LANGUAGE CLAUSE IN INTERNATIONAL CONTRACTS

When the parties of an international contract use different languages a language clause should be included in the contract. Even if the parties adopt as the only language one in particular, there must be a clause specifying which version of the document is the official one.

Moreover, it should be mentioned that when there are two language versions of a contract, either because they are required by the law of one of the countries of the parties or because the parties feel more secure about their rights and obligations, it is advisable to insert a clause specifying which language prevails over the other in case of differences among the parties. It is also important to specify which language to use for notifications, especially in long-term contracts.

While the choice of language is free - except in some cases, for example, when the law of a country forced to draft the contract in its language to protect its interests - will depend on many factors, such as the language used most often in the activity sector of the parties. It is important to choose the same language of the applicable law and the Court that will have to resolve disputes between the parties. If the contract is subject to the same language as the law that is applicable as well as the language of the Court that should resolve potential disputes either in Arbitration or in Court, and will save many problems and costs.

If the international contract is two or more languages (English, Spanish, French, German, Chinese, etc.), the language clause has to establish which version prevails over the others in case of disputes. If not, international regulations such as UNIDROIT Principles should be applied. In Article 7.7 of these Principles deals with linguistic discrepancies: Where a contract is drawn up in two or more language versions which are equally authoritative there is, in case of discrepancies between the versions, a preference for the interpretation according to a version in which the contract was originally drawn up.

Language Clause (English)

The whole text of the present Contract, as well as the documents derived from it, including those in the Annexes, have been written in ............... and English, both versions being deemed authentic, but for legal purposes the text in ........... is to be given priority of interpretation.

Language Clause (Spanish)
El texto integro de este contrato, así como los documentos que se deriven del mismo, incluidos los Anexos, han sido redactados en los idiomas ............ y Español, considerándose ambas versiones como oficiales, si bien se fija como prioritaria para su interpretación la versión en idioma ............

Language Clause (French)

Le texte de ce Contrat, ainsi que les documents qui en découlent, et les Annexes, ont été rédigés en les langues ............ et française, les deux versions étant considérées comme officielles, cependant la langue indiquée comme prioritaire pour son interprétation sera la version en langue .............

To obtain models of the main international contracts, click here.
Contracts for the International Company

International Contracts (English, Spanish, French & German)

- International Sale Contract
- International Distribution Contract
- International Commercial Agency Contract
- International Sales Representative Agreement
- Intermediary Contract for Trade Operations
- International Joint Venture Contract
- International Franchise Contract
- International Services Agreement
- International Consulting Agreement
- International License Contract
- International Supply Contract
- International Manufacturing Contract
- Expatriate Contract of Employment
- Pack 5 International Contracts English (Basic)
- Pack 12 International Contracts English (Premium)

Commercial Contracts (English, Spanish, French & German)

- Distribution Contract
- Commercial Agency Contract
- Sales Representative Agreement
- Commission Contract
- Joint Venture Contract
- Services Contract
- Consulting Contract
- Technology Transfer Agreement
- Franchise Contract
- Supply Contract
- Manufacturing Contract
- Confidentiality Agreement
- Pack 5 Commercial Contract English (Basic)
- Pack 12 Commercial Contracts English (Premium)

China Contracts (English-Chinese Dual Version)

- Distribution Contract China
- Agency Contract China
- Commission Contract China
- Supply Contract China
- OEM Manufacturing Contract China
- Confidentiality Contract China
- Memorandum of Understanding for Distribution Contract China
- Memorandum of Understanding for Joint Venture China

Contractual Letters

- Letter Enclosing Contract for Signature
- Letter Proposing Amendments to Contract
- Letter Proposing Variation of Contract
- Letter Terminating Contract on Breach
- Letter Terminating Contract on Notice
- Pack 5 Contractual Letters

Letters of Intents

- Letter of Intent for International Sale
- Letter of Intent for International Distribution
- Letter of Intent for International Joint Venture
- Pack 3 Letters of Intent