



Minimize Risk - Maximize Performance

Contract Review Checklist - SR Risk Rating

Project Name: _____ Client: _____

Date of Review: _____ Contract Return Date: _____

Review Conducted By: _____

Contract Provision:	Risk Rating:
<p>1. Scope of Services: List of agreed basic services and services at an additional fee.</p> <ul style="list-style-type: none"> ◇ Services not identified are excluded from the scope of services. ◇ <i>Specific</i> to the project ◇ Sufficient <i>detail</i> ◇ <i>Services not identified, are not included</i> 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>2. Standard of Care: Exercise the degree of care and skill ordinarily practiced under similar circumstances by design professionals providing similar services.</p> <ul style="list-style-type: none"> ◇ Limit to <i>ordinary skill, care, judgment</i> ◇ Avoid service description such as <i>highest, best, superior, specialists</i> 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>3. Indemnity: Agreement holding the client harmless from liability, costs and damages and reasonable attorney fees.</p> <ul style="list-style-type: none"> ◇ <i>Only to the extent caused by negligence</i> in performance of services ◇ Remove <i>duty to defend</i> against <i>any and all</i> claims ◇ <i>Does not exceed</i> statute of limitations 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>4. Dispute Resolution: Agreement on to how to handle all claims and disputes arising out of this agreement.</p> <ul style="list-style-type: none"> ◇ State <i>negotiation</i> as the <i>first step</i>. ◇ Agreement to <i>non-binding mediation</i> prior to the initiation of legal proceedings. ◇ Avoid <i>mandatory arbitration</i>. 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>5. Limitation of Liability (LOL): Limits the firm’s liability for the Clients damages.</p> <ul style="list-style-type: none"> ◇ Client <i>agrees to limit</i> the firms <i>total liability</i> ◇ Accepts a <i>specific sum</i> or firms <i>service fees</i>, whichever is greater ◇ Limited to the amount of <i>insurance available at the time</i> of the claim 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>6. Consequential Damages: Liability and claims for indirect and consequential damages.</p> <ul style="list-style-type: none"> ◇ <i>Delete</i> entirely ◇ <i>Neither party</i> shall be <i>liable</i> to the other or shall <i>make any claim</i> ◇ Agreement connected in <i>anyway</i> to the <i>Project</i> or this <i>Agreement</i> ◇ <i>Mutual waiver</i> not limited to, <i>loss of use, profits, income, property value</i>, etc ◇ Apply to <i>any cause of action</i> including negligence, strict liability, contract, etc 	<p>Low – Moderate – High 1 2 3 4 5 Recommendation/Actions:</p>

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<p>7. Instruments of Service: The use of reports, notes, drawings, specifications, data, calculations, and other documents supporting the project.</p> <ul style="list-style-type: none"> ◇ For the <i>construction and maintenance</i> of the <i>project</i> under this <i>agreement</i> ◇ Use of instruments once <i>paid in full</i> for services rendered ◇ Remains <i>design professionals property</i> ◇ <i>Misuse</i> by Client, firm <i>not liable</i> 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>8. Reliance: Ability to rely upon information and services provided by the Client.</p> <ul style="list-style-type: none"> ◇ Entitled to <i>rely, without liability</i>, the <i>accuracy and completeness</i> ◇ Including information from <i>public records</i> ◇ Without the need for independent <i>verification</i> 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>9. Construction Phase Services: Shall not supervise, direct, or have control over Contractor’s work and shall not have authority or responsibility for means and methods.</p> <ul style="list-style-type: none"> ◇ <i>Remove inspection</i> and replace with <i>observation</i> ◇ Purpose is for <i>general compliance</i> with design documents ◇ Specifically state number of <i>visits</i> and during which <i>project intervals</i>. ◇ Include <i>not</i> to an <i>exhaustive checks</i> 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>10. Job Site & Project Safety: Job site and project safety responsibilities and requirements</p> <ul style="list-style-type: none"> ◇ <i>Duty</i> of the <i>General Contractor</i> during construction ◇ Project completed, <i>responsibility of Owner</i> ◇ Owner holds <i>firm harmless</i> 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>11. Warranties and Guarantees: Services provided will be rendered without any warranty, and/or guarantees, expressed or implied.</p> <ul style="list-style-type: none"> ◇ Delete all <i>warranties and guarantees</i> statements ◇ Include <i>not responsible</i> for the performance of the <i>Contractor</i> ◇ <i>Observation, or certify shall not</i> constitute a <i>warranty or guarantee</i> 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>12. Payment of Services: Define the details of payment terms.</p> <ul style="list-style-type: none"> ◇ Specific <i>payment terms, timeframes</i> ◇ Late payments, <i>interest, attorney fees, collection costs</i> ◇ <i>Documents</i> needed when submitting invoices 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>12. Suspension & Termination: Methods and conditions for suspension and termination.</p> <ul style="list-style-type: none"> ◇ Make sure terms are <i>not one-way</i> for Client ◇ Client provides <i>written notice</i> ◇ <i>Pay for all services rendered</i> to the date of suspension ◇ <i>Client does not pay</i> invoices, <i>suspend work</i> until payment made current ◇ Indemnify and <i>hold firm harmless</i> from liability resulting from suspension ◇ Right to <i>suspend or terminate</i> if <i>Client</i> is in <i>default</i> of contract terms ◇ Consider a <i>restarting fee</i> after suspension 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>13. Shop Drawing Review: General conformance with the design concept and information shown in the Construction Documents.</p> <ul style="list-style-type: none"> ◇ Limit purpose of the <i>review</i> to checking for <i>general conformance</i> ◇ <i>Review</i> of an item <i>does not indicate</i> a review of an <i>entire assembly</i> ◇ <i>Does not relieve contractor</i> from <i>compliance</i> with plans and specifications 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>
<p>14. Code and Regulatory Compliance: Shall exercise usual and customary professional care in efforts to comply with laws, codes and regulations.</p> <ul style="list-style-type: none"> ◇ In effect at the <i>time of the contract</i> signing ◇ Entitled to <i>compensation and schedule</i> adjustments for changes ◇ <i>Conflicts</i>, Client agrees to <i>corporate</i> in the effort to resolve 	<p>Low – Moderate – High 1 2 3 4 5 Recommendations/Actions:</p>

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NOTE: Any category with a risk-rating of 2 or higher, actions should be taken to lower risk.

Contract SR Risk Rating: ____
Add all category risk ratings.
Target **28 or less**.

Recommendations/Actions: _____

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