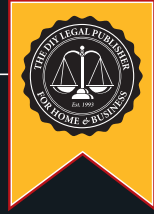


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Your complete do-it-yourself guide



# Business Agreements Made Easy™



- Terms of trade for your business
- Key issues in contract negotiation explained
- Commercial and legal terms defined
- Expert advice
- For use in England & Wales

By Yvette Hoskings-James

This is an excerpt from Lawpack's book *Business Agreements Made Easy*.

To get more information about every step of the business agreement process, [click here](#).

Business Agreements Made Easy  
by Yvette Hoskings-James

1st edition 2005

Reprinted 2006

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Lawpack Publishing Limited  
76–89 Alscot Road  
London SE1 3AW

[www.lawpack.co.uk](http://www.lawpack.co.uk)

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Printed in Great Britain

ISBN: 1-904053-84-X

ISBN: 9-781904-053842

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For convenience (and for no other reason) 'him', 'he' and 'his' have been used throughout and should be read to include 'her', 'she' and 'her'.

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## CHAPTER 4

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# Contract terms

### What you'll find in this chapter

- ✓ Key terms
- ✓ Boiler plate terms
- ✓ Standard terms checklist



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## Key terms

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It is important that you understand the terms of any contract you enter into (irrespective of whether you are buying or selling services or goods). This is because you should understand your rights and obligations. If you do not read the contract and you make a bad deal, you will be stuck with it. There are only a few exceptions where a contract term will be unenforceable (in business-to-business transactions). These will be discussed where relevant in this book; for example, if a clause which excludes liability with regard to breach of contract in a standard set of business terms and conditions is deemed to be unreasonable (we will look at this in more detail below).

Contracts consist of a variety of terms that set out the requirements and obligations of each person who has entered into the contract. Contracts can vary in content and length depending on the complexity and nature of the deal. In this chapter we will look at some of the clauses which are often found in contracts for the supply of goods and/or services.

## Parties

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You may be familiar with the expression ‘parties’ in relation to contracts. The parties are those who have entered into the contract. In the context of this book, which focuses on business agreements, the parties will be businesses such as sole traders, companies and partnerships.



It is important to understand who you are entering into a contract with. It may seem obvious, but if there is a problem such as non-payment or non-performance, you need to know whom to pursue.

You will recall the problems encountered in the Actionstrength case (in chapter 1), i.e. where the person who has guaranteed your payment is not your client and he has not given you a signed written guarantee. You may also recall the example where someone is a director of several companies (please refer to chapter 1). You need to be clear which company the director is representing when he is negotiating and entering into a contract with you, i.e. who the client is.

Full details should be obtained. For example, if it is a company, you must know the full legal name of the company (not just its trading name), business/office address and registered office address. In any event, you can obtain details from Companies House ([www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)). Alternatively, if you are dealing with a partnership or sole trader, you will want similar details for them (e.g. the sole trader’s name and not just his trade name). Partnerships and sole traders do not have registered offices.



It is customary to include definitions in contracts. These are words or expressions which have a specific meaning when used in the contract; for example, “Seller’ shall mean Mr Smith’.

## Scope of services/work or details of products or goods

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This is obviously an essential term of the contract. Each person needs to know what is being supplied. A clear description of the services, work,

goods or products needs to be included in the contract. This may be very straightforward if you are selling standard items, such as telephones, shoes or computers.

Alternatively, you may carry out work or provide services which are tailored to the individual requirements of your client or involve various technical aspects; for example, you provide graphic design services, engineering design services or manufacture bespoke products.

This will usually involve putting together a ‘scope of services’ or ‘scope of work’ document, which should form part of the contract. This document can include a variety of information. In any event, it should:

- clearly and comprehensively describe the work or services to be provided;
- include any relevant technical specifications or industry standards which may need to be complied with;
- include any special conditions or requirements (e.g. any assumptions made, limitations, special instructions for use of the product or matters which you are not responsible for).

## Quality of goods/standard of services

---

Express terms are often included regarding quality or standards in relation to goods or services. These terms can be included under contract headings known as ‘warranties’ (referred to below). These terms may also exclude or vary implied terms (e.g. by statute) regarding quality or standards in relation to goods or services supplied in the course of business. You may recall that implied terms were discussed in chapter 3. It is customary in business-to-business contracts to include terms that reflect the exact requirements of the contracting parties, rather than relying on implied terms, which do not always accurately reflect their requirements. Some of the key implied terms are referred to below.

