

AIAP_15_AI Powered Contract Risk Management Tool

10 Golden Clauses

Bucket	Focus Area	Clauses Included
Financial Risk	Money and cash flow protection.	1. Payment Terms 2. Limitation of Liability
Legal/Compliance	Laws, lawsuits, and safety.	3. Indemnification 4. Governing Law 5. Data Privacy
Operational Risk	How the work gets done/stopped.	6. Termination 7. Force Majeure
Asset Protection	People and Ideas.	8. Intellectual Property 9. Confidentiality 10. Non-Solicitation

Golden Clause 1: Payment Terms

Classification

Financial Risk

Criteria

- Clear payment due date
- Defined invoicing triggers
- Interest on delayed payments
- No unilateral or indefinite withholding of payments

Examples

Example 1

Field	Content
Clause	The adjusted consideration as referred to in Clause 3.02 shall be paid by the Company to Wipro not later than September 30, 2000 failing which interest at the rate of 18% p.a. shall be payable from the due date till the date of payment.
Source	https://contracts.onecle.com/wipro/eperipherals.sale.2000.08.30.shtml

Example 2

Field	Content
Clause	. The Client shall pay the Vendor [Amount] for the services provided under this Agreement. Payments shall be made [Payment Frequency, e.g., monthly] via [Payment Method, e.g., bank transfer], due on or before [Due Date]. Invoices will be issued by the Vendor on the [Invoice Issue Date] of each month.
Clause	The Client agrees to execute the transfer on the xxx day of every month, the latest assuming a correct invoice is being supplied no later than by the end of the xxx day of the month.
Clause	The Contractor is only entitled to compensation for realistically performed services assigned by the Client.
Source	https://devsdata.com/wp-content/themes/intentionally-blank/assets/blog_posts/b2b/b2b_contract.pdf

Example 3 – Payment Agreement

Section	Content
Title	Payment Agreement
Parties	This Payment Agreement (the "Agreement") is entered into as of [Date], by and between [Party 1 Name], having a principal place of business at [Party 1 Address] ("Party 1") and [Party 2 Name], having a principal place of business at [Party 2 Address] ("Party 2") (collectively, the "Parties").
Recital	WHEREAS, Party 1 and Party 2 have entered into an arrangement where Party 1 shall provide certain services or goods to Party 2;
Recital	WHEREAS, the Parties desire to establish the terms and conditions under which the payments for the said services or goods shall be made.
Payment Terms	● Party 2 shall pay Party 1 a total amount of [Total Amount] (the "Total Amount") for the services or goods provided by Party 1.
Payment Terms	● Party 2 shall pay the Total Amount in [Number of Installments] equal installments of [Installment Amount] each, or as otherwise agreed upon by the Parties in writing.
Payment Terms	● Each installment shall be due on or before the [Day] of each [Month/Week] until the Total Amount is paid in full.
Payment Terms	● d) All payments shall be made in [Currency] and by [Payment Method], or as otherwise agreed upon by the Parties in writing.
Late Payments	● If Party 2 fails to make any payment on or before the due date, Party 2 shall pay to Party 1 a late fee equal to [Late Fee Amount] for each day the payment is overdue, up to a maximum of [Maximum Late Fee Amount].
Late Payments	● If Party 2 fails to make any payment within [Number of Days] days after the due date, Party 1 may, at its sole discretion, suspend the provision of services or goods until all outstanding payments are made in full.
Default	In the event Party 2 defaults on any of its payment obligations under this Agreement and fails to cure such default within [Number of Days] days after receiving written notice from Party 1, Party 1 may, at its sole discretion, terminate this Agreement and seek any legal remedies available.
Governing Law	This Agreement shall be governed by and construed in accordance with the laws of [Governing Law Jurisdiction].
Dispute Resolution	Any disputes arising out of or relating to this Agreement shall be resolved through [Dispute Resolution Method, e.g., mediation, arbitration, or litigation], in [Location of Dispute Resolution].

