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CONTRACTS MANAGEMENT | CON-022

Liquidated Damages, Penalties and Performance Securities

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Course content

Why Attend

Contracts often include pre-agreed damages for delay or underperformance, together with bonds, guarantees, retentions and other securities that protect one party if the other fails to perform. These provisions are commercially powerful, but they are also frequently misunderstood, poorly drafted or applied incorrectly, leading to disputes and unenforceable claims.

This Liquidated Damages, Penalties and Performance Securities training course explains how these remedies and protections work in practice. Participants learn the difference between liquidated damages and penalties, how to calculate and justify damages rates, the effect of extensions of time and caps, and how performance bonds, advance payment guarantees, parent company guarantees, retentions and letters of credit operate.

Course Methodology

• The course combines explanation of principles with practical exercises using sample clauses, bonds and guarantees. Participants calculate damages rates, analyse delay scenarios, compare security instruments and practise drafting and responding to a call on a bond. Case studies illustrate common disputes and their outcomes.

Course Objectives

• Explain the purpose of liquidated damages and performance securities

• Distinguish enforceable liquidated damages from penalties

• Calculate and justify appropriate damages rates

• Apply damages correctly when delays and extensions of time arise

• Understand caps, exclusions and sole remedy clauses

• Compare types of bonds, guarantees and other securities

Target Audience

• Contract and commercial managers

• Procurement professionals

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- Project managers and project directors
- Treasury and finance professionals

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Course outline

Detailed course outline

Day-by-day outline for Liquidated Damages, Penalties and Performance Securities.

Day 1 - Remedies for Non-Performance

- 09:00-09:34 | General damages compared with pre-agreed damages
- 09:34-10:08 | Purpose and benefits of liquidated damages clauses
- 10:08-10:42 | The rule against penalties and recent legal developments
- 10:42-11:00 | Legitimate interest and genuine pre-estimate tests
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Legitimate interest and genuine pre-estimate tests (continued)
- 11:46-12:20 | Differences between common law and civil law approaches
- 12:20-12:53 | Lessons from disputes over damages clauses
- 12:53-14:00 | Exercise: assessing the enforceability of sample clauses

Day 2 - Calculating and Applying Liquidated Damages

- 09:00-09:34 | Identifying losses that damages should reflect
- 09:34-10:08 | Calculating daily or weekly damages rates
- 10:08-10:42 | Sectional completion and milestone damages
- 10:42-11:00 | Effect of extensions of time on damages
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Effect of extensions of time on damages (continued)
- 11:46-12:20 | Prevention principle and time at large
- 12:20-12:53 | Caps, exclusions and sole remedy provisions
- 12:53-14:00 | Workshop: calculating and applying damages in scenarios

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Day 3 - Performance Damages and Other Remedies

- 09:00-09:34 | Performance liquidated damages for output shortfalls
- 09:34-10:08 | Service credits and their relationship to damages
- 10:08-10:42 | Termination rights for persistent failure
- 10:42-11:00 | Set-off and withholding from payments
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Set-off and withholding from payments (continued)
- 11:46-12:20 | Limitation of liability and its interaction with damages
- 12:20-12:53 | Negotiating damages provisions effectively
- 12:53-14:00 | Exercise: negotiating a damages regime

Day 4 - Bonds, Guarantees and Securities

- 09:00-09:34 | On-demand and conditional bonds compared
- 09:34-10:08 | Performance bonds and advance payment guarantees
- 10:08-10:42 | Parent company guarantees and their enforceability
- 10:42-11:00 | Retention money and retention bonds
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Retention money and retention bonds (continued)
- 11:46-12:20 | Letters of credit and standby letters of credit
- 12:20-12:53 | Choosing the right security for the risk
- 12:53-14:00 | Workshop: comparing security instruments

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Day-by-day outline for Liquidated Damages, Penalties and Performance Securities.

