

IT SERVICES CONTRACTS

KEY ELEMENTS

A practical guide to scope, SLAs, and risks in modern IT service agreements

Contracts are the foundation of every IT service relationship, but too often, they are complex, misaligned, or unreadable. This book turns decades of field experience into a practical guide that bridges commercial, legal, and operational worlds.

Drawing on more than 200 signed contracts across Europe, Paul Neuman, a Sales Leader with over 25 years of experience, reveals how to make contracts usable tools for delivery, governance, and trust. Each chapter decodes a key element of a service agreement: scope, service levels, reversibility, data protection, intellectual property, liabilities, and more... combining concrete examples with actionable checklists.

Whether you're in **sales, procurement, delivery, legal, or at board level**, this book provides a proven framework to:

- *Define clear, verifiable service scopes and measurable SLAs*
- *Build realistic financial and risk models that sustain partnerships*
- *Protect data, intellectual property, and contractual balance*
- *Govern effectively with RACI models, committees, and traceable decisions*
- *Anticipate change, manage exits, and ensure business continuity*

Written in a clear, field-tested style, IT Services Contracts – Key Elements is more than a guide, it's a **reference to make every contract a management instrument** rather than a legal burden



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A Practical Guide to Scope
SLAs & Risks
in Modern IT Agreements

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IT SERVICE CONTRACTS KEY ELEMENTS

*A Practical Guide to Scope
SLAs and Risks in Modern IT
Agreements*

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Preface

by **Luciana Broggi**

Former Chief Commercial Officer, HP Inc.

In today's high-tech landscape, companies are undergoing profound transformations. The shift from traditional product sales to subscription-based and service-driven models is accelerating. Outcome-based deals now distinguish value-added companies from transactional ones, with margins increasingly tied to this differentiation. Customer experience and long-term partnerships have become essential drivers of success for both parties involved.

Sometimes, despite our best expectations, we find that the services business isn't as profitable as we envisioned. We question why the risks seem so much higher than anticipated and whether the decisions we made were truly the right ones.

"The devil is in the details," as the saying goes, and nowhere is this more evident than in defining service levels and drafting the associated contract. The clarity and measurability of KPIs, along with clear ownership, can determine whether a deal generates profit or loss, turning a contract into either a strategic asset for the company or a significant future risk.

Any company, and therefore every executive, that has gone through the transformation or creation of such a business has learned through experience and carries the scars of the mistakes made along the way... and I speak from personal experience and firsthand knowledge!

This book is a great introduction to the subject and a great help along the way.

This isn't a guide to help you decide whether or not to be in services. It assumes you've already made that decision and are ready to move quickly into execution.

By focusing on the practical steps required to make a services deal succeed, Paul Neuman provides a solid foundation for anyone, whether junior or experienced, looking to move effectively into the world of services.

This book has the rare quality of being equally relevant to those who execute the work and those who manage it, regardless of their level of expertise. It serves both as an essential first read for beginners and as a practical manual to keep close at hand throughout any drafting, proposing, negotiating, and executing of a services contract.

It does not matter how experienced you are, a checklist is always the best way to make sure you have everything under control and do not take any unnecessary risk.

November 2025

Author's note: Why I Wrote This Book?

I have spent most of my career watching good people struggle with bad contracts.

Sales, Procurement, IT, Legal, and Finance teams often work hard and with good intent, yet they still talk past each other once the deal is signed. The law isn't the real issue. The real problem is that too many IT services agreements are unclear, difficult to operate, or disconnected from what teams actually do on Monday morning.

A clause without an owner, a metric, or evidence is not a guarantee. It is a promise that will be tested in production.

I wrote this book to close that gap.

After negotiating and delivering more than 200 IT services contracts across small and medium businesses, large enterprises, and global organisations, I noticed recurring patterns. A scope that nobody can explain. Service levels that no tool can measure. Pricing that does not match the work. Change that creeps in without a formal path. Exit clauses that nobody reads until it is too late.

