

9 Key Provisions of Outsourcing Contracts That Matter



When entering into outsourcing agreements, what provisions of the governing contract (such as a master services agreement) should both parties pay particular attention to? Seth A. Northrop of Robins Kaplan addresses that question in an article published on the firm's website.

“Whether it is how each parties’ responsibilities are outlined or measured, how pricing operates, how disputes are resolved, data security and privacy issues, or what happens if the agreement terminates, spending time to understand these critical components at the front end of the agreement may be critical to building a relationship based on mutual benefit as opposed to animosity,” he writes.

The nine provisions include service definitions, pricing model and incentives, data security, IP ownership, service levels, governance and audit provisions, dispute resolutions, bankruptcy contingencies, and exit. He discusses each in detail.

Read the article.