**AGREEMENT**

**AMERICAN TRANSLATORS ASSOCIATION
GUIDE TO AN INTERPRETING SERVICES AGREEMENT**

This Interpreting Services Agreement ("Agreement") is made effective as of ________ ("Effective Date") by and between ___________________________ ("Contractor"), located at ___________________________ and ___________________________ ("Company"), located at ___________________________, individually referred to as "Party" and collectively referred to as "Parties."

Parties acknowledge that the promises made by Contractor and Company set forth below constitute full and adequate mutual consideration. Based on such mutual consideration, Parties agree as follows:

**Services and Code of Ethics.** Parties are engaged in the business of interpreting services ("Services") and agree to comply with the American Translators Association ("ATA") Code of Ethics and Professional Practice.

For purposes of this Agreement, "interpreting" means spoken or oral translation in any mode (simultaneous, consecutive, sight, as liaison interpreter, etc.), whether performed on site (with or without equipment), or remotely.

**Relationship between Parties.** Contractor serves as an independent contractor of Company in the performance of Contractor's Services under this Agreement. Nothing contained or implied in this Agreement creates a relationship of employer-employee between Company and Contractor nor does it create a joint venture, partnership, or similar relationship between Company and Contractor. Contractor is free from direction and control over the means and manner of providing the Services, subject only to the right of Company to specify the desired results.

Contractor understands and agrees that (a) Contractor must file all corporate and/or individual tax returns and pay Federal and State taxes, as appropriate; (b) Company is not responsible for withholding any income or any other taxes with respect to Contractor's fees; and (c) Contractor has no claim against Company for any employee benefits of any kind. Contractor bears the full expenses of its operations, except as to those expenses which are for the specific performance of

**EXPLANATORY COMMENTS**

This is intended to serve as a guide to good practices for a continued relationship between a language services company and a freelance interpreter.

This introductory paragraph identifies the contracting parties.

In order for a contract to be binding and enforceable, both parties must offer some consideration. Consideration is anything of value promised to another when making a contract.

Intent: To bind the parties to the ATA Code of Ethics and Professional Practice. See http://atanet.org/membership/code_of_ethics.php

Intent: To define, generally, the services to be provided by the parties.

This entire section is aimed at preventing the interpreter from being considered an employee of the Company. If the Company specifies the means of providing the services, the relationship may be classified by the Labor Department, the IRS, and/or state tax authorities as an employment relationship (see this IRS article on the subject: http://www.irs.gov/businesses/small/article/0, id=99921,00.html), thus obligating the Company to pay taxes, insurance, and/or benefits.

Some language services companies may object to this provision as they feel they need to direct and control the means and manner of providing the services; however, what is important here is for both parties to know what the risks are.
<table>
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<tr>
<th><strong>Services contracted by Company, and agreed to in advance in writing.</strong></th>
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<td>Any reference made in this Agreement to &quot;in writing&quot; includes e-mail and/or facsimile communications.</td>
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**Compensation and Payment.** Company agrees to pay Contractor the fee(s) set forth in each project assignment for Services.

If Contractor's interpretation is to be recorded or broadcast, this should be specified in writing and any additional applicable fees clearly defined.

In addition, Contractor is entitled to reimbursement of agreed-upon expenses, such as mileage, airfare, parking, tolls, ground transportation, lodging, meals, per diem allowance, and compensation for travel time, as applicable, except for any expenses which are pre-paid by Company.

In the event an assignment is cancelled after being confirmed, where Contractor is expected to reserve the scheduled time, or while assignment is in progress, then Contractor's fee is payable in whole or in part according to terms agreed upon in advance for each assignment, unless Company offers another similar work assignment and schedule in its stead. Any previously agreed nonrefundable charges or expenses paid for by Contractor prior to cancellation are to be reimbursed by Company.

Payment in full of interpreting fees must be made by Company to Contractor no later than _______ (__) days from receipt of invoice, and reimbursement in full of expenses must be made by Company to Contractor upon receipt of invoice, both by the method of payment specified in writing between the Parties. Contractor is entitled to charge a late fee for any undisputed overdue payments.

In no event should payment to Contractor be contingent upon payment to Company by the party who commissioned the work.

