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Aaron Leahy, The Hospital for Sick Children

Negotiating and Drafting IT Agreements Sound Strategies and Practical Approaches

This practical, intensive short course uses a combination of workshops and lectures to give you the knowledge and skills you need to successfully negotiate and draft key IT contracts. You'll learn about:

- Key clauses and considerations in Outsourcing, Software Licensing, Development, Confidentiality, Support and Maintenance, and Escrow Agreements
- The impact of open source and cloud computing
- Negotiating performance warranties and guarantees
- How IP issues affect an IT agreement
- Identifying privacy issues in IT transactions
- Security issues you need to watch for
- Cross-border considerations

Plus! An optional Pre-Course Primer will provide a guide to the critical business, technological, and IP concepts underlying IT transactions.

Learn from top IT practitioners and experienced counsel at:

Ganz • TD Bank Group • eHealth Ontario • Bank of Nova Scotia • KPMG
Volaris Group • OpenText • IBM Canada • Samsung • GENBAND

Course Leader

P. Bradley Limpert, Ridout & Maybee LLP



DATES & TIMES

February 8 - 9, 2012

9:00 a.m. - 4:45 p.m. EDT/EST

8:30 a.m. - 4:45 p.m. EDT/EST

OPTIONAL PRIMER

February 7, 2012

9:00 a.m. - 5:00 p.m. EDT/EST

LOCATION

Osgoode Professional
Development Centre
1 Dundas St. W., 26th Floor
Toronto, ON

Webcast
Available



Negotiating and Drafting IT Agreements

Sound Strategies and Practical Approaches

Ensure your client's interests are protected in technology agreements

Whether you're a corporate lawyer, information technology specialist, or in-house corporate counsel, information technology agreements likely form part of your practice. And, whether you deal with them on a daily basis or only occasionally, you need to know what to look for in order to anticipate possible problems, address key points, and adequately protect your client's interests. Moreover, with the fast pace of evolving technology, emerging IP and web developments are integral to contracting issues too; you can't afford to be left behind.

Osgoode Professional Development has developed this comprehensive short course to provide maximum practical value. You'll hear from corporate counsel and IT specialists from leading technology companies, as well as top technology lawyers from private practice. Your learning will be enhanced and reinforced by demonstration workshops, which will drill down to the important drafting and strategic points about key clauses.

In addition to the comprehensive course materials, as an added bonus every participant will also receive the text *Technology Contracting: Law, Precedents and Commentary* from Thomson-Carswell, which includes even more in-depth information, checklists, annotated sample agreements, and plenty of useful precedents.

You'll walk away from this course with a sound understanding of the key IT agreements, proven negotiation strategies, practical drafting tools, and valuable written resources. Past delegates have raved about how valuable this course was.

The optional **Pre-Course Primer** on February 7, 2012 is designed to provide a solid grounding in basic technology concepts, business aspects, and key legal concepts involved with IT agreements. It's ideal for anyone who may be negotiating or advising on IT contracts but does not have prior background in the law pertaining to intellectual property, principles of legal liability and indemnity, and/or IT systems and their development.

Register now by visiting www.osgoodepd.ca, calling 416.597.9724 or 1.888.923.3394, emailing opd-registration@osgoode.yorku.ca or faxing 416.597.9736.

Course Leader

P. Bradley Limpert, Ridout & Maybee LLP

Faculty

Duncan Card, Bennett Jones LLP
Steve Cimitata, General Counsel, Volaris Group Inc.
Richard F.D. Corley, Blake, Cassels & Graydon LLP
Jason Hannibal, Barrister and Solicitor
Oxana Iatsyk, Legal Counsel, Ganz
May Jim, Consulting Business Analyst
James Kosa, Deeth Williams Wall LLP
C. Ian Kyer, Fasken Martineau DuMoulin LLP
John Le Blanc, Senior Legal Counsel
Bank of Nova Scotia
Paul Lomic, Ridout & Maybee LLP
Fraser Mann, Miller Thomson LLP
Richard Pearse, Senior Counsel, eHealth Ontario

Robert L. Percival, Norton Rose LLP
Thomas W.E. Prowse, Intellectual Property Counsel
GENBAND
John Sibley, Senior Manager, IT Advisory Services
KPMG LLP
Stephen Spracklin, General Counsel, Samsung
Electronics Canada Inc.
Chris Todd, Executive I/T Architect, Information
Services, Application Services - GBS, IBM Canada Ltd.
Trevor Unruh, Assistant General Counsel
Open Text Corporation
Jason M. Young, Counsel, TD Bank Group

Agenda

Optional Pre-Course Primer Tuesday, February 7, 2012

This Primer will give you an invaluable guide to the critical business, technological, and IP aspects of IT systems and system development, so that you can approach your agreements with a thorough grounding in fundamental concepts. You'll also get an introduction to the range of ways in which legal liability for various issues might be allocated in the contract.