### In relation to goods

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**Satisfactory quality:** Goods must be of a satisfactory quality. This means that the goods must be of a standard that a reasonable person would

regard as satisfactory. Various matters are considered in assessing satisfactory quality, including the fitness for purpose for which such goods are commonly supplied, description, price, appearance, finish and relevant circumstances.

**Fitness for a particular purpose:** Goods must be fit for any purpose that your client has made clear to you, or where it should be obvious to you that the goods are wanted for a particular purpose. For example, you sell paint for use on walls and surfaces inside factories and your client makes it clear that he intends to use the paint for the outside of his factory. If you sell the paint to him, the paint must be suitable for exterior use unless you have informed him that you do not believe the paint to be suitable.

## In relation to services

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**Reasonable care and skill:** The services must be carried out with reasonable care and skill. If you are supplying services, you do not have to make extraordinary efforts or carry out your services to the ‘highest standard’ (unless you agree that you will and then you may have difficulty working out what is the highest standard). The level of skill and care will be the standard expected of someone who is a reasonably capable supplier of services in relation to your business or profession.

## Warranties

---

Warranties are often included in contracts and cover a variety of matters; for example, ‘The consultant warrants that all services will be carried out with reasonable skill and care’ or ‘The contractor warrants that all the work produced by him is original and does not infringe any third party’s copyright or intellectual property rights’.

You can think of a warranty as a statement or promise about certain conditions or events or actions which are enforceable. Warranties, as with other contract terms, can be implied or expressly included in a contract.

Sometimes someone does not want to give a warranty so he includes a specific statement to avoid any implication that he may have given a

warranty; for example, ‘No warranties are given that the software supplied by us is error-free’.

Another example of an exclusion in relation to warranties is set out below:

‘Except as specifically stated in clause 3, no warranties or conditions, express or implied (by statute, custom or otherwise), regarding fitness for purpose or satisfactory quality or otherwise, are given in relation to the goods.’

The purpose of such a clause is to make the following clear:

1. Any warranties and conditions relating to the goods are in a specific clause (e.g. clause 3). They are not intended to be found in any other part of the contract. This allows the seller to give warranties which are specific to his goods. For example, they might relate to a specific technical specification.
2. No other warranties or statutory implied terms apply to the goods. Statutory implied terms include the terms as to satisfactory quality and fitness for purpose implied by the Sale of Goods Act 1979 (discussed above). Consideration needs to be given to the requirement for reasonableness (referred to below in ‘Limits of liabilities and exclusions’) when excluding statutory implied terms.

When including warranties in your contract, do:

- ensure that you can comply with any warranties you give; and
- consider (if appropriate) including a clause confirming that all other warranties are excluded except those stated in your contract. You should consider reasonableness requirements as discussed below.

## Price

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It may seem strange that disputes can arise in relation to price but they occur frequently. Many cases have gone to court where one person believes that they had agreed to carry out work on an hourly-rate basis and the other thinks that it was agreed on a fixed-price basis. If there is no clear agreement as to price, you may find that in the event of a dispute the court will decide that you will be paid a reasonable amount for your work. This

is not an ideal situation if your idea of what a reasonable amount is differs from the court's.

You should state:

- the price clearly in your contract;
- whether delivery charges are included or are in addition to the price;
- whether VAT is included or is in addition to the price.

## Payment terms

---

These need to be clearly specified. As previously discussed in chapter 3, consideration needs to be given to your cash flow. Include payment terms which reflect your requirements. You may want to consider including a term in your contract confirming that you have a right to charge interest. You have this right under the Late Payment of Commercial Debts (Interest) Act 2002.



This legislation applies to business-to-business transactions and allows you to charge interest at eight per cent above the Bank of England base rate.

Payment terms should state the:

- time for payment;
- interest on late payments (as mentioned above, you have this right, but you may want to point it out to your clients);
- time is of the essence in relation to payment.

## Time

---

Time requirements in relation to contract terms or obligations are not automatically regarded as an essential term of the contract. There are some situations where it is usually deemed that 'time will be of the essence' (such as some contracts for the sale of goods where delivery must take place by a fixed time). This means that the time for performing the obligation must be strictly complied with and any failure to comply will be a breach of

contract, which can allow the person who has not breached the contract to end the contract and claim damages for the loss that he has suffered due to the breach. To ensure certainty, a party to a contract should specifically state that time is of the essence in relation to a specific requirement; for example, 'Time is of the essence in relation to the delivery of the goods'. You may want to take this approach with your suppliers.