Entire Agreement	This Agreement constitutes the entire understanding and agreement between the Parties concerning the subject matter hereof and supersedes all prior and contemporaneous agreements, whether oral or written, between the Parties relating thereto.
Amendment	This Agreement may be amended or modified only by a written instrument executed by both Parties.
Counterparts	This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
Signatures	Name:_____ Name:_____
Signatures	Signature:_____ Signature:_____
Signatures	Date:_____ Date:_____
Source	https://www.zoho.com/blog/sign/six-essential-contracts-for-businesses.html

2. Term and Termination

Classification

Operational Risk

Criteria

- Defined contract term
- Clear commencement and end conditions
- Termination for cause
- Termination for convenience with notice
- Settlement of obligations upon termination

Example 1 – Termination Agreement Template

Section	Content
Title	TERMINATION AGREEMENT TEMPLATE
Parties	This Termination Agreement (the "Agreement") is entered into as of [Effective Date], by and between [Party A Name] ("Party A"), having its principal place of business at [Party A Address], and [Party B Name] ("Party B"), having its principal place of business at [Party B Address] (collectively, the "Parties").
Background	WHEREAS, the Parties entered into a [Original Agreement Name] dated [Original Agreement Date] (the "Original Agreement");
Background	WHEREAS, the Parties now wish to terminate the Original Agreement on the terms and conditions set forth in this Agreement;
Termination	As of the Effective Date, the Original Agreement shall be terminated and of no further force or effect.
Settlement	<ul style="list-style-type: none"> • In full and final settlement of all obligations under the Original Agreement, Party A shall pay Party B the sum of [Settlement Amount] (the "Settlement Amount") on or before [Payment Date].
Settlement	<ul style="list-style-type: none"> • Upon receipt of the Settlement Amount, Party B shall provide Party A with a written acknowledgement of receipt and a full and final release of any and all claims.
Confidentiality	The Parties agree that the terms of this Agreement, including but not limited to the Settlement Amount, shall remain confidential.
Warranties	<ul style="list-style-type: none"> • It has the full right, power, and authority to enter into and perform this Agreement.
Warranties	<ul style="list-style-type: none"> • The execution, delivery, and performance of this Agreement will not conflict with any other agreement.
Governing Law	This Agreement shall be governed by and construed in accordance with the laws of the [State/Country].

Entire Agreement	This Agreement contains the entire understanding and agreement between the Parties.
Counterparts	This Agreement may be executed in any number of counterparts.
Signatures	[Party A Name] / [Party B Name]
Source	https://www.zoho.com/blog/sign/six-essential-contracts-for-businesses.html

Example 2

Field	Content
Clause	The Client shall pay the Vendor [Amount] for the services provided under this Agreement. Payments shall be made [Payment Frequency, e.g., monthly] via [Payment Method, e.g., bank transfer], due on or before [Due Date].
Clause	The Client agrees to execute the transfer on the xxx day of every month.
Clause	The Contractor is only entitled to compensation for realistically performed services assigned by the Client.
Source	https://devsdata.com/wp-content/themes/intentionally-blank/assets/blog_posts/b2b/b2b_contract.pdf

Example 3

Field	Content
Clause	The term of this Agreement is for (X) number of (months or years) from the date of its execution by Provider or until the completion of the work described in any Statement of Work, whichever is applicable.
Source	https://app.pandadoc.com/a/#!/documents/kGa2nJexS9tXm68N2GMrxm

Golden Clause 3: Scope of Services

Classification

Operational Risk

Criteria

- Detailed description of the services or products offered
- Timelines and milestones for services to be provided
- Quality standards and performance expectations
- Responsibilities of the individual parties
- Change control through mutual written agreement

Example 1

Contractor has overall responsibility for and shall provide complete Pre-Construction Phase and Construction Phase Services (the “Work”) and furnish all materials, equipment, tools and labor as necessary or reasonably inferable to complete the Work, or any phase of the Work, in accordance with the terms of this Agreement.

Source: [AGREEMENT](#)

Example 2

Subject to the terms of this Agreement, Company hereby engages Consultant to perform, and Consultant shall perform, such services (the “Services”) as specified in Exhibit A attached hereto, as amended from time to time in writing signed by Company and Consultant (the “Scope of Services”). Spencer Gore shall perform the Services on behalf of Consultant.

Exhibit A

Consultant will:

- Provide input on Strategic planning and execution to enhance profitability, productivity and efficiency throughout the company's operations.
- Ensure that all the knowledge transfer of; design specifications, patent input, operational systems, US-1 production techniques, customer base, 3rd party software and internally written code is transferred and properly understood.

