

Legal accelerator



Contact Information

If you would like to discuss any of the matters raised in this document, or would like to receive a copy of the Legal Accelerator Market Report, please email: info@legalaccelerator.com or contact us via our website: www.legalaccelerator.com

Disclaimer: the trade mark "Legal Accelerator" is a registered mark of Legal Accelerator (UK) LLP. Copyright ©2010 Legal Accelerator and its licensors. All rights reserved.

Specialist advice should be obtained before taking, or refraining from taking, actions based on comments in this document which is only intended as a brief note on the issues involved.

IT Contracts - 10 Things You Should Know Before Starting to Draft IT Contracts

The following is a checklist of ten things you should clarify before starting to draft an IT contract or asking your lawyer to do so:

1. **Full name and address of the company you are dealing with.** Make sure you know the precise identity and value of the legal entity (not the brand) you are dealing with. You must be clear who you are dealing with.
2. **What exactly is being supplied?** Is it software, data, content, equipment, user documentation and/or know-how? Will this include updates? What are the documents describing the product's technical functionality?
3. **Who owns what?** It needs to be clear who owns each element of the relevant IT assets being supplied, as well as any future developments.
4. **Exclusive or non-exclusive?** Are your rights exclusive to a particular product, territory or industry sector?
5. **What can each party do with the IT?** Clarify restrictions on use in terms of numbers of users, locations of use, rights to modify or develop new technology and ownership of associated intellectual property rights.
6. **Are there additional products or services?** In addition to IT assets, clarify any additional support or consultancy services being provided.
7. **What will it all cost?** There needs to be a clear price (including tax). Watch out for hidden extras and expenses (e.g. travel and subsistence).
8. **How long with the agreement last?** Is it a fixed term or rolling contract? Clarify what happens at the end of the agreed term.
9. **What remedies are there if things go wrong?** Typically IT suppliers seek to limit this to correcting faults and/or the contract value. Is that appropriate?
10. **Resolving disputes.** If based in England, make sure the agreement is governed by English law and subject to the jurisdiction of English courts.

For more information on IT contracts email info@legalaccelerator.com or visit our website at www.legalaccelerator.com