

The PS2000 SOL Standard Contract for Order-Based Agile Software Delivery



THE NORWEGIAN COMPUTER SOCIETY

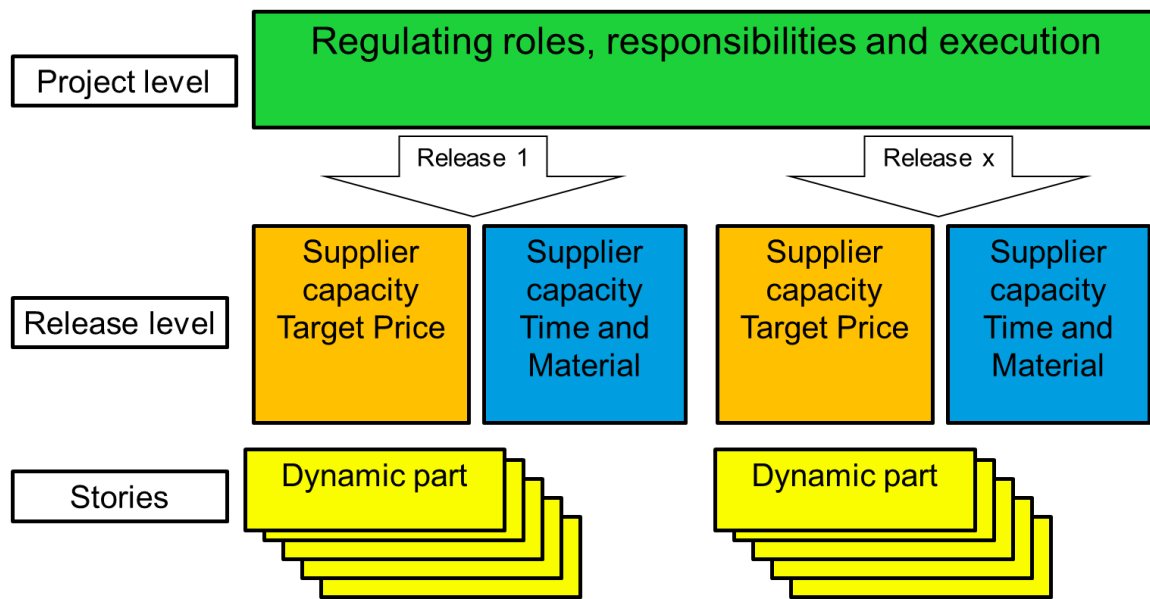
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The PS2000 Standard Contract was developed under the research program Project 2000, carried out in alliance between the Norwegian University of Science and Technology (NTNU) and leading industry and public administration. From the year 2001 the Norwegian Computer Society took over the responsibility for maintenance and further development of the standard contract.

This standard contract, first issued in 2013, represents a new type of contract, which includes both development and maintenance over a longer period. The standard contract is meant to be used when the requirements are difficult to define in detail in advance. Because of these preconditions, the work under the contract is meant to be executed as order-based, agile delivery of software.

The purpose of this contract is to govern the customer's and the supplier's respective rights and obligations in connection with order-based, agile delivery of software. The parties shall enter into consultancy and order agreements for all the work that is to be performed. The software to be developed, or further developed, is either described in Annex 1 or defined in a separate Maintenance Contract entered into between the Parties.

The contract is based on the following structure:



The main reasons for using a contract in such circumstances and this standard contract in particular, are:

- It is all about *sharing risk* with one or more suppliers
- Practice has shown that IT development projects are more successful using *balanced* contracts
- Customer is in charge of Analysis of needs, Solution description, Control gates and Approval

The use of the standard contract is based on a long-term contractual relationship between the customer and the supplier. The main regulations which characterises this standard contract are:

- Start-up activities
- Capacity and resources regulations
- Estimation model and measurements against this model
- Changes and sanctions in connection with breach of contract

In addition the main characteristics of the PS2000 standard contract is inherited:

- Based on documented "Best practice"
- Agile development based execution model
- Close co-operation between supplier and customer
- Incentives and sanctions in combination with target pricing
- Procedures for conflict resolution with an expert as a mediator

The contract consists of three parts:

The customer and supplier are defined in the [Part 1](#), Contract Document, which also states the order of priority between Part 1, Part 2 and the annexes in Part 2.

The General Provisions are stated in [Part 2](#). The objective of Part 2 is to govern the rights and obligations of the parties in relation to the Delivery of software, including any adaptations, services and associated hardware as specified in separate annexes (Part 3) to the Contract.

[Part 3](#) consists of all the specific annexes.

The 1.1-revision consists of minor changes and clarifications based on the experiences from the first edition:

- The responsibility for the solution description has been changed to initially be the supplier instead of the customer
- The description of the parties' responsibilities regarding the requirement analysis and the solution description has been more detailed
- Deficiencies related to the Solution Description under the supplier's responsibility is emphasised

Several other minor changes and clarifications has been implemented.

The 1.2-revision was not issued, thus all the changes are included in the new 1.3-revision. The revision consists of minor changes and clarifications based on the experiences since last revision:

- Acceptance Criteria connected to User Stories is included in addition to Acceptance Test connected to approval of Deliveries
- Error is included as a definition, to be used in Acceptance test as approval of Deliveries
- Appendix 8 is removed as it is no longer considered necessary

Several other minor changes and clarifications has been implemented.