

## **CONTRACTING TIPS AND BASIC INCLUSIONS**

### Tips:

1. Keep legalese to a minimum, clearly state all clauses and requirements.
2. Grant the vendor equal rights in the initial contract for the items that won't affect the outcome of the negotiations (confidentiality, termination, use of trademarks, etc.).
3. Use exact language, avoiding vague phrases and make sure each requirement is followed by an exact explanation.
4. Make sure to be specific both for affirmative and negative clauses. For example if there are no minimum order quantities specify that clearly in the "Responsibilities" section.

### **Basic inclusions**

#### 1. Introduction

- Name and description of parties.
- Description of equipment or services to be provided.

#### 2. Duration

- Agreement duration specified?
- Re-negotiation terms clearly specified?

#### 3. Responsibilities

- Minimum order quantity?
- Retention of records specified?
- Access to records specified? (re: donor requirements)
- Ordering methods specified?
- Required shipping/invoicing/donor documentation specified?

#### 4. Price

- What is included?

- What is not included?
- Tax applied?
- Price protection?
- “Best published price” provision included?
- Volume discounts?

#### 5. Delivery

- Specific delivery times given?
- Who pays for delivery?
- Delivery terms? (CIF, FOB, etc.)
- Inspection terms and responsibility (Vendor, 3<sup>rd</sup> party)
- Acceptance terms?
- Penalties for late delivery? (If so provide exact penalties).

#### 6. Payment

- Payment terms specified?
- Invoice address specified?
- Currency specified?

#### 7. Warranty

- When commenced?
- For how long?
- For what?
- Replacement/repair procedures identified?

## 8. Termination

- For convenience of purchaser and seller.
- For default of seller.
- For reduced funding or closure of country office.

## 9. Damages and Liabilities

- Indemnification
- Insurance

## 10. Disputes

- How to resolve?
- Jurisdiction?
- Arbitration?

## 11. Additional Terms and Conditions

- Assignment
- Force Majeure
- Confidentiality (covering both the Vendor and WORLD VISION)
- Use of trademarks
- Addition of products
- Notices (full names and contact information for each party)
- Authorized order personnel, clearly noted.

## 12. Representations

- Signatures.
- Attachments (including price list, RFP documents, amendments, etc.)