Source: [Impossible Aerospace - Consultant Agreement FORM \(00178292-3\).DOCX](#)

Example 3

Scope of Work. The terms of this Agreement apply to the Consultant, an independent contractor, for the provision of services to the Organization. The Consultant shall perform projects (the "Scope of Work") assigned by the Organization's management ("Management"), the scope of which will be agreed to by the parties hereto in the case of each project. The Parties agree that neither the Organization, nor the Organization's agents, employees, or representatives, shall have any right to control or direct the details, manner or means by which the Consultant accomplishes his work under this Agreement. The Parties agree that the Consultant may be required to provide progress reports and other status updates to Management regarding his performance of this "Scope of Work."

Source: sec.gov/Archives/edgar/data/837852/000110465920092755/idx-20200630xex10d8.htm

Example 4

4. SCOPE OF WORK

4.1 Station characteristics and overall allocation of responsibility

The agreed technical concept of the Stations is described in Appendix C. Moreover, Supplier agrees that it will oversee and make sure the Stations are built to meet all necessary certification requirements set forth in the requisite national and local regulations, codes and standards.

Purchaser shall order Products from Supplier for the Stations until Products for at least a total production capacity of [*] have been ordered. Subject to the Purchaser's right to scale up the size of each Station to avoid overcapacity during the initial phase of the collaboration in accordance with Article 3.2, each Station shall have the following main characteristics:

- A balance of plant for [*] electrolyzers, with [*] electrolyzers and with the potential for expansion [*] electrolyzers.
- [*] electrolyser has the total production capacity of [*].
- Associated compression, cooling and dispensing equipment for 700 — seven hundred — bar fuelling.
- Necessary balance of plant, storage, transformers, rectifiers and other utilities.

Purchaser shall be responsible for the overall design, supply chain and construction of the Stations and for operation and maintenance of the Stations.

After acceptance of a relevant Purchase Order, Supplier shall be responsible for delivery of Products and Services ordered by Purchaser, according to this Supply Agreement. Supplier shall provide [*] of supply of Products to Purchaser [*], depending on timing and size of orders. Delivery of Services is subject to available capacity from time to time.

On an [*] and best efforts basis the Parties will work exclusively together to develop and optimise concept and design solutions for the Stations. The Parties will work together to choose the equipment and services needed to equip all Stations beyond the Products to be provided by Supplier.

4.2 Supplier's Scope of Work

Supplier's Scope of Work is set out in the responsibility matrix in Appendix A "Commercial Stations Scope of Supply". According to Appendix A Supplier shall be Purchaser's exclusive supplier of Products. Supplier's Scope of Work may be expanded by written agreements, including Purchase Orders for Services.

Preliminary technical specifications for Products are set out and included in Appendix C "Technical Specifications of Products". Appendix C will be replaced by a final Appendix C with frozen technical specifications for Products, including a simplified flow diagram, preliminary layout, specification of battery limits, design parameters, performance data, utility requirements, operation and maintenance manuals and list of drawings and documents. All Products shall comply with the design codes set out in Appendix C and the applicable local rules and regulations for the Stations.

Upon completion of the final Appendix C with frozen technical specifications for Products, Purchaser may order Engineering and Supplier Monitoring Services from Supplier for overall Station design and supply of parts beyond the Products. Terms for delivery of Engineering and Commissioning Services are set out in Article 7.3 herein. All Engineering and Supplier Monitoring Services shall comply with the design codes set out in Appendix C and the applicable local rules and regulations for the Stations.

Purchaser may order Installation support and Commissioning Services from Supplier (beyond Products installation and commissioning). Terms for delivery of Installation support and Commissioning Services are set out in Article 7.3 herein.

Purchaser may order Operation and Maintenance Services from Supplier for operation and maintenance of the Stations. Terms for delivery of Operation and Maintenance Services are set out in Article 7.3 herein.

4.3 Station parts not delivered by Supplier

Save for the Products, for which Supplier shall be Purchaser's exclusive supplier for the Stations, Purchaser shall have the right to manufacture or order from other suppliers any part of the Station.

