

SaaS Customer Agreement with IP Clauses (India)

Standard customer agreement for subscription SaaS products — access licence, IP ownership, and data protection

HOW TO USE THIS TEMPLATE

1. Use as your standard customer agreement for subscription SaaS products.
2. Establish clearly that you retain all ownership of the platform — customers get access, not ownership.
3. Specify data handling, storage locations, and data portability on termination.
4. Cap your liability — unlimited liability for a SaaS startup is commercially unacceptable.
5. Include an IP indemnification provision for your protection and the customer's.

PARTIES

Service Provider — Full Legal Name	[Your company full legal name and CIN]
Service Provider — Address	[Registered address]
Service Provider — Contact	[Legal notices email and phone]
Customer — Full Legal Name	[Customer company full legal name and CIN]
Customer — Address	[Registered / billing address]
Customer — Contact	[Billing and legal contact details]
Agreement Date	[DD Month YYYY]
Subscription Plan	[Starter / Professional / Enterprise / Custom]
Initial Subscription Term	[12 / 24 / 36] months from Effective Date

1. DEFINITIONS

"**Customer Data**" means all data, content, and information submitted by the Customer or its users to the Service, including any personal data of the Customer's employees, customers, or third parties.

"**Documentation**" means the user manuals, help guides, API documentation, and other technical documentation made available by the Service Provider for the Service.

"**Intellectual Property Rights**" means all patents, copyrights, trademarks, trade secrets, and other intellectual property rights recognised under applicable law.

"**Service**" means the cloud-based software application and platform described in Schedule 1, made available by the Service Provider on a subscription basis.

"**Service Level Agreement (SLA)**" means the uptime, availability, and support commitments described in Schedule 2.

"**Subscription Fees**" means the fees payable by the Customer for access to the Service, as specified in Schedule 3.

"Users" means the Customer's employees, contractors, and agents authorised by the Customer to access and use the Service on the Customer's behalf, subject to the user limit in Schedule 3.

"Confidential Information" means all non-public business, technical, and operational information of either Party, including the terms of this Agreement.

2. GRANT OF ACCESS LICENCE

2.1 Licence Grant. Subject to the terms of this Agreement and timely payment of Subscription Fees, the Service Provider grants the Customer a limited, non-exclusive, non-transferable, non-sub-licensable right during the Subscription Term to: (a) access and use the Service solely for the Customer's internal business purposes; (b) permit authorised Users to access the Service subject to the user limits in Schedule 3; and (c) use the Documentation in connection with the Service.

2.2 Restrictions. The Customer shall not, and shall ensure its Users do not: (a) reverse engineer, decompile, or disassemble the Service; (b) copy, modify, or create derivative works of the Service; (c) rent, lease, loan, or resell access to the Service to any third party; (d) use the Service to provide services to third parties (including as a bureau service) without written consent; (e) remove or alter any proprietary notices on the Service; (f) access the Service to build a competing product; or (g) exceed the user limits or usage parameters in Schedule 3.

2.3 Service Updates. The Service Provider may update, modify, or discontinue features of the Service, provided that: (a) material feature removals affecting the Customer are communicated with [30] days notice; (b) security patches and bug fixes may be applied without notice; and (c) the Service continues to materially conform to the Documentation.

3. INTELLECTUAL PROPERTY OWNERSHIP

3.1 Service Provider Ownership. The Service, including all software, algorithms, interfaces, databases, documentation, and all intellectual property rights therein, is and shall remain the exclusive property of the Service Provider. The Customer acknowledges that it is acquiring only a limited access licence and no ownership interest whatsoever. This Agreement does not transfer any IP rights to the Customer.

3.2 Customer Data Ownership. The Customer retains all ownership of Customer Data. The Customer grants the Service Provider a limited, non-exclusive licence to process and use Customer Data solely to: (a) provide and maintain the Service; (b) comply with applicable law; and (c) generate aggregated, anonymised analytics about Service usage — provided such analytics do not identify the Customer or any individual. The Service Provider shall not use Customer Data for any other purpose, including training AI/ML models, without the Customer's prior written consent.

3.3 Feedback. If the Customer provides feedback, suggestions, or recommendations about the Service, the Service Provider may freely use such feedback to improve the Service without any obligation to the Customer.

4. DATA PROTECTION AND SECURITY

4.1 Data Protection. Both Parties shall comply with applicable data protection laws, including the Information Technology Act 2000, IT (Reasonable Security Practices) Rules 2011, and the Digital Personal Data Protection Act 2023 to the extent applicable. The Service Provider shall process personal data only as instructed by the Customer and as necessary to provide the Service.

