A PRACTICAL GUIDE

The Craftsman's Commission Contract Guide

A step-by-step framework for deposits, milestones, and change orders in custom furniture and craft work

Made by the Braxis machine

braxisai.com

ABOUT THIS GUIDE

What this is

This guide is for custom furniture makers and craftspeople.

It is a practical method, not a promise of a result. It contains no invented statistics, no fake customers, and no guarantees. The words were drafted with AI assistance.

Use the checklist at the end on a real piece of work this week.

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Setting Clear Deposit Terms Upfront

Deposits protect both you and the client by securing commitment early. Start by defining the deposit percentage—typically 30% to 50% of the total project cost—based on your risk exposure. For example, if a client orders a custom dining table with intricate joinery, a 40% deposit may be appropriate due to material and labor upfront. Clearly state in writing that the deposit is non-refundable if the client cancels without cause after signing the contract. Include a clause allowing you to retain the deposit for partial work completed if the client abandons the project midway. Present this as a line item in your contract, not as an afterthought. Use plain language: ‘Deposit of $X due upon signing to reserve materials and labor.’ Avoid vague terms like ‘earnest money’ unless you’re legally familiar with them. This sets expectations and reduces disputes before they start.

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Defining Milestones and Payment Stages

Break the project into measurable stages tied to deliverables, not just time. For instance, a custom bookshelf might have three milestones: 1) frame assembly and initial sanding, 2) cabinetry installation and finishing, and 3) final assembly and delivery. Assign a percentage of payment to each stage—common splits are 20% per milestone for three stages, or 30/40/30 for more complex work. Document each milestone’s criteria in the contract, such as ‘frame must be structurally sound and sanded smooth’ or ‘all hardware installed and functional.’ This ensures the client can’t demand progress without meeting their obligations, like providing materials or site access. For large projects, include a ‘holdback’ clause—retain 10% until the client confirms satisfaction with the final product. This protects you from last-minute complaints about minor defects. Always specify payment terms: ‘Payment due within 7 days of milestone completion.’

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Handling Change Orders Without Losing Profit

Change orders are inevitable, but they should never be free. Start by documenting any request for modifications in writing, even if verbal, and get the client’s signature. Outline three key elements: the change itself, the revised timeline, and the cost adjustment. For example, if a client wants additional carving on a chair back, calculate the labor and material cost separately and add it to the total. Use a simple formula: original cost + (time estimate × hourly rate) + material cost = new charge. Communicate this clearly: ‘Adding carved leaf motif increases project cost by $120 and extends completion by 2 days.’ Require the client to approve changes in writing before starting work. If they refuse to sign, pause the project until resolution. For recurring clients, consider a ‘change order limit’ clause, such as ‘no more than 15% of original cost without prior written agreement.’ This keeps scope creep in check while maintaining professionalism.

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Protecting Yourself with Clear Termination Clauses

Termination clauses should protect you from clients who abandon projects or fail to pay. Include two scenarios: 1) termination by you for non-payment or breach, and 2) termination by the client with a defined notice period. For non-payment, state you can terminate the contract after 30 days of unpaid invoices and retain all deposits as liquidated damages. For client termination, require a 30-day written notice and specify whether the deposit is refundable or applied toward partial work. Add a clause allowing you to charge for materials already purchased or labor incurred if the client cancels without cause. For example: ‘If Client cancels before materials are delivered, Braxis retains 100% of deposits to cover material costs.’ Include a ‘force majeure’ clause to excuse delays due to unforeseen events like supplier shortages or natural disasters. Always keep these clauses concise and legally neutral—avoid overly punitive language that could invite disputes. Review them with a local attorney if unsure.

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Documenting Everything for Smooth Dispute Reso

Disputes rarely happen when documentation is thorough. Start by creating a project folder with copies of all communications—emails, texts, and signed agreements—dated and organized chronologically. Take photos or videos of materials received, work in progress, and final deliveries. For example, if a client claims a piece arrived damaged, your photos serve as proof. Keep detailed records of all payments, invoices, and change orders, including dates and amounts. Use a simple spreadsheet or project management tool to track milestones, payments, and deadlines. Before finalizing any work, conduct a walkthrough with the client and document their approval in writing. If a dispute arises, refer to these records to show your compliance with the contract. Avoid verbal agreements or assumptions—always get confirmations in writing. This builds a paper trail that makes disputes easier to resolve fairly and efficiently, reducing stress and legal risks.

USE THIS

Checklist

☐ Define a clear deposit percentage (30-50%) and state it as non-refundable if the client cancels without cause.
☐ Break the project into 3-5 milestones with specific deliverables and payment percentages (e.g., 20% per stage).
☐ Require written approval for any change orders, including cost and timeline adjustments, before starting work.
☐ Include termination clauses for non-payment and client cancellation, specifying deposit retention or refund policies.
☐ Maintain a dated folder of all communications, photos, invoices, and signed agreements for dispute resolution.

Where this came from

This guide is a digital product from Braxis AI. The machine wrote it with AI assistance. It contains no invented statistics, no fake customers, and no guarantees. The PDF is delivered immediately after checkout. If something is wrong, email braxisai@gmail.com and it will be fixed.

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