

Trade Finance in Ten Podcast: Episode 16 Summary

Business Foundation Checklist, Part 7 – Contracts

1. Why This Matters

If it is not in writing before work starts, it is hard to enforce later. Clear agreements protect your right to get paid, limit your liability, and set expectations on both sides before anyone picks up a tool.

2. Key Takeaways (this is not all inclusive)

- Onboarding goes both directions. You share your terms and learn what the customer requires of you before work begins
- Service trades paperwork typically has three layers: a Master Service Agreement (or attached terms and conditions) that covers the rules of doing business with you, a quote that becomes a work order and then an invoice, and a separate recurring service agreement for any maintenance or ongoing work
- All contract requirements (like NTEs, POs, check-in procedures, SLA response times, invoice formatting) should be entered into your field service system before the first job runs
- Before signing a commercial contract, confirm your software and internal processes can actually handle their billing requirements. Gaps become manual work that quietly kills your margins
- Know who you are actually working for (direct customer or mgmt. company) and then take time to understand their billing and SLA requirements in full
- Read the fine print before you sign. Some clauses can allow for paid when paid stipulations, or audits and clawbacks later.
- Protect yourself by always having a signed contract with sub and an active COI on file

3. Suggested Action Steps

- ☐ Have an attorney review your Master Service Agreement or Terms and Conditions to confirm it holds up in all of the states and localities you are operating in; consider updating when you grow
- ☐ Make sure every active customer has signed contracts or terms and conditions on file
- ☐ Before signing any new contract, read it thoroughly and verify your software and internal processes can handle their billing and performance requirements without manual corrections
- ☐ Go through your files and make sure you have:
    - Contracts or terms signed for all of your customers
    - An accessible filing system that contains all of your vendor, subcontractor and customer contracts
    - A valid COI from each subcontractor

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