropriate invoices will be issued according to the option(s) chosen.

#### **Fees for short projects**

For short or immediate projects (less than 2 months duration), 50% of the project fee is required in advance to agree the project, with the remaining 50% due 21 days after project start.

#### **Fees for long projects**

For longer projects (2-6 months duration), 25% of the project fee is required in advance to book our time, and is to be paid in order to agree a project. A further 25% is due before the project commencement date. The remaining tranches of 25% are payable at 45 and 90 days from that date.

#### **Discount for prepayment**

We offer a 10% discount to any Client who chooses to make a single payment of a long project's full fee in advance.

#### **Conditions**

The quality of our work is guaranteed. Once accepted, a project is noncancelable for any reason, and payments are to be made at the times specified. Clients may, however, reschedule, postpone, or delay the project as their organization's needs may unexpectedly dictate without penalty and without time limit, subject only to mutually agreeable times frames in the future.

### **Presentations**

These terms are applicable to engagements described in the Schedule as “speaking” at conferences or events, “presentation” to businesses, and other similar “single day” involvements such as facilitation, planning, or governance, all indicating short appearances by our staff on behalf of a Client.

#### **Fees for presentations**

These engagements are charged at the rate listed in the Schedule agreeing the venue and topic to be presented. 50% is to be paid in advance to book the appearance, with the balance to be paid no later than the day of the presentation.

#### **Conditions**

Payments are non-refundable. Should an appearance be rescheduled or cancelled by the organizers of the event, then the Client may use the amount paid as credit toward future work with our Firm. Clients remain liable for the payment any additional expenses incurred by us as a result of such changes.

## **Retainers and Other Engagements**

In circumstances described in a Schedule as a “retainer” or “general contracting”, one or more of our staff may be made available to the Client on an ongoing basis.

### **Fees for retainers**

Fees described on the Schedule will be billed monthly and are payable in advance of each period.

### **Limitation of scope**

Details regarding specific deliverables will be detailed on the Schedule. Requests outside of the scope of the current engagement will require the preparation of a new Schedule describing the desired outcomes.

## **General Conditions**

Applicable to all projects, presentations, retainers and other engagements:

### **Payment terms**

Payment is due immediately on receipt and must be received by us within 7 days of the date of our invoice. Payment by either cheque, direct deposit, or wire transfer is appropriate; bank details are attached to invoices.

GST will be included the amounts billed for services rendered to Clients based in Australia. Invoices to Clients in other countries will be presented in the major currency of their choice. Clients assume exchange rate risk, wire transfer fees, taxes and charges, and the obligation to ensure that the designated amount is received by our bank.

Overdue payments will immediately attract an automatic penalty fee of 15% of the amount outstanding. We reserve the right to suspend work until such time as all amounts are paid regardless of inconvenience to the Client; furthermore, Clients accept liability for any costs incurred as result of late payment including any additional travel or necessary rescheduling.

### **Expenses**

Expenses incurred by our staff as they pursue projects on our Client's behalf will be charged to that Client, as will disbursements by our Firm in support of such engagements. Travel expenses include air, train, rental car, taxi, public transit, lodging, meals, tips, and related outlays. We do not bill for our own internal office expenses but extraordinary disbursements resulting from work for a Client including graphics design, printing, conference calls, couriers and shipping, and other project related expenses will be charged to the Client.

Expenses will be billed monthly, included in an invoice as above, and are likewise payable on receipt.

### **Travel policies**

Air travel longer than 4 hours will be booked in business class. The Client will only be billed at most the cost of a full-fare return ticket from each involved consultant's place of origin to the project site; note that for operational reasons an “around the world” ticket may at times be booked in place of a “return” ticket.

In order that staff are prepared for the business upon which they are engaged, arrangements will be made such that they arrive a minimum of the night before for domestic travel, and a minimum of 24 hours in advance in the case of transoceanic travel (greater if so occasioned by flight scheduling); additional nights accommodation are considered a part of the project and will be included in our bill. Staff will be put up in individual rooms in hotels with internet access.

