

4.

Proposal preparation and contract negotiation

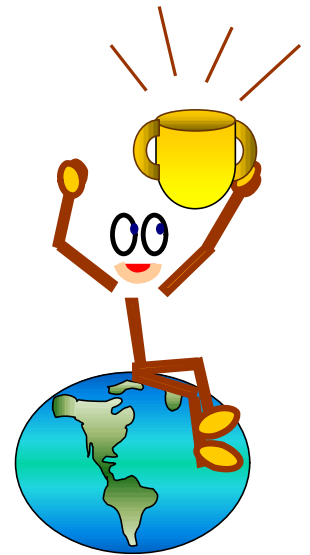
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Objective: To set out the division of responsibilities amongst the parties.

Why: To hold each party responsible for its portion of the joint effort and to clarify who does what.

Contents: A descriptions of the tasks and responsibilities of each of the parties.



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Applicable law

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Objective: To help the parties know how to interpret their obligations under the contract. To help the judge or arbitrator know how to determine liability under the contract.

Why: In some cases a neutral law will be selected. You may also select the applicable law for specific supply contracts.



Contents: Same as for spot contracts

Breakdown of clauses per type of contract

α Original clause

No clause included

ρ Additional specificity

No.	Type of clause	Spot Contract/ Regular Trading	Call-Off Fixed Contract	Partnership in Joint Venture
1.	Identifying the parties	α	α	α ρ
2.	Description of goods/services/capital investment	α	α ρ	
3.	Formation and purpose of consortium and consortium shares			α
4.	Duration		α	α ρ
5.	Volume		α	
6.	Proposal preparation and contract negotiation			α
7.	Contract price	α	α ρ	
8.	Contract price adjustment		α	
9.	Performance of the contract and variations			α
10.	Management Committee			α
11.	Delivery	α	α ρ	
12.	Inspection by the buyer	α	α	