



Quiz

Managing Contractual Relationships in a post COVID-19 world

1. What is a force majeure clause?
 - a. A clause in an agreement that allows for the termination of a contract when an unexpected event happens
 - b. A clause in an agreement that provides relief to one party in performing their contractual obligations when an unexpected event happens
 - c. A clause in a contract that allows a party 'step-in' rights to enable them to fulfil their contractual obligations with a third party if a party to the contract is unable to fulfil their contractual obligations
 - d. A common law principle which allows a party to terminate a contract in the event that a contract becomes impossible to perform and what has agreed to has been radically changed.
2. Which of the following is an important consideration when drafting a force majeure event?
 - a. Causation, that is the circumstances that trigger the force majeure clause
 - b. Notice
 - c. Mitigation requirements
 - d. All of the above

3. Which of the following should be used as a 'last resort' in terminating a contract due to unforeseen circumstances?
 - a. Force Majeure
 - b. Frustration
 - c. Negotiating directly with the other party
 - d. Amending/varying the original contract

4. How does a time of the essence clause effect a force majeure clause?
 - a. A time of the essence clause takes precedence over a force majeure clause
 - b. A force majeure clause takes precedence over a time of the essence clause
 - c. They are completely independent of one another and do not have any effect on the validity of the other
 - d. A force majeure clause extends the time given to a party under a time of the essence clause

5. What will be the new monetary threshold to which an individual or business who is supplied goods and services will be considered a consumer after July 2021?
 - a. If they are supplied goods and services which are less than \$40,000
 - b. If they are supplied goods and services which are less than \$100,000
 - c. If they are supplied goods and services which only exceed \$40,000
 - d. If they are supplied goods and services which only exceed \$100,000

Answers:

1. B 2. D 3. B 4. A 5. B