Cost Sharing Agreement

This **Cost Sharing Agreement** (“***Agreement***”) is made effective as of _____ (“***Effective Date***”) by and among the parties below (collectively, the “***Parties***” and individually, a “***Party***”):

Party One

_____

_____

_____

_____

_____

_____

_____

_____

Party Two

_____

_____

_____

_____

_____

_____

_____

_____

Recitals

WHEREAS, the Parties wish to collaborate in connection with _____ (the “***Shared Activity***”);

WHEREAS, the Parties expect to incur certain costs in connection with the Shared Activity and wish to establish a clear method for approving, allocating, documenting, and paying those costs;

NOW, THEREFORE, in consideration of the mutual promises in this Agreement, the Parties agree as follows:

1. Purpose

The purpose of this Agreement is to establish the Parties’ respective obligations for costs incurred in connection with the Shared Activity. This Agreement does not require a Party to incur costs beyond the amounts or categories approved under this Agreement unless that Party provides written approval.

2. Shared Costs

“**Shared Costs**” means reasonable, documented, and necessary costs directly related to the Shared Activity, including costs for _____.

A cost is a Shared Cost only if it falls within an approved budget, is otherwise approved in writing by the Parties, and is supported by reasonable records.

Jotform Automatically create polished, fillable and signable documents Clone the document for free!

The following costs are not Shared Costs unless all Parties agree otherwise in writing:

- A Party's general overhead, internal administrative expenses, or unrelated operating expenses.
- Fines, penalties, or costs resulting from a Party's breach of law, contract, or duty.
- Costs incurred outside the scope of the Shared Activity.
- Costs incurred without required approval.

3. Cost Allocation Schedule

The Parties will share approved Shared Costs according to the following schedule:

Party	Allocation Percentage	Maximum Contribution, if applicable	Billing Contact
Party One			
Party Two			

The allocation percentages must total 100%. If the Parties agree to change the allocation method, contribution cap, or cost categories, the change must be documented in writing and signed by all Parties.

4. Budget and Approval

Before incurring material Shared Costs, the Parties will approve a budget describing the anticipated costs, timing, and responsible Party or Parties. Any expense exceeding the approved budget by more than _____ % or _____ requires prior written approval from all Parties.

A Party may incur urgent expenses without prior approval only when reasonably necessary to prevent immediate harm, material interruption, or loss related to the Shared Activity. That Party must notify the other Parties as soon as reasonably practicable and provide supporting records.

Jotform Automatically create polished, fillable and signable documents Clone the document for free!

5. Payment and Reimbursement

A Party that pays a Shared Cost may invoice the other Parties for their respective allocated shares. Each invoice must include a description of the cost, the allocation calculation, copies of relevant receipts or supporting documents, and payment instructions.

Each invoiced Party must pay all undisputed amounts within _____ days after receipt of a valid invoice. A Party that disputes an invoice must notify the invoicing Party in writing within _____ days after receipt, identifying the disputed amount and the basis for the dispute. The undisputed portion remains due by the payment deadline.

Unless otherwise agreed in writing, payments must be made in _____ by _____.

6. Records and Audit Rights

Each Party must maintain complete and accurate records relating to Shared Costs it incurs or administers for at least _____ years after the end of this Agreement.

Upon reasonable written notice, a Party may review records reasonably related to invoiced Shared Costs during normal business hours. Any review must be conducted in a manner that minimizes disruption and protects confidential information. If a review identifies an overpayment or underpayment, the Parties will promptly adjust the amount owed.

7. Responsibility for Third-Party Commitments

A Party may not bind another Party to a contract, purchase order, debt, or other obligation without that other Party's prior written consent. A Party that enters into a third-party commitment without required consent is solely responsible for that commitment, unless the other Parties later approve it in writing.

8. Taxes

Each Party is responsible for taxes imposed on its own income, property, employees, or operations. Sales, use, value-added, or similar taxes directly related to Shared Costs will be treated as Shared Costs only to the extent they are properly documented and applicable to the Shared Activity.

Jotform
Automatically create polished, fillable and signable documents
Clone the document for free!

9. Confidential Information

Each Party must protect non-public business, financial, technical, and operational information received from another Party in connection with this Agreement. A receiving Party may use that information only to administer the Shared Activity and perform its obligations under this Agreement.

This clause does not apply to information that becomes public through no breach of this Agreement, was already lawfully known by the receiving Party, is independently developed without use of confidential information, or must be disclosed by law. Before making a legally required disclosure, the receiving Party must, where permitted, give the disclosing Party reasonable notice.

10. Independent Parties

The Parties are independent parties. Nothing in this Agreement creates a partnership, joint venture, employment relationship, agency relationship, fiduciary relationship, or authority for one Party to act on behalf of another Party.