This guide is my attempt to put in one place what I wish my teams and I had received earlier in our careers.

The focus is practical. Each chapter answers three simple questions:

- Why it matters for the relationship?
- What good looks like when you read or draft a clause?
- What evidence do you need so the contract stands up under scrutiny?

You will recognise the structure. We move from scope and service levels to governance, pricing, change control, confidentiality and data protection, warranties and liabilities, term and disputes, intellectual property, and signatures. Then we cover how to run the relationship, manage subcontractors, and plan for transition and exit so reversibility is real, not just a slogan.

This English edition builds on multiple French and English articles I've previously released. It keeps the same direct tone and respect for the reader's time. It adds topics that now appear in almost every serious deal: cloud governance and FinOps, artificial intelligence and data use, data residency and sovereignty, subcontractor and fourth-party risk, contract lifecycle management, and sector-specific overlays for finance, public sector, healthcare, and critical infrastructure.

The style is intentional. Sentences are short, and terms are defined the first time they appear. I avoid idioms. Tables, examples, and templates are not decoration. They come from real contracts and working documents, anonymised where needed, to show how to write scope, metrics, evidence, and exit in a way that survives negotiation and daily operations.

This book is for sales and account teams who want to close complex deals without creating hidden debt. It is for procurement that must compare offers fairly and manage risk. It is for IT and delivery who live with the consequences of every vague sentence. It is for lawyers who want clauses that can be tested with facts, not only argued in theory. It is also for anyone curious about how modern IT services contracts really work in practice.

You do not need to read everything in order. The Reader's Guide on the following pages will show you where to start based on your role and your current project. My only recommendation is that you keep the checklists close to your working contract. They are there to help you move from a good intention to a concrete action you can tick as done.

If there is a single idea behind the whole book, it is this.

A contract becomes reliable when each key promise links to an owner, a metric, and supporting evidence.

Thank you for reading and for taking contracts seriously as a work tool. This guide helps you create clearer, more balanced agreements and more confident teams.

Reader's Guide: How To Use This Book

This one page gets you moving fast. Pick the path that matches your goal or role, then jump straight to the listed chapters.

Quick starts by goal

- Drafting a contract now

Read Chapter 2: Essentials of a Solid IT Services Agreement for the minimum set. Then open Chapter 4: Scope Of Services and use the scope table to start writing. Next, set targets in Chapter 5: Service Levels.

- Aligning teams

Read **Chapter 3: Roles and Reading Paths**. Complete the one-page RACI for Incident, Change, SLA reporting, Billing, and Exit. Set your meeting cadence and minutes template.

- About to negotiate

Finalise **Chapter 4: Scope Of Services** and **Chapter 5: Service Levels**. Validate **Chapter 7: Pricing & Payment**. Review negotiation priorities, fallbacks, and approval limits using the templates in **Chapter 23: Annexes and Tools**.

- In delivery and fixing issues

Check Chapter 5: Service Levels and Chapter 15: Performance & SIP. Use the evidence plan in Chapter 2: Essentials of a Solid IT Services Agreement to collect proof.

- Risk and compliance focus

Review Chapter 9: Confidentiality and Data Protection, Chapter 10: Warranties, Liabilities, and Indemnities, and Chapter 18: Audit & Insurance. Confirm governing law in Chapter 12: Dispute Resolution and Governing Law.

Quick routes by role

- You are drafting: Chapters 4 → 5 → 7.
- You own roles and governance: Chapter 3, then apply RACI and cadence.
- You are redlining legal terms: Chapters 9 → 10 → 11 → 12 → 13.
- You are preparing exit: Chapter 17, then 2 for acceptance and evidence rules.