Sometimes it is not possible to commit to a specific time limit. You may confirm that any times given are estimates. A specific term can be included in the contract confirming that time is not of the essence; for example, 'Time is not of the essence for the performance of the services. Any times given in relation to the performance of the services are estimates only'.

Alternatively, it is also possible to agree a time schedule for the performance of the specific contract obligation (e.g. the performance of services or the delivery of goods) and to pay a specified amount as compensation for late performance (and that no other compensation will be payable in relation to late performance). The amount must be a genuine pre-estimate of loss, otherwise it will be regarded as a penalty and unenforceable (due to the legal rules relating to these types of clauses). You should obtain advice in relation to whether such an approach is suitable for you and the drafting of such a clause.

## **Delivery arrangements, risk and title**

---

In relation to goods, you should have clear terms regarding the delivery arrangements. You should consider various practical issues such as responsibility for loss and damage of goods in transit. Responsibility for loss and damage of goods is often referred to in contracts as 'risk'; for example, 'Risk in goods shall pass to the buyer upon delivery'. This clause means that the responsibility for loss and damage passes from the seller to the buyer at the time the goods are delivered to the buyer.

You should consider taking out appropriate insurance to cover goods in transit. Risk and ownership in goods do not have to pass to the buyer (i.e. your client) at the same time.



It is advisable to retain ownership of the goods until you have received full payment. So, if you deliver the goods before you receive full payment, you should ensure that the risk passes to

your client upon delivery, while the ownership remains with you until payment has been received.

---

Ownership is usually referred to as ‘property’ or ‘title’ in contracts; for example, ‘Property remains with the seller until payment in full in cleared funds has been received’. The expression ‘retention of title clauses’ refers to clauses of the type included in the previous example. You should keep these clauses simple unless you have obtained professional advice.

Delivery terms should cover:

- when delivery will be made (where applicable, that the delivery time is an estimate);
- the address to which the goods will be delivered;
- delivery costs;
- whether the buyer is responsible for storage costs in the event that he fails to accept delivery.

Terms dealing with risk and title should cover:

- the responsibility for goods in transit;
- that risk shall pass on delivery;
- that the title remains with the seller until full payment in cleared funds is received.

## **Confidentiality**

---

Confidentiality can be a sensitive issue. Many contracts contain confidentiality clauses, which require that certain information that has been provided be kept secret. In certain circumstances, the obligation to keep information secret will not apply; for example, where the information is already publicly available or you are legally required to disclose the information; for example, you are required to by a court order.

## **Intellectual property**

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As previously discussed in chapter 2, intellectual property rights can be a

valuable asset to a business. You are probably familiar with rights such as copyright (which gives you the right to control the copying of your copyrighted works or material), trade marks (which protect your brand or logo) and patents (which can protect your inventions).

Intellectual property rights are a complex subject and a detailed discussion is outside the scope of this book. However, we will look at some of the basic issues which might arise in a supply contract. Your client may want to own the intellectual property rights created in relation to the contract. This is not usually an issue in relation to the sale of physical products (e.g. furniture), where it is normal for the intellectual property rights to remain with the seller. It may arise in relation to services that your client has asked you to carry out specifically for him (e.g. design work or bespoke software design).



You will need to make a decision as to how you want to deal with intellectual property rights, such as copyright.

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Intellectual property rights can be assigned (i.e. transferred) to a client. A copyright assignment must be in writing and signed by the person making the assignment, i.e. the creator of the copyright. Alternatively, you can retain ownership of the copyright and grant a licence to the client. Licences can be exclusive or non-exclusive. An exclusive licence should be in writing and signed by the copyright owner.

Clearly you need to include contract terms that reflect the needs of your business; if you need to use the copyright for future work, do not assign it to your client. For example, the following clause would not be suitable if you wanted to own your copyright as it has the effect of transferring all intellectual property rights to the client:

‘All intellectual property rights including, without limitation, copyright, patents, design rights developed by the supplier in carrying out the services shall be assigned to the client.’

## **Insurance**

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It may be useful to confirm to a client that you carry relevant insurance. Consider insurance that is applicable to your business, such as professional indemnity and public liability. In any event, some clients may insist that you have insurance and ask for current certificates of insurance to be produced when requested.

## Limits of liabilities and exclusions

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### Liabilities

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Liabilities are legal responsibilities. Clauses can be included in contracts describing liabilities that will be accepted and include limits.

