

Workbook exercises:

Exercise 1 – Answer the questions related to understanding and correct wording of the following clauses

A.

This agreement is in legal force and therefore all the parts who signed it are expected to honour the obligations stated inside this document.

1. One of the underlined words / expressions in the above sentence is wrong. Identify and correct it.
2. One of these words / expressions could replace *honour*. Which one?
(A) comply with (B) agree with (C) amend
3. “Stated inside this document” should be substituted with a legal referencing word.
4. True or false: even if both parties to the contract agree to make some amendments, a binding contract can never be changed.

B.

On early expiry of this contract, the Hirer will be obliged to pay to the Owner, within 30 days, unless provision has been made for an extension of payment window, all amounts due. If any of the rules of the contract are broken, the vehicle will have to be returned at the earliest opportunity.

1. One of the underlined words / expressions in the above sentence is wrong. Identify and correct it.
2. True or false: *provision* has a similar meaning to *arrangement*.
3. What would be a better (more legal) word for both “rules” and “broken”?
4. True or false: in case of breach, the vehicle will have to be returned *immediately*?

C.

We are including this survival of contract clause just to be safe if any of the provisions are decided by the Court to be illegal

1. “Survival of contract” should be substituted with the correct name of such clause
2. “Just to be safe if” is a very informal expression; think of a more formal/legal way of saying it
3. “decided” is not a legal word; think of legal equivalent
4. “illegal” can be substituted with a more appropriate legal word

Exercise 2

Read the following clause carefully:

As (a) *aforementioned*, any dispute (b) *arising* from the formation or termination of this agreement shall be subject to this alternative dispute resolution provision. Since, within the scope of this agreement time is of the essence, the Parties shall use their (c) *best efforts* to jointly seek an (d) *amicable* resolution to the dispute within a maximum period of 30 days after identification of the dispute. If those efforts fail, the [contractor] may (e) *institute* binding arbitration. The arbitration shall be (f) *presided* by a (g) *mutually agreeable* arbitrator, or in case parties fail to choose an arbitrator who meets this criteria, by an arbitrator appointed by a court of competent jurisdiction. The arbitrator shall conduct the arbitration in the most (h) *expeditious* and (i) *cost effective* manner possible.

Part A - Understanding meaning:

1. What does the expression “within the scope of this agreement” in the third line mean?
2. What does the expression “time is of the essence” in the third line mean?
3. Must binding arbitration be pursued immediately after a dispute arises?
4. In the event that parties proceed to arbitration, does it matter which party chooses the Arbitrator?
5. What will happen if parties fail to agree on an Arbitrator?

Part B – Understanding vocabulary used:

Find below the plain English meaning for each of the italicised words in the clause above:

- | | | |
|----------------------------|-------------------------|-------------------------------|
| 1. To do all in your power | 2. friendly | 3. Acceptable to both parties |
| 4. directed | 5. As previously stated | 6. resulting (from) |
| 7. Cheap | 8. Fast | 9. Begin |