Role Map at a Glance

Reader's Map: Roles, First Stops, Evidence

Role	First chapters to open	Key evidence to prepare
Sales and Account	4 Scope Of Services / 5 Service Levels / 7 Pricing & Payment	Scope table, SLA sheet, pricing bill of materials; concession log
Procurement	7 Pricing & Payment / 17 Subcontractors & Fourth Parties / 18 Audit & Insurance	Evaluation matrix, supplier attestations, insurance schedule
IT and Delivery	4 Scope Of Services / 5 Service Levels / 6 RACI & Governance / 15 Performance & SIP	RACI; dashboards; SIP tracker; incident and change logs
Legal	9 Confidentiality and Data Protection / 10 Warranties, Liabilities, and Indemnities / 12 Dispute Resolution and Governing Law / 13 Intellectual Property and Signatures	Liability and insurance matrix; data processing addendum; IP register; authority to sign file
Executive Sponsor	14 Contract Lifecycle Management / 16 Transition & Exit / 19 Cloud Governance & FinOps	KPI pack; risk register; exit checklist; FinOps reports

Before You Begin: Quick Checklist

- Your team agrees on the customer problem, the scope, and the risks.
- One person is Accountable for each core process on both sides.
- At least one shared metric is defined with a clear source and period.
- A scope table and a Change Request form are open in your editor.
- Evidence folders exist for dashboards, minutes, and acceptance records.

Now, turn the page for the Table of Contents and jump to the chapters listed above...

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PART I – Foundations and Orientation

Understanding of the Core Principles

This part sets the base. It explains why contracts act as the operating system of the relationship and shows how to read the book fast and safely in real projects. You will align language across Sales, Procurement, IT, and Legal, and see the essential building blocks of a workable agreement. After this part, your team can move into scope and metrics with speed and shared intent.



What is inside: Chapter 1: Introduction: What IT Services Contracts Really Are?, Chapter 2: Essentials of a Solid IT Services Agreement and Chapter 3: Roles and Reading Paths

2 Essentials of a Solid IT Services Agreement

Benefit of this chapter: Confirm the minimum elements so every clause is actionable and daily work remains fast, safe, and auditable.

This chapter lists the minimum elements every IT services contract must include to be clear, balanced, and operational. If one component is missing, daily work becomes more complex, slower, or riskier. The goal is not theory. The goal is a contract you can run.

Purpose

Why this chapter matters: It gives Sales, Procurement, IT, and Legal a single checklist of core building blocks to confirm before drafting or redlining begins.

What good looks like: A minimum-viable contract blueprint that covers scope, service levels (SLA versus SLO), governance (RACI and escalation), pricing and payment, change control, confidentiality and data protection, warranties, liabilities and indemnities, term, suspension and termination, dispute resolution and governing law, intellectual property and signatures, each with named owners, metrics, and evidence.

Evidence: A pre-signature checklist opened, draft annex templates prepared, and an evidence plan mapping what to collect, by whom, how often, and where it is stored.

The Minimum Viable Contract

These are the twelve elements a workable IT services agreement must contain.

a) Scope of services

Why it matters: Scope is where most disputes begin.

What good looks like: A one-page table with Included and Excluded items, Assumptions, Dependencies, Locations, Service Hours, and Acceptance Criteria.

Evidence: Signed scope table and acceptance records.

b) Service levels

Why it matters: Metrics align expectations and drive improvement.

What good looks like: a Service Level Agreement (SLA) as the commitment and a Service Level Objective (SLO) as the internal target, with source, period, rounding rule, maintenance windows, exclusions, and remedies.

Evidence: Monthly dashboard, raw logs, calculation sheet.

c) Roles, responsibilities, and governance

Why it matters: Decisions stall when ownership is unclear.

What good looks like: A Responsible, Accountable, Consulted, Informed (RACI) matrix per core process, an escalation matrix, and a meeting cadence with minutes.

Evidence: Approved RACI and meeting minutes with actions.

d) Pricing model and payment terms

Why it matters: Misfit pricing creates margin and trust issues.

What good looks like: Fixed price, time and materials (T&M), subscription, or hybrid chosen to match the work, with invoicing schedule, indexation, currency, taxes, and an invoice dispute process.

