

IT Contract Types

Non-Disclosure Agreement (NDA)

Enables confidential discussions between customer and supplier before or during collaboration

What it typically covers

- Definition of confidential information
- Who can share and receive information
- Duration of confidentiality
- Consequences of breach

What to watch as a contract manager

Make sure both parties are protected and that the scope of confidentiality is clear and usable in practice

License Agreement

Gives the customer the right to use software or technology owned by a third party

What it typically covers

- Scope of use rights
- Restrictions and limitations
- Duration of the license
- Intellectual property ownership
- Confidentiality obligations

What to watch as a contract manager

Ensure the license matches actual usage and does not restrict business needs

Cloud Services Agreement

Provides online access to software, platforms, or infrastructure

What it typically covers

- Service availability and performance
- Data protection and security
- Support and maintenance
- Pricing
- Liability and compliance
- Termination conditions

What to watch as a contract manager

Focus on uptime, security, and whether service levels are measurable and enforceable

Development Agreement

Used when a supplier builds or customizes a software solution

What it typically covers

- Scope, milestones, and timelines
- Roles and responsibilities
- Testing and acceptance criteria
- Intellectual property ownership
- Post delivery support

What to watch as a contract manager

Pay close attention to acceptance criteria and responsibilities to avoid disputes later

System Integration Agreement

Ensures that multiple systems work together and exchange data correctly

What it typically covers

- Scope of integration
- Technical requirements and standards
- Testing and go live procedures
- Maintenance and liability for failures

What to watch as a contract manager

Integration failures can impact the entire system landscape so clarity on responsibility is critical

Support and Maintenance Agreement

Ensures ongoing stability and operation after delivery

What it typically covers

- Incident handling and bug fixes
- Service levels and response times
- Updates and maintenance
- Pricing, duration, and termination

What to watch as a contract manager

Make sure response times and service levels reflect business criticality

Frame Agreement or Master Agreement

Provides the overall framework for multiple future agreements

What it typically covers

- Standard legal and commercial terms
- Pricing principles
- Governance and change management
- Rules for entering into individual agreements

What to watch as a contract manager

Your real work often sits in statements of work so ensure alignment between the framework and actual deliveries

Outsourcing and Managed Services Agreement

Transfers responsibility for services to a supplier for ongoing delivery

What it typically covers

- Scope and service boundaries
- Service levels and KPIs
- Transition and transformation
- Roles and responsibilities
- Governance and escalation
- Pricing and cost control
- Data protection and compliance

Data Processing Agreement (DPA)

Ensures compliance when personal data is processed on behalf of the customer

What it typically covers

- Roles such as controller and processor
- Purpose and scope of processing
- Security measures
- Use of sub processors
- Data subject rights
- Incident and breach handling

What to watch as a contract manager

Make sure it aligns with data protection laws and reflects actual data flows