For long-term assignments, Contractor may request an initial payment and periodic installments. If an installment becomes overdue, Contractor, upon giving Company a written notice, has the right to stop work until the outstanding payment is received.

**Performance.** Company specifies in writing to Contractor within a reasonable time prior to each interpreting assignment the location, duration, and nature of the assignment, as well as the expected mode(s) of interpreting to be used (e.g. simultaneous, consecutive, sight), the equipment to be used, if any, and the languages into and from which Contractor is being hired to interpret.

Company uses its best efforts to obtain and send Contractor all available glossaries, background documents and presentations prior to the assignment.

Whenever interpreting standard practice requires team interpreting, Company abides by these standards and provides

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As a general rule, consecutive interpreting is paid by the hour with a 2-hour minimum, and simultaneous interpreting is paid by the day. A typical day is an up-to-8-hour day and any hours worked in excess are paid as overtime at an agreed to hourly rate.

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**Intent:**

- To specify payment due date for interpreting fees. While no more than 30 days is the desired standard, shorter or longer periods may be stipulated; however, payment terms in excess of 60 days are considered onerous.

- Late fees may be subject to local restrictions under state law. Any such late fees should be specified here.

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**Intent:** To allow for advance and periodic payment for long-term assignments. It is in both parties' interests not to allow an outstanding balance to become so large that payment or nonpayment becomes burdensome.

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**Intent:** To facilitate the interpreter’s preparation for interpreting assignments. This is in both parties' interests.

**Team interpreting is the industry standard practice in courtrooms, international conferences, negotiations, and other venues where continuous**
the names of the other interpreters assigned to Contractor's interpreting team, as well as the interpreting equipment to be used, and the supporting technician.

Unless Contractor specifically agrees to arrange for interpreting equipment, Company shall be responsible for providing interpreting equipment required for its interpreting assignments.

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<tr>
<th><strong>Quality Assurance.</strong> Contractor understands and agrees that Company may, at Company's discretion, monitor Contractor's work as part of Company's quality-assurance efforts. If in Company's substantiated opinion, Contractor delivers substandard Services, Contractor's Services may be cancelled with notice; Company is only obligated to pay for services rendered and any previously agreed expenses.</th>
<th><strong>Intent:</strong> To offer protection to both Company and interpreter. In the event that the interpreter appears to be unable to provide satisfactory services, the Company is allowed to cancel the interpreter's services. This clause also ensures that the interpreter is compensated for work already performed.</th>
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<td><strong>Indemnification.</strong> Each Party hereby agrees to indemnify and hold harmless the other and such indemnified Party's subsidiaries, directors, officers, agents, and employees from and against all claims, liabilities, and expenses, including reasonable attorneys' fees, which may result from acts, omissions, or breach of this Agreement by the indemnifying Party, its subcontractors, employees, or agents. This provision shall survive the termination of this Agreement. Notwithstanding anything to the contrary, except in case of willful misconduct or gross negligence, Contractor's entire liability to Company for damages or other amounts arising out of or in connection with the Services provided by Contractor hereunder shall not exceed the total amount of payments made by Company to Contractor under this Agreement.</td>
<td><strong>Intent:</strong> Indemnification is a promise by one party to take financial responsibility for damages that the other may suffer as a result of the first party's breach of the agreement. In this instance, each party is considered equally able to accept responsibility for damages caused by the breach of its obligations to the other party. This limits the interpreter's liability to the value of services performed. The &quot;notwithstanding anything to the contrary&quot; language ensures that the interpreter's indemnification obligations are also subject to this limit.</td>
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<td><strong>Confidentiality.</strong> Information is deemed Confidential Information if, given the nature of Company's business, a reasonable person would consider such information confidential. Contractor agrees: (a) to exercise the same degree of care as he/she accords to his/her own confidential information, but in no case less than reasonable care, and (b) to use Confidential Information which Company provides to Contractor only for the performance of Services for Company and not for Contractor's own benefit. Notwithstanding any other provision in this Agreement, Company has the right to immediately terminate this Agreement in the event of any breach of this provision.</td>
<td><strong>This is a general confidentiality clause. The language services company may in addition want to use a separate and more extensive confidentiality agreement for projects involving insider trading issues, court proceedings with gag orders, end-client proprietary information, etc. Information is not deemed confidential if it was in public domain prior to completion of the assignment or if Contractor received such information from third parties.</strong></td>
</tr>
<tr>
<td><strong>Term.</strong> This Agreement remains in effect for one year from the Effective Date. Contractor understands and agrees that Company will be utilizing Contractor's Services only on an as-needed basis and at Company's discretion. Contractor may, without penalty, decline to accept any offered assignment from Company.</td>
<td><strong>Unlikely translators, interpreters typically sign a new contract every year with the intent to further strengthen independent contractor status.</strong></td>
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| **Termination.** Either Party may terminate this Agreement at any time upon ____ (__) days' written notice sent to the other | **Intent:** To allow for notice of termination of the agreement, to ensure both parties act in good faith. **
In the event of such termination, the Parties agree to act in good faith toward one another during the notice period. In the event of termination of this Agreement, Contractor must provide Company, and Company must pay Contractor for all Services performed and expenses incurred through the date of termination; Company is not obligated to pay Contractor any other compensation, severance, or other benefit whatsoever.

