

Impact of COVID-19 on Contract Disputes

Emilia Shi

Senior Partner

CONTENTS

1 Assessment

2 Defense to
Nonperformance

3 Specific Agreements

4 Action Plan/Tips

Assessment

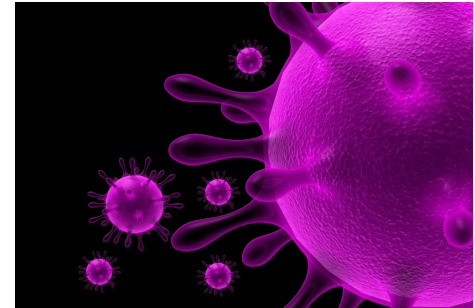


Key Provisions

- Representations, warranties & covenants
- Termination rights
- Force majeure clause
- Notice requirements
- Liability for breach/default
- Applicable Law
- ...



Impact of Non-performance



Defence to Non-performance

01

Force Majeure

- Different types of force majeure clauses
- What if there is no force majeure clause



Intended to do

02

Change of Circumstances

- Triggering a right to negotiate
- *in pectore judicis* of the arbitrators/judges to amend the contract

Court practices in China

03

Material Adverse Change

- Definition
- Right to avoid performance or terminate the contract

How to determine “Materiality”

Specific Agreements

Commercial/Financial

- Sales/Supply Agreement
- Construction Agreement
- Lease Agreement
- Loan Agreement
- ...

Losses?

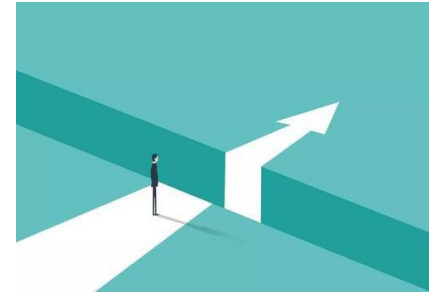
Insurance Coverages?

Employment Agreements

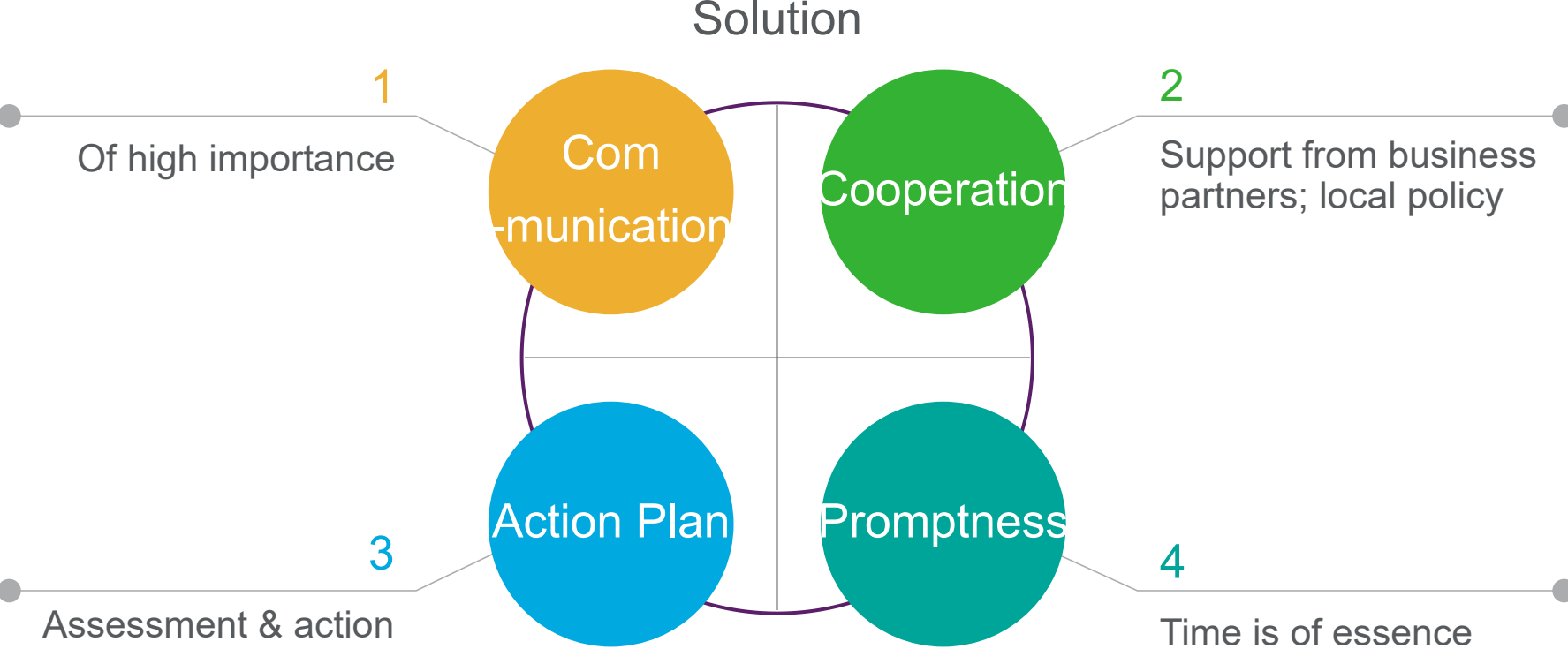
- For cause/without cause
- Massive lay-off

Business Shutdown

N+?



Action Plan/Tips



Thank you



Emilia Shi

Senior Partner

Tel: +(86) 21-2028 3827

Cell: +(86) 1330 1693 966

Email: emilia.shi@dentons.cn

Ms. Shi specializes in merger & acquisition, capital markets, F&B, foreign direct investment, corporate governance and compliance. Ms. Shi has undertaken several major projects entrusted by clients, which is relevant to real estate, energy, finance, chemicals, media, automobiles, machinery manufacturing, etc. Ms. Shi has been in charge of compliance for two of the world's top 500 companies.

Dentons is the world's largest law firm, delivering quality and value to clients around the globe. Dentons is a leader on the Acritas Global Elite Brand Index, a BTI Client Service 30 Award winner and recognized by prominent business and legal publications for its innovations in client service, including founding Nextlaw Labs and the Nextlaw Global Referral Network. Dentons' polycentric approach and world-class talent challenge the status quo to advance client interests in the communities in which we live and work

www.dentons.com.

© 2019 Dentons. Dentons is a global legal practice providing client services worldwide through its member firms and affiliates. This publication is not designed to provide legal advice and you should not take, or refrain from taking, action based on its content. Please see dentons.com for Legal Notices.