

Table of Contents

Foreword 7

ICC Legal Handbook on Global Sourcing Contracts

1 Introduction 9

2 Provider Selection 13

1. Sourcing Concept and the Request for Information (“RFI”) 13
2. Shortlisting Candidates and the Request for Proposal (“RFP”) 14
3. Evaluation of Proposals and Provider Selection 15
4. Selection of Provider and Introduction to the Board of Directors 16
5. “Go / No-Go” 16

3 Structuring 18

4 Service Descriptions, Service Levels 20

1. The Service Description 20
2. Key Issues in Developing the Service Description 21
3. Changes 22
4. Service Levels 22
5. Availability 23
6. Speed and Response Time 23
7. Troubleshooting 24
8. Remedies for Service Level Failures (“Service Credits”) 26
9. Service Incentives 27
10. Other Remedies 27

5 Pricing / Benchmarking 28

1. Introduction 28
2. Business Plan Pricing 28
3. Benchmarking 29

6	Governance	31
	1. Introduction	31
	2. Organization	31
	3. Managing Changes	35
	4. Dispute Resolution Process	37
7	Security / Disaster Recovery	39
	1. Identification of Security / Disaster Recovery Issues (prior to the sourcing arrangement)	39
	2. Security / Disaster Recovery Issues that Need to be Addressed	39
8	Employment Issues	44
	1. Liability of Former / New Employer and Termination of Sourcing Agreement	44
	2. The Time of the Announcement and Relations with the Press	45
	3. Employees of the Client	46
	4. The European Acquired Rights Directive	46
9	Taxation	50
	1. Sourcing to and from an Unrelated Party	50
10	Competition	54
	1. Restraint of Competition and Abuse of Dominant Position	54
	2. Merger Control	56
11	Data Protection / Privacy	57
	1. Before the Deal: Assessing Compliance	57
	2. At the Outset: Implementing Contractual Controls	59
	3. During the Relationship: Management and Audit	61
	4. On Termination of the Relationship: Managing the Personal Data	62

12	Intellectual Property	63
	1. Before the Deal: IP Identification and Due Diligence	63
	2. At the Outset: Transferring IP to the Provider	63
	3. Through the Term: Use of IP by the Client and Provider	64
	4. Infringement Risks: Mitigation and Pitfalls	69
	5. Exit: What Now?	71
13	Liability / Insurance	73
	1. Inter-Party Liability: Transition and Steady-State Periods	75
	2. Other Defaults – Limitation of Liability	78
	3. Third Party Liability	80
	4. Insurance	81
14	Disputes	83
	1. Choosing between Local Litigation and International Arbitration	83
	2. Amicable Dispute Resolution	87
15	Termination	90
	1. Termination Rights in General	90
	2. Client’s Termination Rights	91
	3. Provider’s Termination Rights	96
	4. Other Considerations Arising on Termination	98
16	Transition and Exit Management	99
	1. Transition	99
	2. Exit Management	100
	ICC at a Glance	103
	Some ICC Specialized Divisions	104
	Source Products for Global Business	107