



Essential Step-by-Step Contract Review Guide

♠ Parties and Definitions

- *Ensure all parties are correctly identified with legal names and roles.*
- *Watch for capitalised terms in the “Definitions” section — they often shape the entire agreement.*
- ☐ Are all parties correctly and fully identified (legal names, business entities)?
- ☐ Are roles and responsibilities of each party clearly defined?
- ☐ Are key terms clearly defined in a definitions section?

♠ Scope of Work or Services

- *Confirm clear descriptions of services, deliverables, and timelines.*
- *Flag vague phrases like “reasonable efforts” or “as needed” to avoid ambiguity.*
- ☐ Is the scope of work or services described in detail?
- ☐ Are deliverables, deadlines, and milestones specified?
- ☐ Are responsibilities of each party clear and unambiguous?

♠ Payment Terms

- *Verify payment schedules, methods, late fees, and hidden costs.*
- *Check for set-offs and deductions that allow unfair withholding of payments.*
- ☐ Are payment amounts, schedules, and methods specified?
- ☐ Are late fees, interest on overdue payments, or penalties clearly stated?
- ☐ Are expenses, taxes, and reimbursements addressed?



♠ **Liability and Indemnity**

- *Review clauses assigning risk and financial responsibility.*
- *Negotiate any unlimited liability or one-sided indemnity clauses.*
- ☐ Is liability capped or unlimited?
- ☐ Are indemnity provisions fair and mutual?
- ☐ Are any exclusions or limitations of liability specified (except for death and personal injury which cannot be limited by law)?

♠ **Confidentiality and IP**

- *Ensure intellectual property and sensitive information are protected.*
- *Confirm clear remedies for breaches of confidentiality.*
- ☐ Is there a confidentiality clause protecting sensitive information?
- ☐ Are the duration and scope of confidentiality obligations reasonable?
- ☐ Who owns existing and newly created IP?
- ☐ Are licenses or usage rights properly addressed?
- ☐ Are trademarks, copyrights, patents mentioned if applicable?

♠ **Termination, Renewal, and Modifications**

- *Understand how and when the contract can be terminated or renewed.*
- *Set reminders to avoid being caught in auto-renewal traps.*
- ☐ What is the duration of the agreement (fixed term, renewal, indefinite)?
- ☐ Are termination conditions outlined (for cause, convenience)?
- ☐ Are notice periods and procedures for termination clearly described?



♠ **Governing Law and Jurisdiction**

- *Check where disputes will be resolved and how the contract will be interpreted.*
- *Prefer a jurisdiction that is familiar and fair to your business.*

♠ **Dispute Resolution**

- *Identify mediation, arbitration, or litigation clauses for conflict handling.*
- *Ensure the dispute resolution process is realistic and cost-effective.*
- ☐ Is the governing law and jurisdiction clearly identified?
- ☐ Is there a clause for mediation, arbitration, or litigation?
- ☐ Are legal costs and legal fees addressed?

♠ **Boilerplate Clauses**

- Review standard clauses like entire agreement, force majeure, assignment, and severability.
- Don't skip the fine print — these affect enforceability and rights.
- ☐ Does each party affirm they have the authority to enter the contract?
- ☐ Are there any guarantees about quality, timelines, or performance?
- ☐ Does it state how changes must be made (variation of agreement) (in writing, signed by both)?
- ☐ Does it include an "entire agreement" clause that supersedes prior agreements?
- ☐ Is there a clause addressing events beyond the parties' control (natural disasters, war, etc.)?
- ☐ Are signature blocks correctly formatted for all parties?
- ☐ Are authorised signatories signing?
- ☐ Are dates of signing included?



Extra Review Tips

- ☐ Read it thoroughly and more than once.

Legal language can be dense and unnecessary use of words can blind the meaning of the clauses —highlight unclear terms and research them.

- ☐ Use plain language translation tools or consult legal professionals (like me!) to clarify complex legal jargon.
- ☐ Watch for ambiguity. Vague terms like “reasonable,” “appropriate,” or “as needed” can cause disputes later as they are open to interpretation and very broad.
- ☐ Check for missing schedules or attachments mentioned in documents that are not included with the main set of terms. Ensure exhibits, appendices, policies or referenced documents are included and consistent, ask for copies if not provided.
- ☐ Be cautious with automatic renewal clauses. These can lock you in—check for opt-out requirements or notice periods. Always set reminders if you agree to auto renew clauses.
- ☐ Assess risk exposure. Consider worst-case scenarios—who bears the loss, and is the balance fair?
- ☐ Ensure mutuality. Many clauses (e.g., confidentiality, indemnity, non-compete) should apply to both parties unless otherwise justified – ensure these are capped.
- ☐ Confirm compliance with applicable laws. Especially for employment, privacy, and international contracts.
- ☐ Don’t accept “standard terms” blindly. Even standard contracts can be negotiated.