

## Contract Review Checklist

\_\_\_\_\_  
(Name of Company)

\_\_\_\_\_  
(Deadline on Execution)

To: \_\_\_\_\_  
(Name and Title)

From: \_\_\_\_\_  
(Name of Company and Agent or Employee Initiating Contract)

Business Address: \_\_\_\_\_  
(street address, city, state, zip code),

Phone Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

### Must Initial when Reviewed.

#### I. Contract Purpose and Consideration:

"Consideration" is what the promisor demands and receives as the price for the promise. The promisor is the person making the promise, and the promisee is the person to whom the promise is made. Consideration consists of something to which the promisor is not otherwise entitled. It is not necessary to use the word "consideration" in a contract. **Review description of purpose of contract and terms of consideration.**

\_\_\_\_\_ (Initials)

#### II. Terms of Contract:

A. Date Contract Commences: \_\_\_\_\_ (Initials)

B. Date Contract Expires: \_\_\_\_\_ (Initials)

C. Cost to Company or Person (Promisee or Promisor): \_\_\_\_\_ (Initials)

#### III. Approval must be initialed by (Name).

A. Have you read contract in its entirety and approved of its contents?  
\_\_\_\_\_ (Initials)

B. Are all attachments and exhibits referred to in the contract attached?  
\_\_\_\_\_ (Initials)

C. Is a cover letter attached with the necessary approval? \_\_\_\_\_ (Initials)

D. Does the contract require expenditure in excess of \$\_\_\_\_\_? If this contract is approved has it also been approved by the Board of Directors?  
\_\_\_\_\_ (Initials)

E. Does the contract require expenditures more than \$\_\_\_\_\_? If so, have a minimum of two bids been obtained? \_\_\_\_\_ (Initials)

**IV. Identification of Parties**

Proper identification of parties includes full and appropriate name of the organization(s) and/or individual(s) involved, and complete addresses. \_\_\_\_\_  
(Initials)

A. Is the Company properly identified? \_\_\_\_\_ (Initials)

B. Is other party properly identified? \_\_\_\_\_ (Initials)

C. Are abbreviated descriptions of parties throughout the contract consistent?  
\_\_\_\_\_ (Initials)

**V. Terms of Agreement.**

A. Is the consideration properly and accurately stated? \_\_\_\_\_ (Initials)

B. If cash payments are to be made by the Company, does the contract specify when and where payments are due? \_\_\_\_\_ (Initials)

C. Have the consideration and business terms of the contract been reviewed and approved by department supervisor or other Company official?  
\_\_\_\_\_ (Initials)

**IV. Duties and Obligations**

A. Where will proposed contract activities take place? \_\_\_\_\_ (Initials)

B. Is each obligation described with sufficient clarity so that the parties know how it will be performed? \_\_\_\_\_ (Initials)

C. Does the contract properly identify the responsibility for national, state and local code requirements? \_\_\_\_\_ (Initials)

**V. Term and Termination**

A. Does the contract contain a clearly ascertainable starting and ending date? \_\_\_\_\_ (Initials)

B. Does the contract provide for a "no-fault" termination by the Company prior to the termination date? \_\_\_\_\_ (Initials)

C. Have you ensured that there is no automatic renewal provision? \_\_\_\_\_  
(Initials)

- D. Are there other termination provisions, such as:
- Termination for unsatisfactory performance? \_\_\_\_\_ (Initials)
  - Termination upon unexpected changes in contract terms? \_\_\_\_\_  
(Initials)
  - Termination upon payment of stipulated sum? \_\_\_\_\_ (Initials)
  - Automatic termination? \_\_\_\_\_ (Initials)