11. Liability for Costs

Each Party is responsible only for its allocated share of Shared Costs and for obligations it separately agrees to in writing. No Party is responsible for another Party's debts, obligations, misconduct, or unauthorized commitments.

A Party that causes a cost, loss, penalty, or claim through its negligence, misconduct, breach of this Agreement, or unauthorized act must bear that cost and reimburse the other Parties for resulting losses to the extent permitted by applicable law.

12. Term and Termination

This Agreement begins on the Effective Date and continues until _____, unless terminated earlier under this clause.

Any Party may terminate this Agreement without cause by providing _____ days' written notice to the other Parties. A Party may terminate this Agreement immediately by written notice if another Party materially breaches this Agreement and fails to cure the breach within _____ days after receiving written notice.

Jotform
Automatically create polished, fillable and signable documents
Clone the document for free!

Termination does not affect payment obligations for approved Shared Costs incurred before the effective date of termination. Within [ ] days after termination, the Parties will reconcile outstanding Shared Costs, submit final invoices, and return or securely destroy confidential information where appropriate.

13. Notices

Any notice required under this Agreement must be in writing and delivered by personal delivery, recognized courier, certified mail, or email with confirmation of transmission to the addresses in this Agreement or to any updated address provided in writing.

14. Governing Law and Dispute Resolution

This Agreement is governed by the laws of [ ], without regard to rules that would apply another jurisdiction's laws.

The Parties will first attempt to resolve any dispute through good-faith discussions between authorized representatives. If the dispute is not resolved within [ ] days, either Party may pursue available legal remedies in the courts located in [ ], and each Party consents to that court's authority over the dispute.

15. Amendments

Any amendment to this Agreement must be in writing and signed by all Parties. An email exchange is not an amendment unless it clearly states that it is intended to amend this Agreement and is signed by authorized representatives of all Parties.

16. Entire Agreement

This Agreement is the complete agreement among the Parties concerning the sharing of costs for the Shared Activity. It replaces prior discussions, proposals, and understandings on that subject.

If any provision of this Agreement is found unenforceable, the remaining provisions will remain in effect to the extent permitted by law. A Party's delay in enforcing a right under this Agreement does not waive that right.

Jotform
Automatically create polished, fillable and signable documents
Clone the document for free!

17. Counterparts and Electronic Signatures

The Parties may sign this Agreement in counterparts, each of which is treated as an original and together form one agreement. Electronic signatures and electronically transmitted copies are valid to the extent permitted by applicable law.

Signatures

By signing below, each Party confirms that it has authority to enter into this Agreement and agrees to be bound by its terms.

Party One

Name

Date

Signature

Party Two

Name

Date

Signature

Jotform

Automatically create polished, fillable and signable documents

Clone the document for free!

Jotform

This document is a PDF copy of **Cost Sharing Agreement** template. You can edit it with **Jotform Sign** and convert to an eSign document with **Jotform Sign**.

Edit PDF

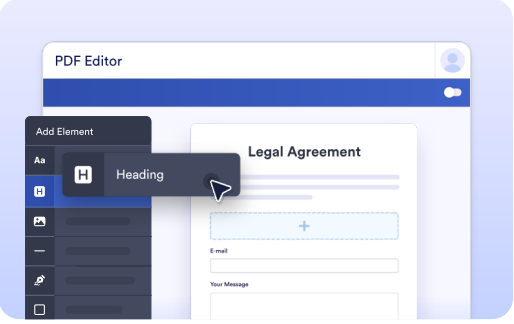
Learn More About Jotform PDF Products

Jotform offers powerful PDF solutions. Check them out below.

Jotform PDF Editor

Turn form submissions into PDFs automatically ready to download or save for your records.

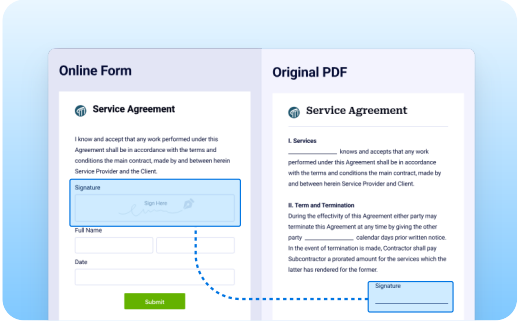
jotform.com/products/pdf-editor/



Smart PDF Forms

Convert your PDF files into online forms that are easy to fill out on any device.

jotform.com/products/smart-pdf-forms/



Jotform Sign

Collect e-signatures with Jotform Sign to automate your signing process.

jotform.com/products/sign/



These templates are suggested forms only. If you're using a form as a contract, or to gather personal (or personal health) info, or for some other purpose with legal implications, we recommend that you do your homework to ensure you are complying with applicable laws and that you consult an attorney before relying on any particular form.