

Negotiating Contracts Checklist

Use this checklist to ensure your contract has essential components in place.

1. Contractor details	Yes (✓)	No (X)	Notes
1.1 Contract includes name of contractor?			
1.2 Contract includes contractor ACN?			
1.3 Contract includes contractor ABN?			
1.4 Contract includes the contractor's registered office address?			
1.5 Contract includes the contractor's business premises address?			

2. Terms	Yes (✓)	No (X)	Notes
2.1 Contract includes a commencement date?			
2.2 Contract includes an expiry date?			

3. Annual supply levels	Yes (✓)	No (X)	Notes
3.1 Contract includes information about supply zones for each year of contract?			
3.2 Contract includes information about supply levels for each year of contract?			
3.3 The contract includes an annual plan for harvest?			

4. Annual harvest and haulage periods	Yes (✓)	No (X)	Notes
4.1 Contract specifies periods for harvest and haulage in terms of months?			
4.2 The contract includes a monthly plan for harvest and haulage?			

5. Excess shifts between harvest sites	Yes (✓)	No (X)	Notes
5.1 The contract includes rates for moving harvest and haulage equipment between harvest sites?			
5.2 The contract includes an allowance for float hire to move harvest and haulage equipment?			
5.3 The contract includes a method for harvest and haulage			

contractors to be reimbursed for costs related to moving equipment between harvest sites?			
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6. Harvest rates (Refer to Activity: Harvest rates 1 & 2)	Yes (✓)	No (X)	Notes
6.1 The contract includes rates for site yield for varied grades of product in terms of \$/m ³ ?			
6.2 The contract includes add-on rates for varied site conditions, such as slope and/or rock?			

7. Haulage rates (Refer to Activity: Haulage rates)	Yes (✓)	No (X)	Notes
7.1 The contract includes rates haulage of products in terms of \$/Tonne/km for varying road conditions?			
7.2 The contract defines various road classifications?			
7.3 The contract includes allowances for distance adjustments factors?			
7.4 The contract makes allowances for waiting times on roads?			

8. Equipment	Yes (✓)	No (X)	Notes
8.1 The contract allows for equipment to be specified?			
8.2 The contract provides hourly rates for the operation of various equipment types?			

9. General	Yes (✓)	No (X)	Notes
9.1 The contract includes definitions and interpretations of specific terms?			
9.2 The contract includes information about how rates and conditions will be reviewed?			
9.3 Does the contract include details about how you could end the contract, should you wish to do so before the contract end date?			

10. Does the contract meet your needs? (Refer to Activity: Work out your cash flow)	Yes (✓)	No (X)	Notes
10.1 What are the fixed costs of operating your business?			
10.2 What are the variable costs of operating your business?			

10.3	What are the ongoing costs of operating your business?			
10.4	What are your biggest expenditures?			
10.5	Does the contract allow you to have regular cash flow in your business?			
10.6	Do the terms of the contract allow you to meet your monthly costs?			
10.7	Do the terms of the contract allow you to meet your annual costs?			
10.8	Can you earn a viable income from this contract?			

Query any items checked 'No' on this checklist.