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17/ENG04/048

Electrical/Electronics Engineering

CLASS TEST 2 OF JUNE 22nd 2020

Force majeure is a common clause in contracts that essentially frees both parties from liability or obligation when an extraordinary event or circumstance beyond the control of the parties, such as a war, strike, riot, crime, epidemic or an event described by the legal term act of God, prevents one or both parties from fulfilling their obligations under the contract. In practice, most force majeure clauses do not excuse a party's non-performance entirely, but only suspend it for the duration of the force majeure.

Force majeure is generally intended to include occurrences beyond the reasonable control of a party, and therefore would not cover:

• Any result of the negligence or malfeasance of a party, which has a materially adverse effect on the ability of such party to perform its obligations

• Any result of the usual and natural consequences of external forces.

As a Practicing electrical electronic engineering I have found that the force majeure clause applies majorly when there is an issue with nature ie lighting storms which make it an unsafe environment to install equipment

Economics acts like inflections which bump up the price on already pre negotiated contracts

Force majeure in any given situation is controlled by the law governing the contract, rather than general concepts of force majeure. The law of the contract often specified by a choice of law clause in the agreement, and if not is decided by a statute or principals of general law which apply to the contract. The first step to assess whether - and how - force majeure applies to any particular contract is to ascertain the law of the country which governs the contract.