Purchaser shall be responsible for all costs and risks associated with parts manufactured or ordered from others, including, but not limited to, liability for defects, [*], and necessary customized engineering following from choosing such parts.

If manufacturing or ordering from other suppliers parts for the Station(s) beyond the Products, Purchaser shall pay Supplier a Part Royalty pursuant to Article 7.4 herein.

Source: [sec.gov/Archives/edgar/data/1731289/000104746920001479/a2240989zex-10_18.htm](https://www.sec.gov/Archives/edgar/data/1731289/000104746920001479/a2240989zex-10_18.htm)

Golden Clause 4: Confidentiality

Classification

Asset Protection Risk

Criteria

- Definition of confidential information

- Duration of confidentiality obligations
- Permitted disclosures and legal exceptions
- Data handling and return/destruction upon termination

Example 1

1. The trade secrets mentioned in this agreement, including but not limited to the price, quantity, payment method involved in this agreement, the information of the other party exchanged by both parties in business contacts, and the trade secrets, company plans, operation activities, financial information, technical information, business information and other trade secrets, user data, sales prices, reports, etc. of the cooperation projects involved are the trade secrets of both parties. Both parties promise to keep the above-mentioned trade secrets in the process of discussing, signing and executing this agreement, and shall not disclose the above-mentioned trade secrets to any third party in any way. If one party to the agreement reveals the above-mentioned trade secrets due to the behavior of the other party, it shall have the right to ask the other party to bear all economic losses and all legal responsibilities.

2. The confidentiality clause is an independent clause, which is valid for a long time regardless of whether this agreement is signed, changed, dissolved or terminated.

3. The subjects involved in this clause are Party A and Party B, including but not limited to their branches, subsidiaries, other companies involved in operation and management as shareholders, companies with the same or similar business with shareholders of both companies, and all employees who may be involved in this agreement.

Source: [IN ACCORDANCE WITH ITEM 601 OF REGULATION S-K, CERTAIN IDENTIFIED INFO... | Law Insider](#)

Example 2

1. The terms and conditions of this Agreement/ Contract are confidential between the parties and shall not be disclosed to anyone else, except as shall be necessary to effectuate its terms.

"Confidential Information" shall not include information that:

- (a) is or becomes publicly known through no wrongful or unlawful act of the Contractor;
- (b) is independently developed by the Contractor without the benefit of ONGC's Confidential Information.

2. The Confidential Information will be used by the Contractor solely and exclusively for the purpose of this Contract and will be kept confidential and will not be disclosed, in whole or in part to any other person, except to those of the employees, directors, or any other person concerned, acting on their behalf, (collectively the "Representatives") of the Contractor who need to know such information for the Contract.

3. "Contractor shall not be deemed to be in breach of confidentiality for any disclosure of Confidential Information done with the prior written permission of ONGC or to the extent required to comply with applicable statutory law, rule or regulation, order from court or any statutory or governmental authority provided that the contractor provides reasonable prior written notice, takes all reasonable and lawful actions to obtain confidential treatment of such disclosure and disclose the minimum amount and scope of the confidential information necessary to comply with the applicable law, rules, regulations, order from court or any statutory or governmental authority."

4. Contractor shall procure that its Representatives to whom any Confidential Information is disclosed shall also be bound by this Agreement mutatis mutandis.

5. The Confidential Information shall be and remain the property of ONGC and any document containing or reflecting the Confidential Information, and all copies thereof, shall be promptly returned to ONGC upon written request, or destroyed at ONGC's option.

6. The obligations set forth herein with respect to Confidential Information will continue until such period that such information continues to be confidential and that obligation will continue notwithstanding the termination of business relationship with Contractor provided that Contractor's obligations herein shall cease upon return of the Confidential Information to ONGC or destruction of the Confidential Information with notice to ONGC.

7. Contractor acknowledges and agrees that it is aware (and that its representatives acknowledge and agree) that the Confidential Information being disclosed by ONGC or its representatives may be 'unpublished price sensitive information' as defined under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"). Contractor agrees that Contractor or any of its representative or affiliates shall not trade in the securities of ONGC while Contractor is in possession of the Confidential Information, other than in compliance with provisions of the Insider Trading Regulations.