4.2 Security Measures. The Service Provider shall implement and maintain appropriate technical and organisational security measures to protect Customer Data, including: encryption in transit and at rest; access controls; regular security testing; and incident response procedures. The Service Provider shall notify the Customer within [72] hours of discovering any security breach affecting Customer Data.

4.3 Data Location. Customer Data shall be stored [in India only / in India and [specified region]]. The Service Provider shall not transfer Customer Data outside India without prior written consent.

4.4 Data Portability and Return. On expiry or termination, the Service Provider shall make Customer Data available for download in a standard machine-readable format for [30] days after termination, following which the Service Provider may delete Customer Data.

5. SUBSCRIPTION FEES AND PAYMENT

Subscription Plan	[Starter / Professional / Enterprise — as described in Schedule 3]
Monthly / Annual Fee	Rs.[Amount] per [month / year]
Payment Due Date	[In advance on the [1st] of each month / annually in advance]
Payment Method	NEFT / RTGS / credit card / UPI
Renewal Pricing	[Same rate / [X]% increase on renewal with [30] days notice]
Late Payment Interest	[2]% per month compounding on overdue amounts
Suspension for Non-Payment	Service may be suspended after [15] days of non-payment following notice

6. SERVICE LEVELS AND SUPPORT

6.1 Service Availability. The Service Provider shall use commercially reasonable efforts to maintain Service availability of [99.5]% per month, excluding scheduled maintenance. Detailed SLA commitments are in Schedule 2.

6.2 Support. The Service Provider shall provide customer support as described in Schedule 2. Support shall be provided by email, [in-app chat / phone] during business hours [9 AM to 6 PM IST, Monday to Friday, excluding public holidays].

7. IP INDEMNIFICATION

7.1 Service Provider IP Indemnification. Subject to Clause 7.3, the Service Provider shall defend, indemnify, and hold harmless the Customer from any third-party claim that the Service, as provided by the Service Provider and used in accordance with this Agreement, infringes any Indian intellectual property right.

7.2 Customer IP Indemnification. The Customer shall defend, indemnify, and hold harmless the Service Provider from any third-party claim arising from: (a) Customer Data (including any IP infringement claim in connection with Customer Data); (b) the Customer's use of the Service in violation of this Agreement; or (c) Customer's products or services.

7.3 IP Indemnification Conditions. Each Party's IP indemnification obligation is conditional on: (a) prompt written notice of the claim; (b) sole control of the defence; and (c) reasonable cooperation by the indemnified Party. The indemnifying Party may settle any claim provided the settlement does not impose any obligation on the indemnified Party.

8. LIMITATION OF LIABILITY

8.1 EXCLUSION OF CONSEQUENTIAL DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS, REVENUE, DATA, OR BUSINESS OPPORTUNITY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8.2 AGGREGATE LIABILITY CAP. THE SERVICE PROVIDER'S MAXIMUM AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED THE TOTAL SUBSCRIPTION FEES PAID BY THE CUSTOMER IN

THE [12] MONTHS PRECEDING THE CLAIM.

8.3 Exceptions. The limitations in this Clause do not apply to: (a) death or personal injury caused by negligence; (b) fraud; (c) the indemnification obligations in Clause 7; or (d) the Customer's payment obligations.

9. TERM AND TERMINATION

Initial Term	[12 / 24 / 36] months from Effective Date
Auto-Renewal	Automatically renews for [12]-month periods unless either Party gives [60] days written notice
Termination for Cause	[30] days written notice for material breach not cured within notice period
Termination for Convenience by Customer	Customer may terminate with [90] days notice; no refund of prepaid fees
Effect of Termination	Access ceases; Customer Data available for [30] days; Clauses 3, 7, 8, 10 survive

10. GENERAL PROVISIONS

10.1 Governing Law. Governed by the Indian Contract Act 1872 and IT Act 2000. Disputes by arbitration in [City].

10.2 Entire Agreement. This Agreement and Schedules are the complete agreement on the subject matter.

10.3 Amendment. Written consent of both Parties required.

10.4 Assignment. Customer may not assign without consent. Service Provider may assign on merger/acquisition.

10.5 Stamp Duty. Execute on non-judicial stamp paper.

10.6 Counterparts. PDF and electronic signatures valid.

EXECUTION

SERVICE PROVIDER	CUSTOMER
[Service Provider Full Legal Name]	[Customer Full Legal Name]
Signature: _____	Signature: _____
Name: _____	Name: _____
Designation: _____	Designation: _____
Date: _____	Date: _____

IMPORTANT NOTE

Cap your liability at 12 months of fees — unlimited liability for a SaaS startup is commercially unacceptable. Clearly specify that you retain all platform IP — customers acquire access, not ownership. Comply with DPDP Act 2023 for Customer Data handling. Template only — not legal advice.