

Sample Contract Clauses

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Topic	Purpose	Sample Clause
<p>With whom he or she is contracting with – who bears the responsibility when bargain is not met</p>	<p>Setting out the parties to the agreement Generally situated at the beginning of an agreement, right after the cover page (if there is one). This recital sets out the parties to the contract, usually including details such as NRIC/passport/registration number and addresses to better identify the parties.</p>	<p>THIS AGREEMENT (“Agreement”) is made on [insert date]. BETWEEN: -</p> <p>(1) [insert name of party] (Company Number: [insert]), a company incorporated in [insert country] with its registered office at [insert address] (“Party A”);</p> <p>AND</p> <p>(2) [insert name of party] (NRIC/Passport No.: [insert]), of [insert address] (the “Party B”),</p> <p>(each, a “Party”, collectively the “Parties”).</p>
	<p>Exclusion of third parties Often used to prevent the statutory exceptions to the rule of privity from applying by expressly excluding third parties.</p>	<p>A person who is not a party to this agreement shall have no right under the Contracts (Rights of Third Parties) Act (Cap. 53B) to enforce any of its terms.</p>
<p>The extent and limits of his or her responsibilities and liabilities</p>	<p>Limitation of liability Used to contractually limit the amount of liability one or more parties may incur for breaches of the contract. The limit is usually set based on an absolute amount or as a percentage of the value of the contract.</p>	<p>The Contractor’s total liability arising under or in connection with this agreement, whether arising in contract, tort (including negligence) or restitution, or for breach of statutory duty or misrepresentation, or otherwise, shall in all circumstances be limited to fifty (50) per cent of the sum of the total Contract Price.</p>

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	<p>No liability for indirect losses Generally situated at the beginning of an agreement, right after the cover page (if there is one). This recital sets out the parties to the contract, usually including details such as NRIC/passport/registration number and addresses to better identify the parties.</p>	<p>Neither party shall have any liability for breach of this Agreement for (whether actual or prospective) any loss of expected future business, exemplary damages or consequential or indirect losses.</p>
	<p>Cumulative rights Clarifies that the rights and remedies set out in the agreement are cumulative and may be exercised multiple times, and are in addition to their remedies under general law.</p>	<p>The rights and remedies of the Parties under or pursuant to this Agreement are cumulative, may be exercised as often as such Party considers appropriate and are in addition to its rights and remedies under general law.</p>
<p>The scope of his or her duties</p>	<p>Provision of services Used for contracts for provision of services. Where the scope of work is complex or numerous, this is often set out in a schedule to avoid cluttering up the body of the agreement. Please note that clauses setting out the scope of duties may vary widely depending on the type of contract and the commercial intentions of the parties.</p>	<p>The Contractor agrees to provide to the Purchaser the Services to the Purchaser set out in the Schedule, and shall in connection with the provision of such Services carry out such instructions and directions as may be issued by the Purchaser from time to time in every respect to the reasonable satisfaction of the Purchaser and in compliance with any relevant industry standards and all applicable legal and regulatory requirements, and without undue disruption to the business and operations of the Purchaser.</p>

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<p>The time frame within which to perform such duties</p>	<p>Contracts for a specific term Used for contracts for a specific term.</p> <p>Contracts for delivery of goods or services Used for contracts for delivery of goods and services on an ad hoc basis, e.g. pursuant to purchase orders. The purchase orders often set out additional details specific to each order placed.</p>	<p><i>This Agreement shall commence on the Effective Date and continue for the Term, unless earlier terminated as provided for herein.</i></p> <p><i>With respect to each Purchase Order, delivery shall be made at such date(s), time(s) and location(s) in accordance with the instructions of the Purchaser set out in the Purchase Order, and at the expense of the Contractor.</i></p>
<p>The remuneration entitlement, compensation and share of benefits, gains or profits as well as the payment terms</p>	<p>Lump sum consideration Used when the purchase price has already been determined and consists of a single lump sum payment.</p> <p>Employee remuneration Used for setting out remuneration of employees.</p> <p>Ad hoc payment for good or services Used when the price has not yet been determined and will be set out in future purchase orders.</p> <p>Mode of payment Used to specify the mode of payment.</p>	<p><i>The Vendors hereby agree to sell as the legal and beneficial owner, and the Purchaser, in full reliance upon the representations, warranties, undertakings and indemnities by the Vendors in this Agreement, hereby agree to purchase, the Sale Shares free from all or any Encumbrance for the purchase price of SGD [insert price] subject to the terms and conditions contained herein.</i></p> <p><i>Your annual salary of SGD [insert amount] will be paid monthly in accordance with customary payroll practices and procedures, subject to applicable law.</i></p> <p><i>Unless otherwise agreed as between the parties, the Purchaser shall, within sixty (60) days of the successful commissioning of the Equipment or part thereof, and upon the presentation by the Contractor of the commercial invoice(s), delivery note(s) and such other documents as may be required by the Purchaser, pay the Contract Price for the delivery of the Equipment.</i></p> <p><i>Payments made by the Purchaser to the Contractor will be by way of cheque.</i></p>

