

# UNDERSTANDING CONTRACTS

In reference to the Tripartite Standard on Contracting with Self-Employed Persons



A Simple Guide for  
Freelancers and  
Self-Employed Persons

**TA**FEP  
Tripartite Alliance for  
Fair & Progressive Employment Practices

**ntuc**  
National Trades Union Congress



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# What is the Tripartite Standard on Contracting with Self-Employed Persons?

## To Note



The Tripartite Standard on Contracting with Self-Employed Persons (TS-SEP) is a set of recommended practices for service contracts that freelancers may reference when working with clients in Singapore.



Following its practices helps ensure both parties are clear on their contractual obligations during projects.

As a freelancer, putting together a contract can be challenging. This is especially so, if the company engaging your services has provided you with a lengthy and complexed contract, or if you are expected to prepare your own contract for the project.

In situations like these, referencing the **Tripartite Standard on Contracting with Self-Employed Persons (TS-SEP)** can help.

Developed by the Ministry of Manpower (MOM), the National Trades Union Congress (NTUC) and the Singapore National Employers Federation (SNEF), the TS-SEP is a set of recommended practices for service contracts.

Although the TS-SEP was developed for service buyers, referencing it can help guide you in preparing contracts. This ensures that both parties are clear on the project requirements and their contractual obligations.

View the recommended practices by scanning the QR code on the right.

This booklet will explain each recommended practice and provide sample contract terms for your reference.



View the TS-SEP's  
recommended  
practices

# Which terms are essential in the service contract?

## To Note

The service contract should cover these essential terms:



The freelancer's and the client's company names



Variation and termination



The freelancer's services



Dispute resolution



Payment

## The freelancer's and the client's company names

To clarify who is involved in the project, the contract should include both parties':

- Full company names
- Company ACRA registration numbers

If either party does not have a company, the contract may state their full name as per NRIC and the last four characters of their NRIC number instead.

**Optional:** The contract may also include both parties' contact details. This provides both parties with a contact point during the project.



### Sample terms

*This is a contract between the client, Company Pte Ltd (UEN 202012345A), and the freelancer, John Tan (NRIC number ending in 789Z).*

**Client**  
Company Pte Ltd  
UEN 202012345A  
Point of contact:  
Amanda Lim  
amanda@company.com

**Freelancer**  
John Tan  
NRIC number ending in 789Z  
johntan@email.com

# The freelancer's services

The contract should state your services to ensure the client is aware of the project deliverables it will receive.

For example:

- Who will provide the services?
- What services will you provide?
- By when do you need to provide these services or complete the deliverables?
- Where will you provide these services?
- How will you provide these services?

It may also be helpful to clarify:

- **The services you will not provide.** This way, the client can make other arrangements where necessary.
- **The actions the client needs to take to facilitate delivery of your services.** For example, this could be the client giving you access to their website for a website development project.

## Sample terms



*Provision of copywriting services for a 1,000-word blog post on good sleep hygiene for Company Pte Ltd. This includes one draft and two rounds of edits, with the first draft to be delivered by 31 October 2024.*

- *Half-day film shoot for a customer case study video for Company Pte Ltd on 31 October 2024 at 9 a.m.*
- *Location: 123 Marina Bay Rd, #12-456, Singapore 987123*
- *The freelancer will provide basic video camera, lighting and sound equipment*
- *The freelancer will deliver the footage within 3 working days after the shoot*
- *The freelancer will not edit the footage*

# Payment

To facilitate timely payment, the payment terms should be made clear in the contract. These terms should cover matters such as:

- **Payment amount:** The amount the client will pay you for the project.
- **Payment schedule:** The timeframe for submitting your invoice and the amounts invoiced each time. For example, you may invoice for payment upfront or before submitting each deliverable.
- **Payment due date:** The deadline for receiving payment. This can be a specific date or a number of days from the issuance of your invoice.
- **Payment mode:** The methods the client may use to pay you. Examples are bank transfer, PayNow and credit card.
- **Contingent payments:** Additional payments the client is required to make in case of unexpected events, such as project cancellation or late payment occurs.



## Sample terms

*The cost of the services is \$1,000. The freelancer will invoice for 100% of the fee at the start of the project, and payment is due within 7 days of the invoice date. Payment will be made via bank transfer.*

*The project rate is \$1,000. The freelancer will invoice for payment before starting work on these deliverables:*

- *Deliverable 1 (Research): 20% of the project rate*
- *Deliverable 2 (Submission of first draft): 50% of the project rate*
- *Deliverable 3 (Submission of final draft): 30% of the project rate*

*Payment is due within 30 days of the invoice date.  
Payment will be made via bank transfer.*

## Variation and termination

During the project, either party may need changes to its scope.

**For example:**

- The client may want you to provide extra deliverables
- You may recommend additional services

Either party may also choose to terminate the project entirely.

If there are changes to the project's scope during the project, both parties should agree to the changes and write down their agreement to these changes.