Source:

https://fulfilment.gem.gov.in/contract/slafds?fileDownloadPath=SLA_UPLOAD_PATH/2024/Dec/GEM_2024_B_5701376/CLM0014/SLA_4cc91862-cc1a-46f5-a5c51734072498775_137293.pdf

Example 3

1. Both parties agree to endeavor to take all reasonable measures to keep in confidence the execution, terms and conditions as well as performance of this Agreement, and the confidential data and information of either party that the other party may know or access during performance of this Agreement (hereinafter referred to as "Confidential Information"), and shall not disclose, make available or assign such Confidential Information to any third party without the prior written consent of the party providing the information.

2. The above restriction is not applicable to:

(a) information that has already become generally available to the public at the time of disclosure;

(b) information that, after the time of disclosure, has become generally available to the public not because of either party's fault;

(c) information that either party can prove that it has already possessed before the time of disclosure and that has not been directly or indirectly acquired from the other party; and

(d) the foregoing Confidential Information that either party is obliged to disclose to relevant governmental authorities or stock exchanges, among others, as required by law, or that either party discloses to its direct legal counsels and financial advisors as needed during its due course of business.

3. Both parties agree that this clause will continue to remain valid and effective regardless of any alteration, cancellation or termination of this Agreement.

Source: [Exclusive Technology Consulting and Service Agreement Between Beijing ... | Law Insider](#)

Golden Clause 5: Limitation of Liability

Classification

Financial Risk

Criteria

- Liability cap linked to fees paid
- Exclusion of indirect, incidental, or consequential damages
- Clearly defined carve-outs

Example 1 – Balanced / Standard B2B (Zoho Style)

Field	Content
Title	LIMITATION OF LIABILITY
Clause	In no event shall either party be liable to the other for any lost profits, loss of data, or any form of indirect, special, incidental, or consequential damages, even if such party has been advised of the possibility of such damages.
Clause	The total aggregate liability of either party arising out of or related to this Agreement shall not exceed the total amount paid by the Client to the Provider under this Agreement in the twelve (12) months preceding the claim.
Source	https://www.zoho.com/blog/sign/six-essential-contracts-for-businesses.html (Synthesized Template)

Example 2 – Vendor Friendly (Wipro/Service Provider Style)

Field	Content
Clause	5.1 Exclusion of Damages: Consultant shall not be liable for any incidental, consequential, indirect, or punitive damages, including but not limited to lost revenue or profits, regardless of whether such liability is based on breach of contract, tort, strict liability, or otherwise.
Clause	5.2 Liability Cap: Consultant's total liability under this Agreement shall be limited to the fees actually received by Consultant from Client for the specific Statement of Work (SOW) giving rise to the claim.
Clause	5.3 Exceptions: The limitations in this section shall not apply to damages resulting from Consultant's gross negligence, willful misconduct, or fraud.
Source	https://contracts.onecle.com/wipro/eperipherals.sale.2000.08.30.shtml (Refined)

Example 3 – High Risk / Client Friendly (The "Red Flag")

Use this to train the AI to detect "Uncapped Liability" risks.

Field	Content
Clause	The Contractor shall be fully liable for all damages, losses, and expenses arising out of or resulting from the performance of the Services, without limitation.
Clause	The Contractor agrees to reimburse the Client for all costs incurred by the Client as a result of the Contractor's failure to perform its obligations, including cost of cover and substitute services.
Source	https://devsdata.com/wp-content/themes/intentionally-blank/assets/blog_posts/b2b/b2b_contract.pdf (Risk Variation)

Golden Clause 6: Indemnity

Classification

Legal / Compliance Risk

Criteria

- Indemnity limited to third-party claims
- Fault-based (negligence, breach, infringement)
- Clear notice, defence, and cooperation obligations

Example 1 – Mutual / Fair (The "Golden Clause")

Field	Content
Title	INDEMNIFICATION
Clause	Provider Indemnity: Provider agrees to indemnify, defend, and hold Client harmless from any third-party claims alleging that the Deliverables infringe any valid intellectual property rights.
Clause	Client Indemnity: Client agrees to indemnify, defend, and hold Provider harmless from any third-party claims arising from Client's use of the Deliverables in violation of applicable law or this Agreement.
Conditions	The indemnified party must: (i) provide prompt written notice of the claim; (ii) allow the indemnifying party sole control of the defense; and (iii) provide reasonable assistance.
Source	https://www.zoho.com/blog/sign/six-essential-contracts-for-businesses.html (Synthesized Template)

Example 2 – IP Specific (DevsData Style)

Focuses purely on the work product, which is common in IT contracts.