**Non-Exclusivity.** Company acknowledges that Contractor may perform services for other customers, persons, or companies during the term of this Agreement as Contractor sees fit, subject to the terms of this Agreement.

**Choice of Law.** The laws of the State of _________________ will govern the validity of this Agreement and the interpretation of the rights and duties of the Parties.

**Non-Inducement/Non-Solicitation.** For the duration of this Agreement and for a period of ____ (__) year(s) immediately following its termination, Contractor must not: (a) induce, solicit, or recruit, or attempt to induce, solicit, or recruit, any of Company's employees to leave their employment or otherwise terminate their relationship with Company, or (b) solicit work from parties known to Contractor to have commissioned work from Company.

In the event of a breach of this provision while the Agreement is in force, Company has the right to immediately terminate this Agreement.

**Notification.** Either Party can provide notice to the other Party using the following contact information:

<table>
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<tr>
<th>Name of Company Department or Person</th>
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<tbody>
<tr>
<td>Company Postal Address</td>
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<tr>
<td>Company E-mail Address</td>
</tr>
<tr>
<td>Company Phone #</td>
</tr>
<tr>
<td>Company Fax #</td>
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**Dispute Resolution.** In the event a dispute arises between the Parties which they are unable to resolve among themselves, the Parties agree to participate in a mediation in accordance with the mediation procedures of the American Arbitration Association’s Mediation Services. The Parties agree to share the costs of such mediation. If mediation fails to resolve the dispute, the Parties agree that the dispute may be submitted to final arbitration upon written request of one Party served on the other. The arbitration will be governed by the American Arbitration Association. Judgment on the arbitrator's award may be entered by any court of competent jurisdiction.

Mediation is an inexpensive form of dispute resolution that works well for minor disputes and can often be done online. The mediator engages in shuttle diplomacy to formulate a solution that is acceptable to both sides. It doesn't work as well with intractable disputes or unreasonable parties. This clause describes a melding of mediation and arbitration. It starts out with non-binding mediation. If the parties are unable to reach a mutually satisfactory compromise, it converts to binding arbitration. The prospect of this escalation encourages reasonableness at the mediation stage.

Both mediation and arbitration are part of the alternative dispute resolution (ADR) process. While the ADR process is by far the most common dispute resolution method, some contracting parties or their insurers may still prefer the traditional (substantially more costly and lengthy) litigation process.

**Severability.** If any provision of this Agreement is held to be invalid or illegal, such invalidity or illegality does not invalidate the remainder of the Agreement. Instead, this Agreement is then construed as if it did not contain the illegal or invalid part, and the rights and obligations of the Parties are construed and enforced accordingly.

**Modification or Amendment.** No amendment, change, or modification of this Agreement is valid unless in writing and signed by both Parties.

**Entire Agreement.** This Agreement contains the complete agreement of the Parties and supersedes any and all other agreements between the Parties. By signing below, the Parties represent that neither is relying on any promise, guarantee, or other statement not contained in this Agreement.

**IN WITNESS WHEREOF,** the signatures of the authorized representatives of the Parties below demonstrate the Parties' acceptance of the terms and conditions of this Agreement. The Parties hereto agree that facsimile or electronic signatures are as effective as originals.

| By ______________  X__________________ | Company Signature   Contractor Signature |
| Print Name | Print Name |
| Title | Title |