8:30 Registration and Continental Breakfast

9:00 Essential IP Elements and Concepts

Paul Lomic, Ridout & Maybee LLP

- What types of information or technology can be protected by trade secret, copyright, patents, and trademark laws? How is IP obtained, registered and enforced?
- What constitutes legally protectable confidential information?
- Independent creation as a defence to infringement
- Joint ownership of IP: how it arises and its consequences

9:45 Key Components, Players and Activities in IT Systems

John Sibley, Senior Manager, IT Advisory Services, KPMG LLP

- IT development, deployment, integration, migration and maintenance: who does what?
- The roles and interests of the key players: Systems Analyst, Programmer, Project Manager, etc.
- Typical life cycles of software development, licensing, customization and sale

10:45 Refreshment Break

11:00 Risks and Liabilities from a Technical Perspective

John Sibley, Senior Manager, IT Advisory Services, KPMG LLP

- Data loss, data integrity
- Scope creep, integration risk
- Limitations of testing, bugs and defects
- Interaction with legacy systems and interface with other systems
- Vendor control of technology architecture

12:00 Luncheon

1:00 Understanding IT System Development Methodologies

May Jim, Consulting Business Analyst

- Establishing scope, planning and specifying requirements: business process, functional and non-functional
- System design: high level versus detailed design
- Development/build stage to implementation/rollout
- Testing: unit, system, acceptance testing
- Trends in web development: Web 2.0, Mashups, cloud computing

1:45 Due Diligence Checklist for Your IT Transaction

P. Bradley Limpert, Ridout & Maybee LLP

- IP registrations
- Terms and conditions of existing licenses
- Security due diligence

- Third party contracts
- Interviewing key personnel

2:45 Refreshment Break

3:00 A Developer's Perspective on IT Agreements

Chris Todd, Executive I/T Architect, Information Services Application Services – GBS, IBM Canada Ltd.

- Different types of information: consolidated data, combined data, data in motion versus data at rest
- Data acquisition: accuracy and reliability
- Assessing the implications of data storage: its location and security
- What assumptions do developers make and what are their implications?
- How does a developer assess the risk and cost of a project?

4:00 Introduction to Allocating Liability in the IT Contract

Oxana Iatsyk, Legal Counsel, Ganz

- Thinking through limits of liability, disclaimers, waivers and related clauses
- Dealing with liability issues associated with privacy, security and confidentiality
- Indemnities and how they are structured

5:00 Pre-Course Primer Concludes

Day One: Wednesday, February 8, 2012

8:15 Registration and Continental Breakfast

9:00 Welcome and Introduction from the Course Leader

P. Bradley Limpert, Ridout & Maybee LLP

9:05 Understanding the IP in Your IT: Intellectual Property Considerations Critical to Your Technology Agreements

Richard F.D. Corley, Blake, Cassels & Graydon LLP

- Identifying the IP and its ownership; potential pitfalls arising from joint ownership of IP
- Characterizing IP involved in the transaction: foreground versus background IP; base product versus customization; methodologies versus work product
- What rights do employees and independent contractors have in the IP they provide as part of technology development?
- How information technology agreements can impact multi-million dollar IP infringement disputes

10:00 Open Source Software Licensing: Forecast - Partly Cloudy

Thomas W.E. Prowse, Intellectual Property Counsel, GENBAND

- Open source software and cloud computing
- Benefits and risks of open source software - mixing open source and proprietary software
- Types of open source software licenses - addressing open source software in your business model
- Open source software policy approaches
- Trends on the open source software horizon including the continued evolution of "commons sourcing"

10:45 Refreshment Break

Agenda

11:00 Confidentiality Agreements and Escrow Agreements

C. Ian Kyer, Fasken Martineau DuMoulin LLP

This session will examine two much used but under-appreciated agreements: Non-Disclosure Agreements (NDAs) and Source Code Escrow Agreements

