



## *Express law* fast track information for clients

6 June 2007

### **Release of revised SourceIT model contracts**

**The Australian Government has released revised versions of the SourceIT model contracts and guidance, for use by Australian Government agencies conducting simple ICT procurement.**

#### ***Background***

---

As part of the Australian Government's plan to make ICT contracting with agencies simpler and easier, draft model contracts and user notes were made available on a new SourceIT website in May 2006, for comment by industry and agencies.

These documents consisted of a suite of model contracts for simple procurement which are consistent with Australian Government regulations and guidelines, and user notes to assist agencies and suppliers.

Model contracts were developed for the following types of procurement:

- simple hardware acquisition and support
- simple licence and support of commercial-off-the-shelf (COTS) software
- simple IT consultancy services.

#### ***Second versions***

---

Following consultation with industry and agencies, second versions of the SourceIT model contracts and user notes were released on 28 May 2007. These revised versions are now available on the SourceIT website.

The second versions of the SourceIT model contracts and user notes contain a number of changes from the earlier draft versions. These include the following.

#### **COTS licence**

The suite of model contracts now includes a contract for a simple licence of COTS software without support.

#### **Intellectual property**

The IP ownership provisions in the model contracts have been revised in line with the [Statement of IP Principles](#) policy for Australian Government agencies released in May 2007 by the Attorney-General's Department.

## Liability and indemnity

The liability provisions have been revised in line with Finance Circular 2006/03 [Limited Liability in Information and Communications Technology Contracts](#) and DCITA's [A Guide to limiting supplier liability in ICT contracts](#).

## Endorsed Supplier status

The clause generally requiring the contractor to have Endorsed Supplier status has been deleted to reflect the cessation of Endorsed Supplier Arrangements on 29 November 2006.

## Frequently Asked Questions

It is recommended that agencies carefully review the Frequently Asked Questions on the SourceIT website, as these discuss a range of issues arising from the industry consultation process that vendors may raise with agencies. The Frequently Asked Questions provide information on how agencies could, if necessary, deal with issues raised by vendors in a way that would not breach policy. It should be noted, however, that these vendor issues are fall-back positions which are not reflected in SourceIT itself and agencies should consider the implications of accommodating them.

SourceIT, like GITC, remains a non-mandatory contracting framework which can be used at agencies' discretion for suitable situations.

*The revised model contracts and guidance are available at:*

[www.finance.gov.au/SourceIT/index.asp](http://www.finance.gov.au/SourceIT/index.asp)

*For further information please contact:*

Kate Brophy  
Senior Lawyer  
T 02 9581 7678 F 02 9581 7445  
[kate.brophy@ags.gov.au](mailto:kate.brophy@ags.gov.au)

---

**Important: The material in *Express law* is provided to clients as an early, interim view for general information only, and further analysis on the matter may be prepared by AGS. The material should not be relied upon for the purpose of a particular matter. Please contact AGS before any action or decision is taken on the basis of any of the material in this message.**

For the purposes of the *Spam Act 2003*, this email is authorised by AGS. Find out more about AGS at <http://www.ags.gov.au>. If you do not wish to receive similar messages in the future, please reply to: <mailto:unsubscribe@ags.gov.au>