

PROJECT MANAGEMENT



 **BTS**
Training & Consultancy

International Contracting Principles Reading, Writing & Negotiating

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International Contracting Principles Reading, Writing & Negotiating

Introduction:

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. Too often the wording used in contracts is not properly understood by those who are making decisions relating to those contracts, and non-specialists are reluctant to get involved in the process of drafting and amending the documents which are critical to their company's success. There may also be problems in assessing amendments proposed by the other party, and determining whether these are reasonable, or are eroding your company's position. The course will deal with contracts written in the English language and follow principles widely used in international contracting. This will have a wide application across different businesses, and in different countries, while recognizing that there are special requirements in specific cases.

Who should attend?

Contracts, Purchasing, and Project Personnel, Engineering, Operational, and Maintenance Personnel, Project and Contracts Management Professionals, Tendering, Purchasing, Contract Administration Professionals and Personnel, Engineering, Operational, Finance, Maintenance Professionals, Managers and executives in the procurement, finance, legal, risk and supplier relations department, Business Managers, Commercial staff, Project Engineers, Procurement staff, Legal staff, Contracts analysts & Officers, Contract Leaders & Engineers, Cost & Planning Engineers, Contract Administrators, Contracting Unit Supervisors, Contract Strategists, Project Managers, General Managers involved in contract negotiation and disputes, Commercial Managers, Buyers, Purchasing Managers, Tenders Managers, Supply Chain Managers & Executives, Procurement Managers & Personnel, Construction Managers.

Course Objectives:

By the end of this course, delegates will be able to:

- Improve understanding of the main principles of contracts
- Understand the main terms and conditions of a contract
- Show how contract clauses can be used to mitigate risk
- Improve ability to draft, negotiate and amend contracts
- Gain knowledge of the most effective and commercial ways to resolve disputes
- Have an understanding of contract structures
- Learn how and why contracts are drafted in particular ways
- Enhance understanding of the legal principles behind contracts
- Learn some of the main clauses in different types of agreements
- Explain the commercial impact of particular provisions
- Discuss the differences between similar clauses in different international standards
- Write contract clauses clearly to avoid conflict
- Develop an understanding of when to accept proposed amendments, and when to reject them, including how to give clear reasons for such rejection
- Be able to amend documents to meet particular requirements, including the use of Special Conditions
- Acquire strategies and tactics for negotiating on possible contract amendments
- Use contract provisions to reduce the risk of disputes

Course Outline:

How and Why Contracts are drafted?

- Why we use contracts
- Formation of a Contract
- The key elements of a contract
- Oral or written?
- Electronic contracts
- Terms and Conditions of contract
- Agency issues
- The basic structure of a contract
- Incorporating documents by reference

- Standard Forms - International and Company
- Form of Agreement
- Precedence of documents – Special Conditions

Main Contract Clauses

- Obligation to deliver/perform
- Rework/re-performance
- Risk of Damage
- Title
- Compliance with law/change of law
- Indemnities
- Insurance
- Third parties
- Liability in negligence – relationship with contract conditions
- Variations and changes
- Product liability and defective goods - rejection of goods
- Intellectual property
- Taxation
- Suspension and termination
- Acceptance and Certificates
- Payment
- Liquidated damages/penalties
- Limits of liability
- Guarantee/Warranty/Maintenance
- Which law to apply in international contracts?

Other Documents

- Incorporating tender documents
- Letters of Intent or Award
- Letters of Comfort or Awareness
- Side Letters, Bank bonds and Guarantees
- Parent Company Guarantees

Writing Contracts

- Clarity of language
- Legal terms
- Definitions
- Translation

- Resolving conflict with a document or between sections

Negotiation and Resolution of Disputes

- Contract negotiation
- Dispute Resolution clauses
- Unequal bargaining positions
- Negotiation, compromise and settlement
- Litigation
- Arbitration
- Alternative methods of resolving disputes