A. Confidentiality Agreements

- Minimizing the risks of disclosing and receiving confidential information
- The problem of residual knowledge and memory: avoiding unintentional breach
- How should confidential information be defined? What are key exclusions to confidentiality?
- Confidentiality issues related to sub-contractors and third party consultants
- Warranties and indemnities for confidential information: special considerations
- Term, termination and transitioning issues

B. Escrow Agreements and Alternatives

- The problems with escrow agreements: defective source code; user-recipient lacks expertise to utilize; costs and delay
- Understanding the bankruptcy risk and addressing it contractually
- Defining the release conditions; what are the respective rights upon release of escrow?
- Verification of software: getting the right material in escrow
- Alternatives to using an escrow agreement

12:00 Luncheon

1:00 Software Licensing Agreements

Jason Hannibal, Barrister and Solicitor

Most technology contracts involve the licensing of some form of software or data. The software may be “incidental” to the main purpose of the agreement, but the failure to pay close attention to the nuances of licensing issues in any transaction is a recipe for trouble.

- Portal access license versus license agreement - pros and cons from licensee and licensor perspectives
- Shareware, freeware, and open source: specific licenses provided free of cost
- Licensing and cloud computing
- Software bundling: issues arising from inclusion of third party products; rights in derivative works (i.e. licensee-developed Users’ Manual)
- Object code versus source code license agreements
- The extent of upgrade/update rights included in the license
- Anticipating insolvency challenges (i.e. bankruptcy of company which holds your confidential information or holds the license to the technology you are using)
- Relationship between software license, consulting services, maintenance and support

2:00 Demonstration & Workshop: Negotiating a License Agreement

Steve Cimicata, General Counsel, Volaris Group Inc.

Trevor Unruh, Assistant General Counsel, Open Text Corporation

This workshop will provide an opportunity for participants to observe experienced practitioners negotiate the key elements of a license agreement. Participants will examine and discuss a sample license agreement. Learn tools to effectively address such issues as payment terms, scope, terms and conditions in a shrinking market, strategies for negotiating value-adds, governance provisions, and more.

3:30 Refreshment Break

3:45 Development Agreements

P. Bradley Limpert, Ridout & Maybee LLP

Software development projects by outside contractors often fail in one way or another – they are over budget, don’t meet deadlines, or fail to deliver significant aspects of functionality. Get the tools you need to anticipate and manage the dangers in these notoriously problematic agreements.

- Key provisions in agreements for the development of custom software
- Rates of failure in development agreements; remedies, including non-financial remedies, for developer’s non-performance; providing for escalation and dispute resolution procedures
- Understanding the vendor/developer’s interests: key pitfalls purchasers should watch for in the agreement; coordination of resources between vendor and purchaser
- Termination and wind-down provisions
- Incorporating documents produced in the development process into the legal agreement; holdbacks, milestones and other project management clauses

4:45 Day One Adjourns

Day Two: Thursday, February 9, 2012

8:00 Continental Breakfast

8:30 IT Outsourcing Agreements

Duncan Card, Bennett Jones LLP

P. Bradley Limpert, Ridout & Maybee LLP

Outsourcing information technology offers a number of potential benefits – but also significant risks. Purchasers may find themselves locked into obsolete technology; vendors may struggle with onerous contractual burdens. Learn about the issues that must be considered from both sides of the outsourcing equation.

- The many forms of “outsourcing”, including cloud computing, SaaS, and various shared service arrangements
- Approaches to migration and acceptance testing
- Transfer of licenses, assets and employees; privacy and information security concerns
- Use and abuse of benchmarks
- Specifying service levels in the agreement; multi-sourcing and sub-contractors

Agenda

- Methods for avoiding technical obsolescence
- Managing the outsourcing relationship
- Corporate governance and outsourcing - duties and obligations of executives and Board to satisfy regulatory compliance and fiduciary duties
- Ownership of intellectual property
- Remedies for service provider non-performance including non-financial remedies
- Indemnities and limit of liability

10:00 IT Support and Maintenance Agreements

Stephen Spracklin, General Counsel
Samsung Electronics Canada Inc.

