

Services Contract Structure : Template

Introduction

This paper provides an example of a Services Contract structure; providing the minimum to be included.

Services Agreement

Introductory Provisions

- The Parties:
Names and addresses of the customer and the outsourcing provider
- Recitals:
A brief outline on the purposes and background of the Agreement, conventionally set out in 2 or 3 paragraphs.
- Execution:
The signatures of the parties may appear here or at the end of the Agreement.
- Definitions used within the contract

Commercial Provisions

- Duration of the contract
- Services – preparatory services if appropriate
- Requirements to meet service levels
- Supplier responsibilities
- Customer responsibilities
- Charging provisions and payment terms (inc. Service Credits if appropriate)
- Accommodation
- Intellectual property and software licensing
- Management control and representatives
- Key employees
- Change control
- Contract variations

Security

- Confidentiality
- Publicity and public announcements
- Audit requirements
- Contingency planning and disaster recovery

Levels of Risk

- Warranties
- Indemnities and limits of liability
- Liquidated damages

Termination

- Termination for cause
- Effects of termination
- Assistance on termination
- Exit management plan

General Provisions, including;

- Entire Agreement:
What has been agreed, not extraneous documents or verbal agreements.
- Assignment
Whether assignment to another party is permissible.
- Severability
If one provision is ineffective, this will not affect the remaining terms.
- Waiver
If a breach is not enforced at any time, this does not affect its subsequent enforceability.
- Notices
Formal notices to be in writing and provisions as to acceptability.
- Governing law and dispute resolution procedures.

Attached Contracts, Schedules and Agreements

- Business transfer agreement
- Scope of services
- Service Level Agreements
- Hardware details
- Software details

- Staff details
- Charges details
- Management liaison details
- Client policies
- Disaster Recovery provisions

Business Transfer Agreement

- Definitions and interpretations
- Sale and purchase
- Assets included in the transfer
- Taxes
- Completion
- Apportionments and prepayments
- Conduct between commencement date and cutover
- Employees
- Third-party contracts
- Warranties
- Costs and stamp duty
- Further assurance and assistance
- Confidential information
- Limits on liability
- Access to retained records and assistance with disputes
- Announcements and publicity

General Provisions including;

- Entire agreement
- Assignment
- Severability
- Waiver
- Notices
- Governing law and dispute resolution

Attached Contracts, Schedules and Agreements

- Assets
- Employment details
- Property agreements
- Third-party contracts
- Pensions