



TRELLIS

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Protections for Transactions with No Contract

DISCLAIMER: Remember, this is a general guide.

Be sure to contact an attorney if you have questions or specific issues.

We know businesses don't always use a detailed written contract. It's ok. We get it. Sometimes it doesn't feel right, or you haven't gotten to creating a contract yet, or it doesn't make sense for the type of transaction. But there are still preventative steps you can take to ensure a smoother transaction and give you peace of mind. And, when you're ready for a more detailed contract, check out our [Client Agreement](#) or [Product Purchase Order Terms and Conditions](#) templates.

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- 1. Deposits.** A deposit can help prevent a complete non-payment if the client cancels your products/services early or flakes on the final invoice. Compare within your industry for a reference of reasonable deposit terms (25%? 50%?). Deposits can also work with installment payment options. Finally, deposits provide an opportunity to set terms for the relationship up front as well (more on that next).

Legalese: When there is an offer (ie: your services) and an acceptance of that offer via a deposit or simply an "I accept," then you have a contract! This "contract" may not have many terms and can be harder to enforce, but a contract has indeed been formed. The more you know!

- 2. Invoice Terms.** If you use an invoice for your deposit or send the client a quote, you can use this as an opportunity to detail additional terms related to your work. Including "by submitting a deposit or accepting this quote, you agree to the following terms..." you can detail some basic protections for your side of the transaction.

Example Invoice/Quote Terms:

- A deposit
- Dates payments must be made, especially if offering payment installments
- Cancellation terms

- Delivery dates
- Limitations or disclaimers
- Late payment terms

3. Key Online Terms. If you sell products or services online, avoid confusion and bad customer relations by having key terms on an “FAQ” page, or a “Shipping, Returns, and Cancellations” page. These can help make your basic policies clear to your customers. These pages also provide a protective reference if a customer requests a refund or a return beyond the scope of your policies.

LEVEL UP: Trellis offers templates to tackle these terms in our Template Library:

- [Basic Online Purchase Terms \(online services\)](#)
- [Basic Online Purchase Terms \(products\)](#)
- [Basic Online Purchase Terms \(products and online services\)](#)

4. Intellectual Property. If you don’t have a contract that clearly details who owns the intellectual property generated under the transaction, using some basic intellectual property protection language can be essential. This also applies to preliminary work done prior to the actual transaction. For example, if you provide sketches or a proposal to a client but they decide to hire someone else to make your design-so you did all that work and don’t get a dime. Or, you generate some documents or designs for a client under the transaction, but then you find out they are reselling your work without telling you. Putting some basic intellectual property language on proposals, preliminary work, final deliverables, etc. can help protect you against improper use of your work.

LEVEL UP: Basic language for intellectual property protection can be downloaded through the Trellis Template Library: [Here](#).

Note: *Intellectual property is a COMPLICATED area of law, so it can be worth spending the money on a lawyer to help guide you.*

5. Maintain Communications in Writing. In the absence of a written contract, written communications can be make or break. When communicating with clients/customers about changes to the work, timelines, etc., try to have these communications documented via email or text (preferably email). You can point to these records if a client disputes your deliverables, or worse yet, if you have to go to court and are trying to enforce the contract. Make sure you save those communications in your client files, or make sure you have them safely stored in your email.