#### VI. Insurance Clause

- A. Is there an insurance clause in the Contract? \_\_\_\_\_ (Initials)
- B. Does the clause specify the types of insurance required? \_\_\_\_\_  
(Initials)
- C. The Company requires the following limits: \$1 million per occurrence; \$3 million annual aggregate. Are those limits specified? \_\_\_\_\_ (Initials)
- D. Does the contract require exchange of information via Certificates of Insurance (COI)? \_\_\_\_\_ (Initials)
- E. Is the other party required to name the Company as an additional named insured under its policies of insurance? \_\_\_\_\_ (Initials)

#### VII. Indemnity Clause

- A. Does the contract contain an indemnity clause? Indemnity clause should indemnify, defend and hold harmless the other party or parties from and against all claims and liabilities as a resulting from a negligent act or omission. \_\_\_\_\_ (Initials)
- B. Does the indemnity include "reasonable attorney fees"? \_\_\_\_\_  
(Initials)
- C. Are all parties subject to an indemnity clause? Indemnity provisions should be reciprocal and mutual among all parties. \_\_\_\_\_ (Initials)

#### VIII. Events of Default Clauses

- A. Does the contract provide termination in the event of default? \_\_\_\_\_  
(Initials)
- B. Are the events of default described with clarity and specificity? The default should be applied with equal force to both parties. \_\_\_\_\_ (Initials)

- C. Is there a provision for written notification of default to the defaulting party? \_\_\_\_\_ *(Initials)*
- D. Is there a provision to remedy default? Does it cure default upon initiation of corrective action? \_\_\_\_\_ *(Initials)*
- E. Does it require that corrective action be completed before default is cured? \_\_\_\_\_ *(Initials)*
- F. Does the contract provide for written notification of termination? \_\_\_\_\_ *(Initials)*

**IX. Dispute Resolution**

- A. Does the contract contain a "dispute resolution" provision? \_\_\_\_\_ *(Initials)*
- B. Have you ensured that mediation is not specified as a means of dispute resolution? Mediation is not an approved method by the Company, so this would need to be changed. \_\_\_\_\_ *(Initials)*

**X. Force Majeure Clause (Causes Beyond the Parties' Control)**

- A. Does the contract contain a force majeure clause? \_\_\_\_\_ *(Initials)*
- B. If so, does the contract address delay in performance caused by forces beyond the parties' control? \_\_\_\_\_ *(Initials)*

**XI. Confidentiality Clause.** Does the contract contain a confidentiality clause? \_\_\_\_\_ *(Initials)*

**XII. Remedies Clause**

- A. Does the contract clearly specify the remedies available in the event of breach? \_\_\_\_\_ *(Initials)*
- B. Does it provide for money damages? Are they related to the actual facts of the contract? \_\_\_\_\_ *(Initials)*
- C. Does it provide for cumulative remedies? \_\_\_\_\_ *(Initials)*
- D. Does it provide for recovery of attorney's fees, court costs, etc.? \_\_\_\_\_ *(Initials)*

**XIII. Miscellaneous Provisions**

- A. Does the contract contain an entire agreement clause? The written contract is to be the whole agreement. There are no "off the record," verbal or "side" agreements. \_\_\_\_\_ *(Initials)*

- B. **Governing law:** is the choice of law governed by the State of \_\_\_\_\_ (name of state)? \_\_\_\_\_ (Initials)
- C. Can the contract be assigned to a third party? \_\_\_\_\_ (Initials)
- D. Is there a section for Notices (name and address)? Be sure to include necessary "with copies to." Any notices should be sent via Certified Mail, Return Receipt Requested and regular mail. \_\_\_\_\_ (Initials)

**XIV. Execution**

- A. Does person signing have authority as an Officer of the Company? \_\_\_\_\_ (Initials)
- B. Is the vendor's representative authorized to sign the contract? \_\_\_\_\_ (Initials)
- C. Is there provided space for the data of each signature, but clarify "effective date," whether "date of last signature" or "as contained in the agreement." (Initials)

Witness my signature this the \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_\_.

Submitted By:

\_\_\_\_\_  
(Signature of Person Initiating Contract)

\_\_\_\_\_  
(Printed Name of Signatory)