Field	Content
Clause	The Developer warrants that the software developed under this Agreement is original and does not infringe on the copyright or other intellectual property rights of any third party.
Clause	The Developer agrees to indemnify and hold the Client harmless against any and all claims, costs, and expenses (including legal fees) resulting from a breach of this warranty.
Source	https://devsdata.com/wp-content/themes/intentionally-blank/assets/blog_posts/b2b/b2b_contract.pdf

Example 3 – Broad / High Risk (Client Favored)

This is risky for Wipro because it covers "everything."

Field	Content
Clause	Vendor shall indemnify, defend, and hold harmless Customer and its affiliates from and against any and all losses, damages, liabilities, and costs arising from any claim related to Vendor's performance of the Services, regardless of fault.
Clause	Vendor's obligation to indemnify shall apply to any negligent act, omission, or breach of contract by Vendor, its employees, or subcontractors.
Source	https://www.lawinsider.com/clause/indemnification (Standard Broad Form)

Golden Clause 7: Intellectual Property

Classification

Asset Protection Risk

Criteria

- Clear distinction between background and foreground IP
- Ownership expressly defined
- No implied assignment or future IP grab

EXAMPLE 1 — LOW RISK

(Service provider retains background IP; customer gets licence)

Field	Content
Title	INTELLECTUAL PROPERTY OWNERSHIP
Clause	<i>SPCP shall retain all right, title, and interest, including all related Intellectual Property Rights, in and to the SPCP Technology, the Content and the Service. This Agreement does not convey to Customer any rights of ownership in or related to the Service.</i>
Conditions	Clear retention of background IP by service provider; customer receives no ownership, only contractual usage rights.
Source	Social Investment Holdings, Inc. https://fynk.com/en/clauses/intellectual-property-ownership/

EXAMPLE 2 — MEDIUM RISK

(Customer owns narrowly defined foreground IP only)

Field	Content
Title	INTELLECTUAL PROPERTY OWNERSHIP
Clause	<i>AbbVie's exclusive intellectual property ownership of intellectual property developed under the collaboration is limited to ABBV-157 and does not restrict the Company's ongoing development of other product candidates.</i>
Conditions	Ownership granted only for a specific, identified output; no spillover into other IP or future developments.
Source	Inventiva S.A. https://hhq.com.my/posts/dissecting-ip-related-clauses-in-it-contracts/

EXAMPLE 3 — HIGH RISK

(Work made for hire – all deliverables owned by customer)

Field	Content
Title	INTELLECTUAL PROPERTY OWNERSHIP
Clause	<i>The results of any work provided under this Agreement and any deliverables conceived or reduced to practice shall be the sole and exclusive property of Client and shall be a “work for hire” under the copyright laws of the United States.</i>
Conditions	All deliverables vest in customer; no express licence-back or reuse rights for the service provider.
Source	Vado Corp. https://hhq.com.my/posts/dissecting-ip-related-clauses-in-it-contracts/

EXAMPLE 4 — CRITICAL RISK

(Automatic assignment + future IP capture)

Field	Content
Title	INTELLECTUAL PROPERTY OWNERSHIP

Clause	<i>All Work Products shall be considered work made for hire and owned by the Company. Executive hereby assigns, and upon future creation automatically assigns, all Work Product without further consideration.</i>
Conditions	Automatic assignment; includes future IP; broad scope; survives termination.
Source	Investors Title Co. https://fynk.com/en/clauses/intellectual-property-ownership/

Golden Clause 8: Service Levels (SLA)

Classification

Operational Risk

Criteria

- Defined, measurable KPIs
- Realistic performance targets
- Service credits or remedies clearly capped
- Cure periods before escalation

EXAMPLE 1 — LOW RISK

(Clear metrics, realistic targets, capped credits)