Potential difficulties don't end when technology products are delivered. The issue of ongoing support is of paramount importance, but also a frequent source of dispute. Learn the key questions that must be addressed and get practical options and tips on:

- Selecting the type of support coverage: day-to-day; error and malfunction response, and defining severity levels
- Characterizing errors and problems: anticipating and avoiding disputes
- Financial and non-financial remedies and responses
- Software updates, upgrades & support for old versions
- Hardware support and maintenance
- Standard versus customized packages; on-line versus on-site support

10:45 Refreshment Break

11:00 Privacy Issues Affecting IT Transactions

Jason M. Young, Counsel, TD Bank Group

- Overview of the *Personal Information Protection and Electronic Documents Act* and other privacy legislation
- Privacy traps in various IT transactions
- Recent case developments in privacy
- The impact of the *U.S. Patriot Act* and public disclosure rules: protecting business data and personal information
- Reporting and recording of privacy measures: audit issues

11:45 Luncheon

12:30 Security Issues in IT Contracting

Richard Pearce, Senior Counsel, eHealth Ontario

A security breach or loss of data integrity can undermine any technology deal, sometimes making the rest of your hard bargaining moot – or worse. Learn the groundwork for thinking about security at all stages of the process.

- Types of security risks: data integrity, transmission, access control, and more
- Security risks in IT transactions: examples and cautions
- Methods for ensuring security of information; dealing with spyware
- Audit issues: reporting and disclosure of security measures

1:15 Demonstration & Workshop: Negotiating and Drafting Performance Warranties and Guarantees

Robert L. Percival, Norton Rose LLP

John Le Blanc, Senior Legal Counsel, Bank of Nova Scotia

The performance warranties and guarantee clauses often generate some of the most intense negotiation – and with good reason. Purchasers must ensure that they are getting what they bargained for, while vendors or developers must equally ensure that warranties are realistic in the context. This practical and interactive session will feature close examination of negotiation positions, strategy, and wording for these important clauses.

2:45 Refreshment Break

3:00 Critical Cross-Border Issues in IT Contracting

Fraser Mann, Miller Thomson LLP

Increasingly, technology agreements reach beyond Canada or involve foreign parties. This session will cover issues that may affect any of your IT contracts, such as:

- Factors affecting scope and terms of cross-border agreements
- Taxes
- Protection of IP rights and confidential/personal information across jurisdictions
- Warranties/indemnities, limitation and exclusionary clauses
- Choice of forum for resolution of disputes, ADR

3:45 Ethics and Professionalism in IT Transactions

James Kosa, Deeth Williams Wall LLP

- How to address conflicts of interest, including duties of loyalty and confidence, when acting against former clients or for competitors of current clients
- How to proceed ethically in contract negotiations, including addressing errors by the other party
- Good faith in negotiations: what does it mean, and when does it apply?

4:45 Course Leader's Wrap-up and Concluding Remarks

Registration

Please complete all registrant information.

"Great. Finally - materials that are useful. I will definitely use/refer to the text/materials going forward."

Lorraine Chnamorts, CIBC

Register me for: **Negotiating and Drafting IT Agreements**

Course only Course plus Primer

I will attend: On site Via webcast (single viewer)

Unable to attend? The live webcast and/or program materials are available within 5 business days following the program. Please contact us to order.

Fee Per Delegate

Course only: \$1495 plus 13% HST for a total of \$1689.35;

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LSUC (ON) CPD: pending; approved with the **Barreau du Québec, BC CPD, Law Society of New Brunswick, Northwest Territories, Nunavut and Manitoba** for 13 credit hours (6.5 hours for the primer) for CPD requirements; the **New York CLE Board** for 15.5 credit hours (7.5 hours for the primer) in the Area of Professional Practice for transitional and non-transitional lawyers. Eligible for CLE/Insurance Premium Credits Program offered by the **Law Society of PEI** and for Alberta CPD credit with the **Law Society of Alberta**.

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Program Changes

We will make every effort to present the program as advertised, but it may be necessary to change the date, location, speakers or content with little or no notice. In the event of program cancellation, York University's and Osgoode Hall Law School's liability is limited to reimbursement of paid fees.

Cancellations and Substitutions

Substitution of registrants is permitted at any time. If you are unable to find a substitute, a full refund (less \$75 administration fee) is available if a cancellation request is received in writing 14 days prior to the program date. No other refund is available.

Dates & Times

February 8 - 9, 2012

Day 1: 9:00 a.m. - 4:45 p.m. EDT/EST

Day 2: 8:30 a.m. - 4:45 p.m. EDT/EST

Optional Pre-Course Primer

February 7, 2012

9:00 a.m. - 5:00 p.m. EDT/EST

Please arrive a half hour early for sign-in and material pick-up.

Dress is business casual.

Location

**Osgoode Professional Development
Downtown Toronto Conference Centre**

1 Dundas St. W., 26th Floor
Toronto, ON M5G 1Z3

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