

## Reading Three: Sample of common law contract structure

PART OF A CONTRACT		EXAMPLE	
1.	HEADING – the main title of a contract	a.	“AGREEMENT FOR SALE”
2.	COMMENCEMENT AND DATE – the date of entering into contractual relationship, usually the same date on which the conditions of the agreement <b>come into effect (become effective)</b> ;	b.	“This Agreement is made as of this [day] day of [month], [year]”
3.	PARTIES – the parties to the contract are set out in <b>closest detail</b> in order to void any possible confusion;	c.	“ <b>Between:</b> 1. [full name of the company], [type of the company] incorporated under the laws of [country], identification number: [number], with its seat at [address], registered in the [registrar/court], represented by [name] (hereinafter “[short name]”) <b>and</b> 2. [full name of the person], personal number: [number], identity card number: [number], issued from: [place], on [date] (hereinafter “[short name]”)”
4.	PREAMBLE – also known as Background or Recitals, provide the reasons why the parties have agreed to conclude the contract;	d.	“ <b>Whereas:</b> The Seller has agreed to sell and the Buyer has agreed to buy ...”
5.	Beginning of the OPERATIVE PROVISIONS – sometimes referred to as Subject Matter of the Agreement, which forms the main part of the contract and contains the <b>terms and conditions</b> of the contractual relationship between the parties;	e.	“ <b>Now the Parties hereby agree as follows:</b> ”
6.	DEFINITIONS – this part specifies the meaning that is <b>attributed to the terms</b> used in the contract and conventionally capitalised, i.e. spelled with capital initial letter;	f.	“In this Agreement, unless the context otherwise requires, the following words and expressions shall have the following meanings:  <b>Agreement</b> means this agreement between the Parties, as amended, supplemented or restated from time to time, and “herein”, “hereof”, “hereto”, “hereunder” and similar expressions mean this Agreement and not any particular clause or provision...”
7.	INTERPRETATION – this part provides rules for <b>interpretation and construction</b> of the contract;	g.	“In this Agreement where the context admits words importing the singular number shall include the plural and vice versa and words importing individuals shall include corporations and partnerships and vice versa...”
8.	BODY of the contract – this part differs from contract to contract but typically contains the <b>conditions precedent</b> , stipulates the <b>consideration</b> to be contributed by the parties, sets forth the <b>rights and obligations</b> of the parties, etc.	h.	“The buyer agrees to pay in consideration for the acquired [goods] the amount of [sum]...”
9.	DURATION AND TERMINATION – this part specifies the <b>term</b> of the contractual relationship	i.	“This Agreement shall continue in full force and effect without limit in point of time until the earlier of the following events...”

10.	GENERAL PROVISIONS – this part usually contains <b>standard clauses</b> , “ <b>boiler-plate clauses</b> ”, like:		
*	TIME OF THE ESSENCE CLAUSE	j.	“Time is of the essence with respect to all provisions of this Agreement that specify a time for performance”
*	NOTICES CLAUSE	k.	“All notices and other communications under this Agreement shall be in writing and shall be delivered by hand or by courier and shall be deemed given on the date of delivery to the Parties at the following addresses”
*	SEVERABILITY CLAUSE	l.	“If any provision of this Agreement or part thereof is rendered void, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.”
*	ENTIRE AGREEMENT CLAUSE	m.	“This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, promises, covenants, arrangements, communications, warranties, whether oral or written, by an executive, officer, director, employee or representative of either party hereto.”
*	ASSIGNMENT CLAUSE	n.	“None of the Parties hereto shall be entitled to assign any of its rights and delegate any of its obligations hereunder without the prior written consent of the other Parties.”
*	FORCE MAJEURE CLAUSE	o.	“Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.”
*	GOVERNING LAW CLAUSE	p.	“This Agreement shall be construed and governed in accordance with the laws of [jurisdiction]”
11.	End of the OPERATIVE PROVISIONS is usually followed by the signatures of the parties	q.	“In witness whereof this Agreement has been entered into the day and year first before written.”
12.	SCHEDULES – this part contains the documents annexed to the Agreement.	r.	This final part of a contract contains all additional specific documents, which form an integral part of the contract, such as: charts, exhibits, plans, drawings, ancillary agreements, etc.

## The language of contracts

### 9 Find these words in the illustration clauses above and comment on their use.

such aforesaid aforementioned stated	herein hereinafter hereto hereof herewith hereby	therein thereto thereof therewith thereby therefor
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