ODATUWA ORITSEMEYIWA JEFFREY

COMPUTER ENGINEERING

17/ENG02/060

Snap test 2

2. (i)

Force majeure is commonly defined as an unforeseen irresistible force, such as an act of God or war. Performance of a contract by a party facing a force majeure situation may be impossible. Recognising this, most contracts include a force majeure clause, which permits a party, when facing a force majeure situation, to temporarily suspend its performance under the contract.

Suspension under a contract, in accordance with its force majeure clause, entitles the party suspending it to be exempted from performing its obligations under the contract. Accordingly, during the period of suspension, such party is not held liable for breach of its contractual obligations. The contract springs back to life and operation once the force majeure situation subsides. The contracts usually also provide for termination, if the force majeure situation continues beyond a specific number of days.