

SOFTWARE CONTRACTS

Module 1

WHAT IS CONTRACT?

- **The term "Contract" is defined under section 2(h) of the act as," an agreement enforceable by law is a contract"**

CONTRACT= AGREEMENT + ENFORCEABILITY

How Software Contracts are different from General Contracts?



SOFTWARE CONTRACTS

- The Indian Contract Act does not expressly mention about software contracts or technology contracts.
- However, it can be inferred from Section 10 of the Act which mentions, "*All agreements are contracts if they are made by the free consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not hereby expressly declared to be void*".

Essentials of a Valid Contract

Section 10 of the act lists down the essentials of a valid contract



Contracts used in IT Sector

- Non Disclosure Agreement
- Software Development Agreement
- Software Licensing Agreement
- Maintenance and Support Agreement
- Cloud Services Agreement

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Contracts used in IT Sector

- IT Outsourcing Agreement
- Consultancy Agreement (IT Consultant)
- SaaS Agreement
- End-User License Agreement (EULA)
- Website or App Development Agreement

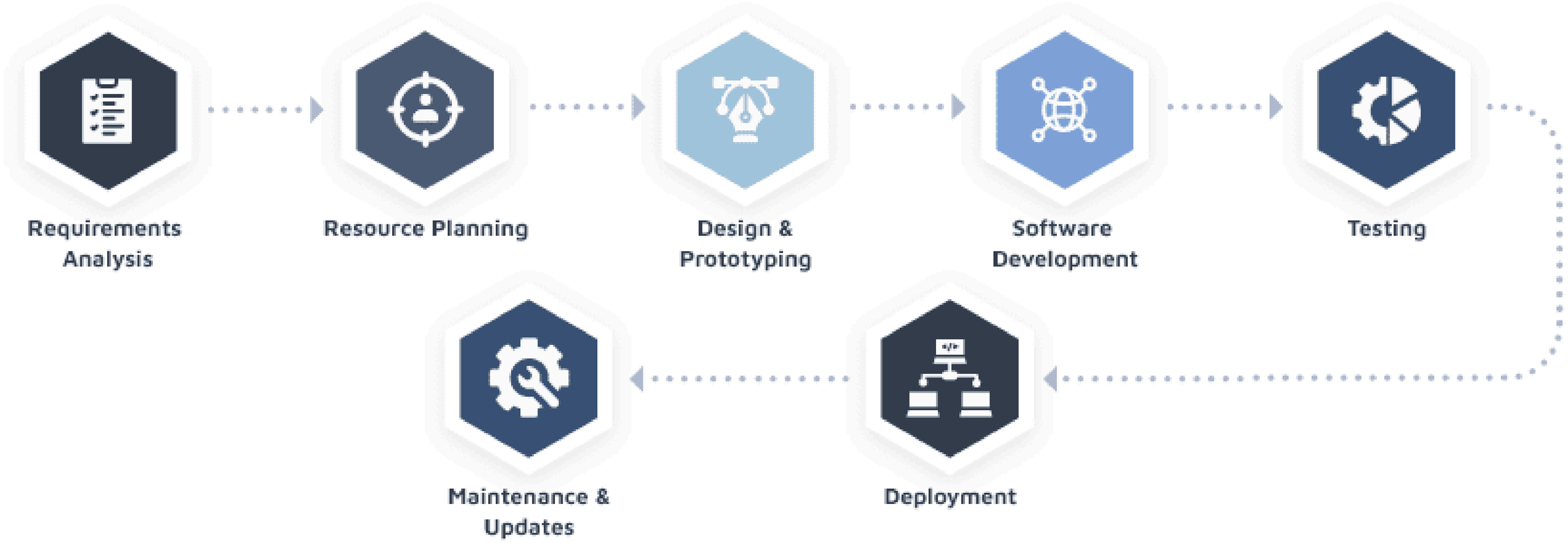
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Contracts used in IT Sector

- IT Infrastructure & System Integration Agreement
- Escrow Agreement
- Technology Partnership or Collaboration Agreement

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Software Development Process



Kinds of Software Development

	Fixed price	T&M	Dedicated development team
Size of project	small & medium	small & medium	large
Requirements	predefined	not set	evolving
Flexibility	little	high	high
Budget	predefined	not set	estimated
Client's control	little	significant	full or partial
Warranty	predefined	not set	not set
Methodology	waterfall	agile	agile

Important Clauses



- Software design and development process
- Product Specification
- Project Documentation
- Standard of work
- Program of Work
- Acceptance Testing
- Approval and final delivery of deliverables
- Alterations
- Intellectual Property Ownership
- Warranties and Indemnity
- Responsibilities of both the parties
- Fees
- Force Majeure
- Dispute Resolution



You have successfully completed Module 1 !!