If an engagement requires a consultant to be abroad for greater than 4 consecutive weeks, then each month that consultant will be afforded at their discretion either a) a return flight home or b) a flight for that person's significant other to join them at the project site. Such travel is considered a part of the project and is booked according to the travel policies described above.

### **Community contribution**

From time to time, our Firm chooses to work with selected small community organizations on a *pro bono* basis. While we are pleased to waive our professional fees on such occasions, such Clients remain

responsible for all travel and other expenses incurred as we pursue the project. The parameters of such work will be described by a Schedule as with any other engagement. At our discretion Clients may be required to pay a deposit covering expected disbursements.

### **Agencies; Subcontracting**

From time to time, projects, presentations, or retainers are sourced through a third party (“Agent”). Appropriate commissions or referral fees may accrue to those Agents for their contribution. We have a policy of full disclosure of fees charged in such circumstances.

Such referral fees can be by paid by the Client to the Agent directly, or if requested, we can bill the Client and pass the amount on to the Agent. Such fees will only be billed by us to the Client if the Schedule describing an engagement explicitly specifies that this will be the case. Otherwise, any arrangements between Client and Agent are their responsibility alone.

In the event that we are requested to do work by an Agent on behalf of one of *their* clients, then that Agent will be deemed our Client under the terms of this Contract and responsible for all provisions herein including payment of our professional fees and expenses, and adherence to confidentiality requirements.

### **Intellectual Property; Trade Practises; Confidentiality**

Ownership of material developed and delivered under this agreement is vested in the Client only if a Schedule explicitly provides for such assignment.

Work conducted for you may use knowledge from the wide background which our Firm brings to the project as a part of our professional competence. Use of any such material on this project does not imply transfer of rights over those concepts, ideas, or techniques to you. Likewise, new ideas, concepts, or other intellectual property developed concurrently during an engagement remain vested in our Firm.

We hold our work with Clients to be in confidence. Commercial best effort is to be taken by both parties to preserve the integrity and confidentiality of proprietary materials. Clients will only be identified to third parties with the Client's written consent. We will reciprocally accept any non-disclosure agreements as required.

The Internet is an inherently insecure medium. If protection stronger than copyright is required for material transmitted electronically, then suitable encryption must be used. We can exchange OpenPGP (Internet standard RFC 2440) or S/MIME (RFC 2311) encoded messages. Digital fingerprints for public keys and certificates must be exchanged and signed before sending proprietary material.

### **Responsibility for systems**

From time to time Clients grant us access to their systems as we undertake work on their behalf. Clients remain responsible for the ongoing operation, maintenance, and security of those systems and are responsible to revoke that access when a project is complete.

### **Privacy**

Personal information is not collected or used by our Firm except when we are explicitly requested to investigate management effectiveness, staffing structure, or assist in recruiting and retention of staff. Should we come into contact with such personal information in the course of an engagement it will be destroyed not later than the completion of the work specified by that Schedule.

### **Safety**

Clients warrant that their workplaces are covered by appropriate insurance and that suitable occupational health and safety measures have been taken. Clients are liable to ensure for the well being of our staff while at their workplaces, including any necessary site inductions or familiarization training.

## **Entire Agreement**

The Confidentiality Agreement & Practises Statement acts as a Master Contract covering our relationship and must be accepted before we begin discussions. These Terms and Conditions form a part of this agreement as do any Schedules subsequently agreed by us. Your signature on that document indicates

acceptance of these terms. Your deposit initiating any Schedule also signifies your acceptance of this agreement.

**Validity**

Any offer made under these terms will remain valid until the date listed in the Schedule describing it, after which dates would need to be renegotiated and our fees are subject to rise.

**Survivability**

The requirements herein, in particular as apply to confidentiality, survive completion of any particular engagement.

**Updates**

Errors and Omissions Excepted. We reserve the right to correct typographic or semantic errors in these Terms or in a Schedule. To this end, we periodically publish updates to this document. Clients will be notified of changes in writing; updates will be deemed to take effect 14 days after notification is sent. The current version of this document is available from our website at <http://www.operationaldynamics.com/terms>