

Contact Risk Checklist

Indemnity Clauses

- * Watch for phrases like "indemnify for any and all claims," "arising out of or related to," "including third-party claims".
- * Check if liability is unlimited or outside your control.
- * Seek clear limitations tied to contract value or your actual responsibility.

Automatic Renewal Clauses

- * Identify terms like "automatically renews unless," "continues for successive terms," "notice required 90/180 days prior."
- * Confirm renewal conditions apply equally to both parties.
- * Set shorter notice periods and require mutual consent for continuation.

Buried Exclusivity Provisions

- Look out for "exclusively to Customer," "sole supplier," "exclusive dealing arrangement," or restrictions hidden in scope definitions.
- Ensure exclusivity is limited in time, geography, or industry segment.
- Avoid clauses that entirely block future business opportunities.

Integration (Entire Agreement) Clauses

- Spot terms such as "this agreement constitutes the entire agreement," "supersedes all prior negotiations," "no oral modifications."
- Ensure all verbal promises, proposals, and email commitments are written into the contract.
- Avoid relying solely on verbal assurances for critical obligations.

Limitation of Liability

- Watch for asymmetric caps that protect the other party more than you.
- Examine consequential damage waivers to ensure they apply fairly to both parties.
- Negotiate mutual, reasonable caps linked to contract value or insurance coverage.

Arbitration and Class Action Waivers

- Identify phrases like "binding arbitration," "waives right to jury trial," "no class action participation."
- Check who selects and funds arbitrators.

- Retain the right to join collective legal actions for systemic issues

Unilateral Amendment Rights

- Look for "terms subject to modification at our discretion," "may change these terms at any time," "changes effective upon notice."
- Require mutual agreement for changes in pricing, service scope, and obligations.
- Define fixed review periods for amendments with proper notice.