Clauses are often included in contracts describing the different types of damage or loss you and your client/supplier shall be responsible for. Here is an example: 'The seller shall be liable for all damage, loss, expenses and claims caused by the seller's breach of contract'. This means that the seller shall be legally responsible for any loss and damage he may cause if he does not comply with his contractual obligations; for example, the seller is required to install a heating system but he installs the system incorrectly which results in a fire. He would be responsible for physical damage, such as loss of property, due to the fire (as this was caused by his defective installation work) and possibly other losses, such as the loss of business or sales due to the buyer not being able to operate his business due to lack of premises.

### Rules

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It is also possible to limit or exclude liabilities in a contract. Various rules apply in relation to limits or exclusion of liabilities in business-to-business contracts (i.e. written standard terms of business and negotiated contracts). The main rules are set out below:

- 1. Personal injury or death:** Liability for personal injury or death caused by negligence cannot be excluded or restricted in a contract.
- 2. Negligence (other than negligence which causes personal injury or death):** Contract terms excluding or limiting negligence (e.g. breach of the requirement to carry out services with reasonable care and skill) must comply with the requirements of the reasonableness test (referred to below).
- 3. Breach of contract:** Contract terms in your standard written terms of business which exclude or limit liability for breach of contract must satisfy the reasonableness test.

4. **Misrepresentations:** Contract terms excluding or restricting liability for misrepresentations (such as pre-contract statements) must satisfy the reasonableness test.
5. **Statutory implied terms:** Certain statutory implied terms (e.g. satisfactory quality and fitness for purpose) can be excluded or restricted using contract terms to the extent that the contract terms satisfy the reasonableness test. Exclusions relating to the implied term that a person selling goods has the right to sell goods (i.e. the 'title') will be invalid. For example, Clause 6.3 (c) in the sample Sale of Goods contract at the back of the book makes it clear that the limit of liability is not intended to exclude the implied term relating to title (i.e. the reference to Section 12 of the Sale of Goods Act in the clause).

## Reasonableness test

A number of factors are considered in establishing reasonableness. They relate to the circumstances at the time the contract was entered into (which were reasonably known or should have been known by the parties). For example, if you include a financial limit in relation to your liability in your standard terms, your available resources to cover your liability and the extent to which you can cover the liability with insurance will be taken into account. If you have a large amount of insurance cover available and a very low contractual limit of liability, the limit may be unreasonable. Other relevant factors which may be taken into account include the bargaining position of you and your client and whether any inducements were given to your client to enter into the contract. In order to establish whether your limits or exclusions of liability in your standard terms and conditions are unreasonable, your client would need to take legal action and the court would then make a decision.

Large companies have often found that the clauses excluding or limiting their liability in their standard terms and conditions are unreasonable and invalid when they have been challenged by court action. A typical example is a company that is a large multinational. It has a large insurance programme to cover its activities and its sales staff pressurise smaller businesses, who may be dependent on or have an urgent need for its products, to sign the company's standard contracts. The sales staff may also make exaggerated claims about the capability of the products they are selling or their ability to comply with their client's time schedule. The

smaller companies may find that the multinational's clauses limiting or excluding liability may be found to be unreasonable; for example, a limit of liability which is very low in relation to the risk of loss which can be caused by a breach of contract by the multinational.

This reasonableness test does not apply to the international sale of goods contracts. It should also be noted that liability for fraud cannot be excluded.

## Examples

Examples of various typical limitation and exclusion of liability clauses are given below. The need to comply with the reasonableness test should be taken into account (where applicable) if you include similar clauses in your contract.

The purpose of the following limit of liability clause is to set a limit or 'cap' on liability. The clause states the limit does not apply to certain liabilities which cannot legally be excluded (e.g. death due to negligence).

'The Supplier's liability for any damage, loss, claims and expenses caused by the Supplier's services provided under this contract shall not exceed the Contract Price, whether caused by negligence, breach of contract or otherwise, except liability for fraud or for personal injury or death caused by the Supplier's negligence shall not be excluded or restricted'.

Here is an example of a clause where financial losses and certain other losses are not accepted. This is known as an 'exclusion of liability clause': 'We shall not be liable for any loss of profit, revenue, business interruption or indirect or consequential loss, whether caused by negligence, breach of contract or otherwise, except liability for fraud or for personal injury or death caused by our negligence shall not be limited'.