Evidence: Pricing bill of materials, invoice pack, dispute tickets.

e) Change control

Why it matters: Unpriced changes erode scope and margin.

What good looks like: A Change Request (CR) form with impact on time, cost, quality, and risk, approval roles, and annexe update rules.

Evidence: CR register and approved CRs.

f) Confidentiality and data protection

Why it matters: Breaches harm users and expose organisations to liability.

What good looks like: Access control, retention and deletion, breach notification timing, sub-processor approval, and audit rights, aligned with your data protection addendum.

Evidence: Training logs, breach drill records, sub-processor list.

g) Warranties, liabilities, and indemnities

Why it matters: This is how risk is priced and limited.

What good looks like: Liability caps with clear carve-outs, proportional indemnities, and alignment with insurance.

Evidence: Liability and insurance matrix, certificates of insurance.

h) Term, termination, and suspension

Why it matters: You need control over time and exit.

What good looks like: Initial term, renewals, co-terminus options, cure periods, and clear steps for suspension or termination for convenience and for cause.

Evidence: Notices with timestamps and cure period records.

i) Dispute resolution and governing law

Why it matters: When things go wrong, processes save costs.

What good looks like: Governing law and venue named, with a dispute ladder from negotiation to mediation and arbitration or litigation, and rules for evidence exchange.

Evidence: Dispute minutes, settlement terms.

j) Intellectual property and licensing

Why it matters: Ownership and use rights determine future freedom.

What good looks like: Ownership of deliverables and pre-existing materials, licence scope, escrow if relevant, and third-party component terms.

Evidence: IP register and licence exhibits.

k) Signatures and authority

Why it matters: Invalid signatures void deals.

What good looks like: Verified authority to sign and the correct electronic signature level.

Evidence: Authority-to-sign file and signature certificates.

l) Transition, reversibility, and exit

Why it matters: Planning an exit reduces lock-in and risk.

What good looks like: Day 1, Day 30, Day 90 entry plan, data export formats, knowledge transfer, cooperation duties, fees, and acceptance of completion.

Evidence: Export proofs and deletion certificates.

Note: Later chapters expand these elements and end with a **Checklist** to track progress.

Evidence Plan: Make Proof Part Of The Contract

Why it matters: A promise without evidence will fail under pressure. Define what to collect, who collects it, how often, and where it is stored.

Table 2.1: Evidence Plan (Starter Mapping)

Clause Area	Evidence to Collect	Owner	Frequency	Repository
SLA metrics	Dashboard extract, raw logs, calculation sheet	Service Manager	Monthly	Shared drive or portal
Scope acceptance	Signed acceptances; user acceptance test (UAT) reports	Project Lead	Per deliverable	Contract folder
Change control	Approved CRs; impact grid; updated annexes	Change Manager	Per change	Change log
Billing and payment	Invoices; milestone sign-offs; dispute tickets	Billing Manager	Monthly	Finance system
Security and privacy	Training logs; breach drills; sub-processor list	Security Lead or Data Protection Officer (DPO)	Quarterly	Security governance tool
Insurance and liability	Certificates; renewal proofs	Legal or Procurement	Annual	Legal repository
Exit readiness	Data export test; deletion certificates	Transition Lead	Twice per year	Exit file

Tip: Add links to the evidence in your meeting minutes so decisions are traceable and opposable (i.e., legally enforceable and able to be relied upon by either party).

Roles By Phase: Who Leads When?

Ownership changes by phase: Make it explicit to avoid gaps and hand-off delays.