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<p>The recourse available when the other party defaults or when relationships sour</p>	<p>Court resolution For dispute resolution by Court action.</p> <p>Arbitration For dispute resolution by arbitration.</p> <p>Mediation - Arbitration For dispute resolution by arbitration and mediation.</p>	<p>Each party hereby irrevocably submits to the non-exclusive jurisdiction of the Courts of Singapore.</p> <p>Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause.</p> <p>The seat of the arbitration shall be Singapore.</p> <p>The Tribunal shall consist of three (3) arbitrator(s).</p> <p>The language of the arbitration shall be English.</p> <p>The parties further agree that following the commencement of arbitration, they will attempt in good faith to resolve the dispute through mediation at the Singapore International Mediation Centre ("SIMC"), in accordance with the SIAC-SIMC Arb-Med-Arb Protocol for the time being in force. Any settlement reached in the course of the mediation shall be referred to the arbitral tribunal appointed by SIAC and may be made a consent award on agreed terms.</p>

Topic

Purpose

Liquidated damages
Used to designate the amount of damages during the formation of a contract for the injured party to collect as compensation upon a specific breach (e.g., late performance).

Sample Clause

Without prejudice to the Purchaser's rights above, but in the event of the Purchaser accepting late delivery, installation and/or commissioning of Equipment from the Contractor, the Purchaser reserves the right to require the Contractor to pay or to deduct from the Contract Price liquidated damages (and not as a penalty), a sum to be calculated at the rate of one-half per cent (1/2%) of the Contract Price for the late delivery, installation and/or commissioning of the Equipment or one-half per cent (1/2%) of the cost of the Equipment if any parts or components relating to the Equipment are subject to delay, for each day which may elapse between the date of delivery, installation and/or commissioning originally agreed to by the parties and the actual date of delivery, installation and/or commissioning, up to a maximum of ten per cent (10%) of the Contract Price for the delay of the Equipment or maximum of ten per cent (10%) of the Equipment price for the delay of any parts or components.

The Contractor acknowledges and agrees that the sum stipulated above constitutes a genuine pre-estimate by the Contractor and the Purchaser of the potential loss that would be suffered by the Purchaser resulting from or in connection with the Contractor's late delivery, taking into account all relevant considerations, including without limitation the disruptions caused to the Purchaser's operations and the possible costs in sourcing for substitute sources before the late delivery was effected.

Topic	Purpose	Sample Clause
<p>The circumstances under which he or she can walk away from the bargain legitimately</p>	<p>Termination with notice To allow for termination by either party by giving notice to the other party(ies).</p> <p>Immediate termination events To allow for termination by either party upon occurrence of certain specific events.</p>	<p><i>Either the Supplier or the Recipient may at any time terminate the provision of any or all of the Services by giving to the other party not less than one month's notice in writing.</i></p> <p><i>Either the Supplier or the Recipient shall be entitled to terminate this agreement with immediate effect in respect of any or all of the Services by giving written notice to the other party if:</i></p> <ul style="list-style-type: none"> <i>(a) the other party fails to pay any undisputed amount due remains in default not less than thirty (30) days after being notified in writing to make such payment; or</i> <i>(b) the other party commits a material breach of its obligations under this agreement and (if such breach is remediable) fails to remedy that breach within a period of thirty (30) days after receipt of notice in writing requiring it to do so; or</i> <i>(c) the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts; or</i> <i>(d) the other party is subject to any liquidation, winding up or reconstruction event; or</i> <i>(e) the other party ceases, or threatens to cease, to carry on all or substantially the whole of its business; or</i> <i>(f) there is a change of control of the other party; or</i> <i>(g) any Force Majeure Event prevents the other party from performing its obligations under this agreement for a continuous period of thirty (30) days provided that where applicable the agreement shall only be terminated in respect of the Services affected by the Force Majeure Event.</i>