You may see references in contracts to 'consequential' losses or damages. Business people often think that this a way of referring to all types of financial loss, such as loss of profits. They are wrong. Consequential loss is not a legally defined term. While it has no specific meaning, the courts generally regard the term to mean 'indirect losses', that is losses that were not reasonably foreseeable at the time that the contract was entered into as likely to arise from the breach of contract. The general rules regarding compensation for breach of contract are that a person who has entered into a contract should be compensated for losses he has incurred due the

other person's breach of contract. These losses are those which were reasonably foreseeable at the time the contract was entered into as being likely to be caused by the breach of contract. He is not entitled to be compensated for losses which were not reasonably foreseeable at the time the contract was entered into as being likely to be caused by the breach of contract (often referred to as indirect losses), unless he has agreed to be compensated for such losses in his contract.

Therefore, if financial loss, such as loss of profit, is caused by your failure to comply with the contract and it was reasonably foreseeable that such loss would have occurred as a result of your failure at the time you entered into the contract, you will be liable unless you included a clause in the contract excluding such liability. Alternatively, you may confirm that you will accept reasonably foreseeable financial losses, but confirm that financial losses that were not reasonably foreseeable are excluded. However, this decision should be made based on the issues which affect your business, such as the nature of the goods and services you provide and the liabilities covered by your insurance. It is advisable to obtain advice in relation to limits of liability and exclusion clauses.

As discussed above, liability for personal injury or death due to negligence or fraudulent misrepresentation cannot be excluded or limited. Therefore, clauses are normally included in contracts that confirm nothing in the contract is intended to exclude such liabilities; for example, 'Nothing in this contract shall exclude or restrict liability for death or personal injury due to negligence or fraudulent misrepresentation'.

## **Termination and suspension**

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Termination is not an automatic right for all breaches of contract. Some breaches allow for a contract to be terminated with a right to claim compensation (e.g. a breach of an essential term of the contract), while other breaches of contract give a right to claim for compensation (e.g. a non-essential term). Therefore, it is usual to include termination clauses in contracts, which describe the circumstances in which a contract can be terminated, such as for non-payment and serious breach of contract. Again, the right to suspend the carrying out of a contract is not automatic if there is a breach of contract or dispute. It is worthwhile to consider including a right to suspend the carrying out of a contract if you are not

paid on time, which states that you also have no liability regarding such a suspension.

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## Boiler plate terms

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It is usual to include certain standard clauses, such as a Force Majeure, in contracts, which are known as ‘boiler plate’ terms.

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### Force Majeure

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The purpose of a Force Majeure clause is to confirm that there shall be no breach of contract or liability if an event outside of the control (‘Force Majeure’) of the parties occurs which causes the affected party or parties to be delayed or prevented from carrying out their obligations.

It is possible that the event can continue for a long period of time, which means that the contract will not be performed. It may not be practical to wait indefinitely for matters to go back to normal. Therefore, it is customary to include a time period which, if exceeded, will allow either party to terminate the contract.



It is important to describe the meaning of the term ‘Force Majeure’ in a contract, as it is not a defined term in English and Welsh law.

A simple example of a Force Majeure clause is set out below:

‘Neither party will be liable for any failure or delay in performance under this contract to the extent such failure or delay was caused by Force Majeure. For the purposes of this contract, Force Majeure shall mean any event outside of the reasonable control of either party, such as war, flood, government action. The party who is unable to perform or is delayed in his performance must give the other written notification of the Force Majeure as soon as possible after its occurrence. The parties shall try to agree a mutually convenient course of action. If the Force Majeure continues for more than 60 days, either party can terminate this contract with immediate effect by written notice to the other party.’

Examples of other boiler plate terms are set out below:

## Assignment

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Assignment clauses control the ability of the parties to transfer their rights or benefits under the contract. These rights may include the right to receive payment; for example:

‘Neither party to this contract can assign any of their rights under this contract without the consent of the other party, which shall not be unreasonably withheld.’

## Subcontracting

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Clauses are often included by clients restricting their suppliers’ right to subcontract work. If there is no express restriction in your contract, there is nothing to prevent you from entering into a subcontract. However, you may prefer to include an express statement confirming that you have a right to subcontract work; for example, ‘The supplier reserves the right to subcontract any of its obligations under this contract.’

## Waiver

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The purpose of a waiver clause is to confirm that if there is a delay in enforcing a legal right, that the right is not lost if it is used at a later date. Here is an example clause:

‘The failure of any party to this contract to exercise or enforce any right hereunder shall not be deemed to constitute a waiver of that right nor operate to prevent the exercise of such right at any time thereafter.’

