

CONTRACT

“AN AGREEMENT OR COVENANT BETWEEN TWO OR MORE PERSONS, IN WHICH EACH PARTY BINDS HIMSELF TO DO OR FORBEAR SOME ACT, AND EACH ACQUIRES A RIGHT TO WHAT THE OTHER PROMISES;

A MUTUAL PROMISE UPON LAWFUL CONSIDERATION OR CAUSE, WHICH BINDS THE PARTIES TO A PERFORMANCE;

A BARGAIN;

A COMPACT.”

ELEMENTS OF A CONTRACT

UNDERSTANDINGS (BACKGROUND)

PARTIES

PURPOSE

TERM

WORK DESCRIPTION

LIABILITIES & PENALTIES

PAYMENTS (CONSIDERATION)

EXECUTION

- WHO - THE PARTIES TO THE CONTRACT
- WHAT - THE DESCRIPTION OF THE WORK OR SERVICE TO BE PERFORMED
- WHY - THE REASON, OR PURPOSE FOR THE CONTRACT
- WHEN - THE TIME BY WHICH THE CONTRACT IS TO BE COMPLETED
- HOW - THE CONTRACT SPECIFICATIONS
- WHERE - THE LOCATION OF WHERE THE WORK OR SERVICE IS TO BE PERFORMED, OR WHERE THE ITEM IS TO BE DELIVERED
- WHAT DEGREE - LIMITS OR UNDERSTANDINGS ON PERFORMANCE