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17/ENG01/028

CHEMICAL ENGINEERING

ENG 384 (SHORT TEST 1)

A force majeure is an event or effect that can be neither anticipated nor controlled. It is a contractual able. These clauses are inserted into contract to excuse a party from liability if the events which could not be foreseen prevents that party from fulfilling its contractual obligations.

Some of the events of force majeure include;

1) Company A entered into a supply contract for a non-essential good with company B and such supply contract makes specific reference to occurrence of a force majeure event and consequences of the same.

Since in present times, due to the corona virus, the lockdown imposed by the government can be constructed as an act/order of the government, company B will be required to issue a notice to company A indicating that such an event has occurred and the lockdown is beyond the control of company B and therefore provisions of force majeure will trigger and all obligations of company A shall be deferred for a period during which the lockdown continues to be in effect.

2) If Shell has a contact with NNPC to supply a derrick man for their drilling equipment, If the safety harness used for climbing cuts when the derrick man is already up, it could lead to his death. Shell will have to compensate the workers family but because the contract has already been signed by both companies, NNPC is required to provide other personnel to undertake the job based on the stipulated contract.