Table 2.2: Phase Ownership (Summary)

Phase	Lead (Supplier)	Lead (Customer)	Key Outputs
Pre-signature	Account Manager	Procurement Lead	Offer pack; redlines; risk register
Transition-in	Programme or Project Manager	Contract Owner	Mobilisation plan; Day 1, Day 30, Day 90; acceptance gates
Run and improve	Service Manager	IT Operations Lead	SLA reports; Service Improvement Plan (SIP); risk reviews
Change and projects	Change Manager	Change Authority	CRs; impact assessments; updated annexes
Exit	Transition Lead	Contract Owner or Sponsor	Export proof; knowledge transfer; deletion certificates

Common Traps and How To Avoid Them

Common traps: Vague scope with no exclusions, SLAs tied to metrics outside supplier control, unpriced change, unrealistic penalties without a **cure period**, missing invoice dispute steps, liability cap misaligned with **insurance**, and no exit plan until the last month.

How to avoid them: Write scope as a table, choose **shared metrics**, require a CR for out-of-scope work, define **remedies** with **caps** and **earn-backs**, include invoice dispute steps, map caps to insurance, and schedule exit tests.

Example: When Volume Quietly Breaks the Deal

Context

A support contract was priced on the assumption of 1,200 tickets per month. Once operations began, real demand averaged 1,900 tickets. Because the contract had no formal Change Request process, the supplier absorbed the overrun for months, hoping volume would normalise.

Action

The teams introduced a Change Request mechanism with a clear threshold: any increase of more than 10 percent in monthly ticket volume would trigger a pricing adjustment. They also added two controls: a monthly volume review and a quarterly indexation check to correct structural drifts earlier.

Insight

Unchecked volume destroys margins.

Checklist: The Minimum Viable Contract

- Scope table with Included and Excluded items, Assumptions, Dependencies, Locations, Service Hours, and Acceptance Criteria.
- SLA and SLO per service with source, period, rounding, maintenance windows, exclusions, and remedies.
- RACI per core process, escalation matrix, meeting cadence, and minutes template.
- Pricing model fitted to work, invoicing schedule, indexation rules, currency and tax, and invoice dispute process.
- Change Request form, impact grid, approvals, and annex update rules.
- Confidentiality and data protection: access controls, retention and deletion, breach timing, sub-processor approval, and audit rights.
- Warranties, liability caps, carve-outs, and insurance alignment.
- Term and renewal, suspension and termination, and notice mechanics.
- Dispute ladder and governing law chosen and written clearly.
- Intellectual property and licensing clarified; third-party components noted; escrow, if needed.
- Signatures: authority verified and e-signature level agreed.
- Transition and Exit: data exports, knowledge transfer, cooperation, fees, acceptance, and an exit readiness check scheduled.

What Is Next?

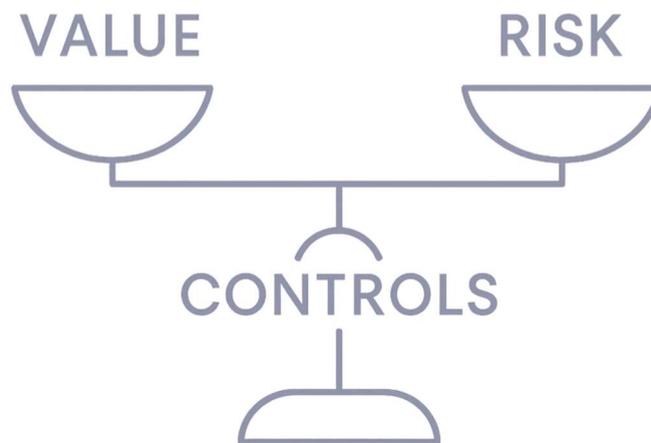
Choose your next step:

- If your team needs alignment on who owns what and which chapters to read first, move to **Chapter 3: Roles and Reading Paths**.
- If your team is ready to start drafting the contract, move to **Chapter 4: Scope Of Services** and begin with the scope table.

PART II - Commercials, Risk and Legal Core

Deal Guardrails

This section provides reusable patterns for drafting a clear, testable agreement. You will write scope, define service levels, assign owners, choose pricing, and control change. You will also cover confidentiality, warranties and liability, term and disputes, governing law, and signatures. The outcome is a contract you can operate, not just file.