## Third - party rights

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This clause means that only the people who enter into the contract have the right to have any benefit from the contract or enforce it. An example clause is below:

‘No-one who is not a party to this contract has any benefit or any right to enforce any term of this contract for the purposes of the Contracts (Rights of Third Parties) Act 1999.’

## Entire agreement

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The main purpose of an entire agreement clause is to make sure all the terms of the deal are contained in the written contract. This means that no related verbal discussions are intended to form part of the contract. A statement can be included which confirms that there shall be no liability for statements made before the contract (except fraudulent misrepresentations) and they are not part of the contract. Statements may have been made during negotiations or included in advertising material (see chapter 2 for further information). However, the requirements of the reasonableness test should be taken into account. Also, confirmation can be included that changes to the contract can only be made in writing by authorised representatives.

### An example

1. This Agreement contains the entire agreement and understanding between the parties relating to the subject matter of this Agreement and supersedes all prior agreements and understandings (whether oral or in writing).
2. Each party acknowledges that they are not relying on any statements, warranties or representations given or made by the other party except as expressly set out in this Agreement. Nothing in this clause shall, however, operate to limit or exclude any liability for fraudulent misrepresentation.
3. Variations to this Agreement can only be made in writing by the agreement of the parties and signed by their authorised representatives.

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## Applicable law and dispute resolution

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The purpose of this clause is to confirm which country's laws shall apply to the contract (e.g. in relation to interpretation) as well as how and where disputes will be resolved. If you and your client are both based in England, you will usually want the laws of England and Wales to apply. You may also agree that disputes can only be referred to English courts (as opposed to

another country's courts or another method of resolving disputes as referred to in chapter 8). For example:

'The laws of England and Wales shall apply to this contract, and the parties accept the exclusive jurisdiction of the English courts.'

However, if you have an overseas client, he may be reluctant to agree to the laws of England and Wales. He may prefer the laws of his own country and have disputes resolved by his country's courts. This might not suit you. You need to consider various commercial and practical issues. For example, you need to understand how foreign laws affect your contract. Other considerations include starting legal proceedings in another country and the legal costs (e.g. documents may need to be translated) and how you manage your relationship with an overseas lawyer (regular visits may not be practical). You need to agree a suitable position. Various options are available, such as arbitration, which is an alternative to court proceedings. Arbitration is discussed in chapter 8. Obtain advice to assist you in making a decision.

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## Standard terms checklist

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When considering the matters which should be included in your standard terms for your business, you will find that the process will help you think about many practical issues and how you want to deal with them. The checklist below provides some basic items you may want to consider in relation to your standard contract terms. This is not an exhaustive or exclusive list.

### Scope of services/deliverables/goods

Have you included a description of the services or goods, or a detailed scope of the work?

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### Standard of service/quality of goods

Have you inserted the appropriate warranties regarding standards and quality?

Have you considered including an exclusion clause which confirms that no other warranties are given except as expressly stated in the contract?

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### Price and payment terms

Have you included the details of the price (including whether it is inclusive of VAT) and payment terms (e.g. advance payment, payment with 14 days of date of invoices)?

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### Delivery arrangements for goods

Have you inserted the delivery arrangements for the goods?

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### Risk and ownership of goods

Have you inserted terms confirming:

- that risk passes on delivery?
  - the position regarding risk in relation to goods during transit?
  - that the title shall pass on payment?
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### Time-related obligations

If you do not want time to be of the essence, have you specified and stated that any quotations regarding time are estimates?

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### Intellectual property

If applicable, have you included a term dealing with the ownership of intellectual property rights which are appropriate to your contract and business?

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### Liability

Have you considered including a limitation of liability clause?

Have you taken into account the reasonableness requirements?

Have you obtained advice in relation to limitations and exclusion of liabilities?

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### Events outside of your control

Have you included a Force Majeure clause to cover possible delays or non-performance due to events outside of your control?

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**Termination and suspension**

Have you considered the circumstances in which you will want to terminate the contract (e.g. serious breach of contract or convenience, i.e. where there is no fault)?

Have you ensured that you have a right to receive payment for the work carried out until termination?

Have you included the right to terminate the contract in the event of non-payment?

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**Special requirements**

Do you have any special requirements which should be included in the contract?

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**Boiler plate clauses**

Have you included boiler plate clauses?

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