

SSM 39 - CONTRACT SPECIFICATION WRITING

Understanding contract law has become an essential part of conducting our daily business functions. Whether you are in purchasing, contract management, subcontracts, project management, general management or sales, you are constantly involved with legal and contract principles, sometimes without even realizing it.

The course will deal with Contracts written in the English language, and follow principles widely used in international contracting. It will contribute to an **understanding** of all aspects of contracting and learning best practice from other regions and industries. There will also be opportunities for raising issues for review and discussion on any aspect of contracting

LEARNING OBJECTIVES

- Contract structures - how and why contracts are drafted in particular ways
- Understanding the legal principles behind contracts
- The main clauses in different types of agreements
- The commercial impact of particular provisions.
- Understand similar clauses in different international standards
- Show how to develop your own "standard" clauses
- When to accept proposed amendments, and when to reject them, including how to give clear reasons for such rejection
- The use of Special Conditions
- Provide strategies and tactics for negotiating on possible contract amendments
- Explain how to use contract provisions to reduce the risk of disputes.
- Where disputes do arise, show how the contract can be used to minimise these disputes, and some of the methods by which disputes are resolved in international contracting (including non-traditional approaches, such as mediation)

WHO SHOULD ATTEND?

- Contract Professionals
- Project Engineers and Project Professionals
- Claims Personnel and Business Audit Officers
- Contract Strategists
- Commercial Professionals
- Purchasing Officers & Personnel
- Supply Professionals

COURSE CONTENTS

Day 1 - How and why Contracts are drafted?

- Why we use contracts
- The key elements of a contract
- Oral or written?
- Terms and Conditions of contract
- Agency issues
- The basic structure of a contract
- Incorporating documents by reference
- Standard Forms and Form of Agreement
- Principles of contract negotiation

Day 2 - Main Contract Clauses (1)

- Obligation to deliver/perform
- Rework/re-performance
- Risk
- Title
- Compliance with law/change of law
- Indemnities, Insurance and Third parties
- Liability in negligence – relationship with contract conditions

Day 3 - Main Contract Clauses (2)

- Variations and changes
- Product liability and defective goods - rejection
- Precedence of documents – Special Conditions
- Intellectual property
- Taxation
- Suspension and termination
- Acceptance and Certificates
- Payment
- Liquidated damages/penalties
- Limits of liability
- Guarantee/Warranty/Maintenance
- Conflict of Laws and Choice of Law Clauses

Day 4 - Other documents and Negotiations

- Letters of Intent or Award
- Bank and Insurance Bonds
- Letters of Comfort or Awareness
- Collateral warranties
- Alliance /Partnering Agreements
- "Side Letters"
- Finance arrangements
- Negotiating contract qualifications and amendments

Day 5 - Negotiation and Resolution of Disputes

- Contract negotiation - continued
- Dispute Resolution clauses
- Unequal bargaining positions
- Negotiation, compromise and settlement
- Litigation and Arbitration