What is inside: Chapter 4: Scope Of Services, Chapter 5: Service Levels, Chapter 6: RACI & Governance, Chapter 7: Pricing & Payment, Chapter 8: Change Control, Chapter 9: Confidentiality and Data Protection, Chapter 10: Warranties, Liabilities, and Indemnities, Chapter 11: Term, Suspension, and Termination, Chapter 12: Dispute Resolution and Governing Law, Chapter 13: Intellectual Property and Signatures.

4 Scope Of Services

Benefit of this chapter: Turn vague descriptions into one page of measurable deliverables, exclusions, assumptions, and acceptance.

Scope is the foundation of the contract. It tells teams what is included, what is not included, and what must be true for delivery to work. A clear scope avoids rework, shortens negotiation, and protects value.

Purpose

Why this chapter matters: Most disputes begin as scope questions. This chapter gives a **table pattern** and **acceptance model** you can reuse across services, from support to projects and managed services.

What good looks like: A one-page scope summary table per service family that lists inclusions and exclusions, assumptions and dependencies, locations and service hours, acceptance and handover criteria, and clear thresholds that trigger change when volumes, sites, or hours move.

Evidence: Signed scope tables and acceptance records, a dependency log including customer obligations, and a live change register with same-day annex updates.

Scope Summary Table

How to write it?

Use one page per service family. Keep lines short and testable. Add references to detailed annexes only when needed.

Table 4.1: Scope Summary Pattern

Service Area	Included	Excluded	Assumptions	Dependencies	Locations	Service Hours	Acceptance
Service Desk	Example. Level 1 phone and portal support in English and French. Password reset, ticket triage, standard how to.	After hours support. Level 2 application support. VIP on-site.	Ticket volume up to 1,200 per month. Customer provides user directory integration.	Customer grants VPN access and single sign on.	EMEA users.	Monday to Friday, 8 to 18 Central European Time.	2 consecutive months at or above agreed metrics and signed minutes.
Field Support	Next business day on-site for hardware swap.	Same day fix. Data recovery.	85 percent of sites within service radius.	Customer ships spare parts to forward stock.	France and Switzerland.	Monday to Friday, 9 to 17 local time.	95 percent visits within window for two months, then sign off.
Cloud Ops	Monitoring and incident response for production.	Customer development systems. Custom code fixes.	Customer maintains tagging policy.	Cloud provider account owned by customer.	Multi-region in Europe.	24x7 monitoring, 8x5 incident handling.	Mean time to acknowledge and resolve within targets for two months, then sign off.

Tip: Keep each cell as **one to three sentences**. If you need more detail, add an annex and link to it.

Note: User satisfaction is measured as a **service level**. See **Chapter 5: Service Levels**, *Table 5.4: End-User Satisfaction as an SLA*.

Figure 4.1: Services Scope Summary (Example)

Service Category	Services Elements
Governance	Partner Project Manager Account Manager Account Operational Manager Priority Management
Factory Services	BIOS Settings Image Load & Modification Asset Tagging
Deployment	On-site hardware deployment (notebooks, desktops, monitors / docking station)
Brokerage	Legacy equipment retrieval & valorisation
Hardware Support	HP Care Pack Next Business Days Response + Disk Media Retention (4 years) HP Proactive Insights (4 years) Dead On Arrival

Assumptions, Exclusions, and Thresholds

Assumptions. Write assumptions that can be checked, not hopes. Example. "Customer provides an updated user list every week."

Exclusions. Write exclusions to reduce ambiguity, not to hide value. Example. "Application bug fixes are excluded. They can be quoted as change requests."

Thresholds. When a volume or complexity limit is reached, a **Change Request (CR)** is required. Example. "If monthly tickets exceed the baseline by more than 10 percent for two consecutive months, a CR will adjust price or resources."

