

Vendor Contract Review Checklist

Scope document for drafting, reviewing, and negotiating vendor, supplier, MSA, SOW, and SaaS agreements.

Deal information to collect upfront

- Counterparty name, entity type, and jurisdiction
- Deal value — one-time and annualised recurring
- Business criticality — is this vendor replaceable?
- Whether personal data will be shared (triggers DPDP DPA)
- Whether intellectual property will be created or licensed
- Required go-live date and any hard deadlines

Commercial clauses to verify

- Scope of services — schedule / SOW / statement of work
- Fees, taxes, invoicing cadence, and payment terms
- Price escalation caps and CPI linkage
- Service Level Agreements with measurable metrics and credits
- Acceptance criteria and cure periods for defects

Risk allocation clauses to negotiate

- Indemnity — mutual, capped, carve-outs for IP and confidentiality
- Limitation of liability — cap tied to fees paid in prior 12 months
- Insurance — minimum coverage with 30 days' cancellation notice
- Confidentiality — 3–5 year tail, mutual, with standard carve-outs
- IP ownership — clear who owns foreground vs background IP
- Warranties — services, non-infringement, compliance with law

DPDP Act & data protection

- Data Processing Agreement annexed for any personal data
- Purpose limitation, retention, and deletion obligations
- Sub-processor consent and flow-down clauses
- Breach notification within defined hours (24–48h recommended)
- Audit rights and evidence of security controls (ISO 27001, SOC 2)

Exit and dispute resolution

- Termination for convenience, cause, and insolvency
- Transition / exit assistance obligations and pricing
- Data return and certified deletion on termination
- Governing law — Indian law preferred; seat and venue for arbitration

■ Dispute escalation ladder before formal proceedings

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This checklist is a general reference and does not constitute legal advice. Please book a consultation to discuss your specific circumstances.