Parties may state the notice period that is needed for any changes to be made and select a reasonable duration to give the other party time to decide whether to agree to the changes.

### Sample terms



*If one person wants to change the project's scope, they must let the other person know at least one week in advance.*

*The other person must agree to the changes, and both sides will need to write down their agreement to change the project's scope before the changes can take effect.*



# Dispute resolution

Parties should set out rules for resolving any disputes that happen during the project.

In reference to the TS-SEP, the contract needs to let either party bring disputes:

- **For mediation:** Mediation is a method of resolving disputes where a neutral third-party mediator helps both parties work towards an amicable resolution.
- **To the Small Claims Tribunals (SCT):** The SCT may help resolve disputes over contracts for the provision of services involving claims for up to \$30,000.

Freelancers who are members of NTUC's Freelancers and Self-Employed Unit (U FSE) and its network of associations, such as NICA and VICPA, can approach U FSE for help.

U FSE can advise parties to attend mediation at the Tripartite Alliance for Dispute Management (TADM), or go to Small Claims Tribunals (SCT) to resolve the disputes.



## Sample terms

*If a dispute occurs, both parties agree to mediate it at the Tripartite Alliance for Dispute Management at NTUC, or bring it to the Small Claims Tribunals, whichever option is more appropriate.*

# The contract must be written down

## To Note



Write down the agreed contract terms in a typed PDF document.



It is recommended that both parties should sign the contract.

Once both parties have come to an agreement on the contract's terms, the TS-SEP recommends writing the terms down in an official document.

This document should be a typed PDF document in line with professional business documentation practices.

Having a written contract to reference helps both parties avoid misinterpretations of what is expected of them.

### **It is recommended that both parties should sign the contract.**

When parties sign the contract, their signature indicates a binding business relationship and that they have read and agreed to the project scope.



# Get a free contract template

## To Note



If you need to prepare a contract, use this free template.

The Ministry of Manpower has developed a key terms of engagement contract template according to the TS-SEP. The template is free, and you may use it as the starting point of your service contract if you need to prepare one.

Download the template by scanning the QR code on the right.

The template includes blank contract terms that you may fill in with information, such as your services and the payment amount, according to the project requirements.

The template also contains space for adding other contract terms for issues such as:

- The aspects of the project you need to keep confidential
- Who will own the deliverables, including the copyright and intellectual property rights (if applicable), after the project is complete
- Whether you can subcontract the work to others



Download the key terms of engagement contract template

Adding these terms can provide further clarity on the project scope.

Upon completing the contract template, provide a copy to the client so they can review the contract terms. You should also discuss the terms with the client and make changes to them if needed.

Once both parties are agreeable to the terms, both parties should sign the contract. The project can then officially start.

# Work with clients that have adopted the Tripartite Standard on Contracting with Self-Employed Persons

## To Note



Consider working with organisations that have adopted the TS-SEP to demonstrate their commitment to fair contracting practices.

The Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) website provides a list of organisations that have adopted the TS-SEP, demonstrating their commitment to ensuring fair contracting practices when engaging freelancers.

Find out which companies have adopted the TS-SEP, by scanning the QR code on the right.



View the list of TS-SEP Adopters

Companies who have adopted TS-SEP may also display the TS-SEP logo on their website, recruitment and publicity materials.



# Join the U FSE Freelancer Directory

## To Note



Join the U FSE Freelancer Directory to promote your services.

NTUC's U FSE Freelancer Directory is a directory of vetted freelancers in Singapore offering services in fields such as creative and media, personal development and coaching.

Freelancers committed to putting in place essential contract terms for projects are invited to join the directory to publicise their services.

Visit the U FSE Freelancer Directory by scanning the QR code on the right.

To join the directory, apply for NTUC U FSE membership if you are not yet a member.

You can then create a free directory profile containing details of your services, portfolio and contact information.

Once your profile is approved, share it with others online to promote your services.



Visit the U FSE  
Freelancer Directory

# Checklist

Use this handy checklist to follow good contracting practices when working with clients:

## Before the project

- ☐ The contract covers at least the TS-SEP's recommended terms:
  - The freelancer's and the client's company names
  - The freelancer's services
  - Payment
  - Variation and termination
  - Dispute resolution
- ☐ If I am required to prepare the contract, I have given a draft copy of it to the client.
- ☐ I have discussed the contract's terms with the client and changed them (as needed) to ensure they are fair.
- ☐ I understand the contract's terms.
- ☐ The client and I both agree on the contract's terms.
- ☐ I have a written copy of the contract terms that we agreed to.

## During and after the project

- ☐ I will do my best to follow the contract's terms and make the project a success.



# Resources



**Learn about the Small  
Claims Tribunals**



**Learn more about the  
Essentials of Fair Contracting  
for Freelancers**



**Learn more about  
U FSE**

**fseu@ntuc.org.sg**

**Reach out to U FSE for  
help with contracting  
with clients**