Figure 4.2: Example assumptions list taken from a real contract (Anonymised)

All Supplier Services detailed in the following sections have been established within the scope and assumptions, detailed below:

- The customer is responsible for providing the BIOS settings to be deployed on PC equipment.
- Customer is responsible for defining the format, content, and localization of the PC Asset Tags with the support of a dedicated Supplier representative.
- If applicable, Customer provides the Win10/11 image to be deployed at Supplier factory during the PC manufacturing process.
- If applicable, Customer manages the Win10/11 image updates.
- The supplier will always use the latest provided image when manufacturing a new PC for the Customer.
- Windows image(s) will be provided in due time for integration at factory so that all orders from Customer can be processed by Supplier without delay.
- It is Customer responsibility to include all necessary software applications in the image provided to the Supplier. During the on-site deployment, Supplier Partner technicians will not be responsible for any additional software application deployment.
- During the new PC equipment deployment phase, Supplier Partner technicians' responsibility is to comprise the following:
 - hand-over of the new PC equipment to the Customer End-User according to the refresh planning
 - collect the proof of delivery from the End-User with its signature
 - removal of the Customer legacy PC equipment

- transport of Customer legacy PC equipment to Supplier local Partner premise in Luxembourg, for storage prior to disk wiping then brokerage service
- legacy PCs' disk wiping within 5 business days after collection (no quarantine period is guaranteed by Supplier nor requested by Customer)
- provide, on demand, the certificates of legacy PC equipment that have been securely wiped
- Customer is responsible to define the PC refresh planning and to communicate it in due time to Supplier and Supplier local Partner.
- There are no End-User data on devices to be transferred during deployment of new machines.
- Customer informs Supplier and its local Partner in advance of new PC equipment to be deployed; this includes delivery address and End-User name, or workplace in case of shared device e.g., Customer reception desk.
- Handover of new PC equipment to Customer End-Users takes place only during standard business hours (Monday to Friday, 9:00 AM till 5:00 PM).
- In case the Customer End-User is not present at the date / time of the arranged meeting for deployment or refuse to receive his/her new PC equipment, the deployment tentative will be considered as "NO SHOW" which would exclude it from any KPI.
- Any new attempt to deploy PC equipment after a "NO SHOW" will be charged to the Customer at the full rate.
- A maximum of 9 (nine) pickups of legacy devices has been planned to accommodate the overall deployment of new devices over the initial 4-year period. If additional transports are required due to Customer responsibility, each transport will be charged 750€.
- Customer is responsible to ensure that all legacy devices to be removed are in good working condition (including power supplies and power cords) with no BIOS password set. Inability to comply with these requirements will affect the residual value for Customer.
- A total quantity of 3,300 endpoints (500 desktops, 2,800 notebooks), 4,700 monitors and 600 printers has been considered for establishing Supplier Services prices. Those quantities were provided by Customer as estimations only and are not binding.

Acceptance and Handover

Why acceptance matters: Without a simple rule for acceptance, projects drift and cash flow suffers.

Pattern: Define Entry gates, Completion proof, Time-box, and Sign-off authority.

Table 4.2: Acceptance Pattern

Gate	Completion Proof	Time-box	Sign Off	Notes
Deliverable submitted	Document or build delivered in repository	5 business days	Customer approver named in RACI	Silence is not acceptance unless stated
User Acceptance Test (UAT) passed	UAT report with defects at or below threshold	5 business days	Business owner	Defects severity and retest rules defined
Service ready	Runbook, access list, monitoring configured	5 business days	Contract owner	Evidence links stored in contract folder

Note: User Acceptance Test (UAT) is the term used throughout this document. Define defect severity and retest rules in an annex if needed.

Calendars, Service Hours, and Time Zones

Service hours: Write local time, not "business hours." Example. "Monday to Friday, 8 to 18 Central European Time."

Calendars: State if public holidays are excluded. If service is global, say which **holiday calendar** applies.

Time zones: For multi-region services, state the **control time zone** for metrics and reports.