Field	Content
Title	SERVICE LEVEL AGREEMENT
Clause	<i>Provider will meet the service levels set out in Appendix A, including response and resolution times based on incident priority. Performance will be measured monthly and reported to the Customer.</i>
Conditions	Clearly defined services; objective metrics; regular reporting and review cadence.
Business Explanation	Clear measurement and reporting reduce ambiguity and support predictable service delivery.
Source	https://www.ncrvoyix.com/dam/restaurant/docs/merchant-agreement-ac.pdf?srsId=AfmBOop_rLoeOQugxUL7YeJTJTjEn-JPUAGDpSRoAaZBbMWjyH9eQQFr

EXAMPLE 2 — MEDIUM RISK

(Tight response/resolution targets)

Field	Content
Title	SERVICE LEVEL AGREEMENT
Clause	<i>Provider will acknowledge P1 incidents within X minutes and work continuously until resolution or a business-validated workaround is in place. Hourly updates will be provided until resolution.</i>
Conditions	Very aggressive response and update obligations; continuous effort requirement.
Business Explanation	Operational pressure is high; requires strong staffing and escalation processes.
Source	https://www.syntax.co.uk/blog/outsourced-it-support/understanding-it-support-slals/

EXAMPLE 3 — HIGH RISK

(SLA failures tied to termination)

Field	Content
Title	SERVICE LEVEL AGREEMENT
Clause	<i>Persistent failure to meet service level objectives shall constitute a material breach of this Agreement, entitling the Customer to terminate upon written notice.</i>
Conditions	SLA performance directly linked to material breach; limited tolerance for underperformance.
Business Explanation	Operational issues escalate into contractual termination risk.
Source	https://www.lawinsider.com/clause/service-level-agreement

EXAMPLE 4 — CRITICAL RISK

(Punitive remedies, vague obligations)

Field	Content
Title	SERVICE LEVEL AGREEMENT
Clause	<i>Provider shall use best endeavours to provide 24/7 white-glove IT support and ensure uninterrupted availability of all systems.</i>
Conditions	Vague “best endeavours”; no measurable KPIs; absolute availability implied.
Business Explanation	Creates undefined and potentially unlimited performance expectations.
Source	https://www.syntax.co.uk/blog/outourced-it-support/understanding-it-support-sl原因/

Golden Clause 9: Governing Law & Jurisdiction

Classification

Legal / Compliance Risk

Criteria

- Governing law clearly specified
- Exclusive jurisdiction clearly identified
- Arbitration seat and venue defined (if applicable)
- No conflicting dispute resolution clauses

Example 1

Field	Content
Clause	This Agreement shall be governed by and construed in accordance with the laws of India. Subject to Clause [Dispute Resolution], the courts at Bengaluru, Karnataka shall have exclusive jurisdiction over all disputes arising out of or in connection with this Agreement.
Source	https://indiankanoon.org/doc/1162481/

Example 2

Field	Content
Clause	<p>. This Agreement shall be governed by the laws of India.</p> <p>Any dispute arising out of or relating to this Agreement shall be resolved by arbitration in accordance with the Arbitration and Conciliation Act, 1996.</p> <p>The seat and venue of arbitration shall be Mumbai, Maharashtra.</p> <p>Subject to arbitration, courts at Mumbai shall have exclusive jurisdiction.</p>
Source	https://contracts.onecle.com/

Golden Clause 10: Force Majeure

Classification

Operational Risk

Criteria

- Events beyond reasonable control clearly listed
- Notice obligation on affected party
- Obligation to mitigate and resume performance
- Suspension of obligations (not automatic termination)
- Termination only after prolonged force majeure

Example 1

Field	Content
Clause	<p>Neither party shall be liable for failure or delay in performance of its obligations under this Agreement if such failure results from events beyond reasonable control, including acts of God, floods, earthquakes, pandemics, epidemics, war, riots, governmental actions, or changes in law.</p> <p>The affected party shall promptly notify the other party and shall resume performance as soon as reasonably practicable</p>
Source	https://indiankanoon.org/doc/1120994/

Example 2

Field	Content
Clause	<p>. Force Majeure Events shall not excuse payment obligations accrued prior to the occurrence of the Force Majeure Event.</p> <p>The affected party shall use commercially reasonable efforts to mitigate the impact of such event and restore services.</p> <p>If the Force Majeure Event continues for more than ninety (90) days, either party may terminate the Agreement upon written notice.</p>
Source	https://contracts.onecle.com/