Dependencies and Customer Obligations

Make obligations visible: Many failures trace to missing access or data. List what the customer must do and when. Example. Provide test accounts, approve firewall rules, maintain a tagging policy, or name application owners.

Right to relief: If a dependency is not met, the supplier should have a **right to relief** on metrics and schedule, with a clear notice process.

Interfaces and Handoffs

Supplier to customer: Describe the handoff of incidents, changes, and requests.

Supplier to supplier: If another provider is involved, write who leads, who reports, and how **service credits** are handled when accountability is shared.

Tools: State tool interfaces. Example: ticket integration by email or application programming interface, with field mapping listed in an annex.

Scope Change Triggers

Quantitative triggers: Volume shifts beyond thresholds, new locations, or new systems in scope.

Qualitative triggers: New security or compliance rules, new service levels, or architectural changes.

Process: When a trigger occurs, raise a **CR** with impact on time, cost, quality, and risk. Update annexes after approval.

Example: When Unwritten Scope Turns Into Conflict

Context

A support and deployment programme began with a vague scope section and an entirely empty “out of scope” list. Within weeks, disputes surfaced on two fronts.

Support teams argued over whether advanced reporting and occasional on-site presence were included. Meanwhile, during the first deployment wave, the customer expected devices shipped directly to each Luxembourg site, while the provider assumed everything would route through a central warehouse. None of these assumptions appeared in the contract, statement of work, or service plan, and the first batch of hardware arrived at the wrong location. Both sides blamed the other for “not following the process,” even though no process had been defined.

Action

The teams rebuilt the scope from the ground up. They created a one-page table listing what was Included and Excluded, wrote explicit logistics assumptions (delivery points, storage, handling, prerequisites), and added a ten percent volume threshold to trigger a Change Request. They also added a five-day acceptance rule to prevent delays and ensure both parties validated each scope area before execution.

Insight

Clear scope prevents conflict.

Checklist: Scope Ready

- A Scope Summary exists for each service family with Included and Excluded items, Assumptions, Dependencies, Locations, Service Hours, and Acceptance.
- Thresholds are written for volume, sites, users, tickets, or environments.
- Acceptance gates have a time box and a named approver.
- Customer obligations and dependencies are listed with evidence.
- Calendars and time zones are written consistent across chapters.
- Interfaces and handoffs to other providers are described.
- Scope change triggers point to the CR process.
- Evidence links are planned in the contract folder.

Common pitfalls: No exclusions, no thresholds, vague service hours, no named approver for acceptance, and no link to the CR process.

What Is Next?

Move to **Chapter 5: Service Levels**. You will translate scope into metrics that both parties can measure consistently and define remedies that drive improvement.

About the Author

Paul Neuman is a sales leader, author, coach, and trainer passionate about making IT services contracts simple, usable, and measurable. For nearly thirty years, he has worked across various industries and customer segments.

He has also worked throughout Switzerland, France, and Belgium, leading and mentoring service-sales teams and helping organizations transition from intent to evidence.



Over his career, Paul has negotiated and signed more than two hundred contracts, ranging from start-ups to large international groups, giving him a unique, real-world understanding of what makes agreements both practical and resilient. His approach combines commercial rigor with a human touch: every promise in a contract should have an owner, a metric, and proof of fulfilment.

Educated in computer engineering at EPITA Paris and business at INSEAD Fontainebleau, Paul has led large-scale service sales operations, developed training programs for sellers, and guided leadership teams through pricing, SLA, and negotiation challenges.

His training sessions and articles focus on service governance, credits and liabilities, AI in sales, FinOps accountability, and the art of measurable delivery. He writes with one goal: to provide readers with tools they can use immediately: clear scopes, enforceable service levels, and evidence that stands up in audits, all rooted in his successful experience.

Enjoy the reading and let him know what you think of it at www.itsd.pro or by connecting with him on [LinkedIn](#).