Day 5 - Managing and Calling Securities

- 09:00-09:34 | Wording and issue of bonds and guarantees
- 09:34-10:08 | Tracking expiry, renewal and reduction of securities
- 10:08-10:42 | Making a valid call on a bond
- 10:42-11:00 | Resisting unfair calls and fraud exceptions
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Resisting unfair calls and fraud exceptions (continued)
- 11:46-12:20 | Releasing securities at completion
- 12:20-13:27 | Practical administration and control systems
- 13:27-14:00 | Personal action plan for damages and securities

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Seminar dates

Available seminar dates

Live dates and pricing for Liquidated Damages, Penalties and Performance Securities generated from the course details page.

Date	Location	Format	Fee
14 - 18 December 2026	London	Classroom	**€2,915**
21 - 25 December 2026	Barcelona	Classroom	**€2,275**
7 - 11 December 2026	Frankfurt	Classroom	**€2,175**
11 - 15 January 2027	London	Classroom	**€2,915**
18 - 22 January 2027	Barcelona	Classroom	**€2,275**
25 - 29 January 2027	Frankfurt	Classroom	**€2,175**
4 - 8 January 2027	Kuala lumpur	Classroom	**€2,425**
15 - 19 February 2027	London	Classroom	**€2,915**
22 - 26 February 2027	Barcelona	Classroom	**€2,275**
1 - 5 February 2027	Frankfurt	Classroom	**€2,175**

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Seminar dates

Available seminar dates

Live dates and pricing for Liquidated Damages, Penalties and Performance Securities generated from the course details page.

Date	Location	Format	Fee
8 - 12 February 2027	Madrid	Classroom	**€3,400**
22 - 26 March 2027	London	Classroom	**€2,915**
1 - 5 March 2027	Barcelona	Classroom	**€2,275**
8 - 12 March 2027	Frankfurt	Classroom	**€2,175**
15 - 19 March 2027	Munich	Classroom	**€2,425**
5 - 9 April 2027	London	Classroom	**€2,915**
12 - 16 April 2027	Barcelona	Classroom	**€2,275**
19 - 23 April 2027	Frankfurt	Classroom	**€2,175**
26 - 30 April 2027	Paris	Classroom	**€2,810**
10 - 14 May 2027	London	Classroom	**€2,915**

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Seminar dates

Available seminar dates

Live dates and pricing for Liquidated Damages, Penalties and Performance Securities generated from the course details page.

Date	Location	Format	Fee
17 - 21 May 2027	Barcelona	Classroom	**€2,275**
24 - 28 May 2027	Frankfurt	Classroom	**€2,175**
3 - 7 May 2027	Rome	Classroom	**€2,830**
14 - 18 June 2027	London	Classroom	**€2,915**
21 - 25 June 2027	Barcelona	Classroom	**€2,275**
7 - 11 June 2027	Frankfurt	Classroom	**€2,175**
26 - 30 July 2027	London	Classroom	**€2,915**
5 - 9 July 2027	Barcelona	Classroom	**€2,275**
12 - 16 July 2027	Frankfurt	Classroom	**€2,175**
19 - 23 July 2027	Amsterdam	Classroom	**€3,215**

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Seminar dates

Available seminar dates

Live dates and pricing for Liquidated Damages, Penalties and Performance Securities generated from the course details page.

Date	Location	Format	Fee
2 - 6 August 2027	London	Classroom	**€2,915**
9 - 13 August 2027	Barcelona	Classroom	**€2,275**
16 - 20 August 2027	Frankfurt	Classroom	**€2,175**
23 - 27 August 2027	Cape Town	Classroom	**€1,825**
13 - 17 September 2027	London	Classroom	**€2,915**
20 - 24 September 2027	Barcelona	Classroom	**€2,275**
6 - 10 September 2027	Frankfurt	Classroom	**€2,175**
18 - 22 October 2027	London	Classroom	**€2,915**
25 - 29 October 2027	Barcelona	Classroom	**€2,275**
4 - 8 October 2027	Frankfurt	Classroom	**€2,175**

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Seminar dates

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Live dates and pricing for Liquidated Damages, Penalties and Performance Securities generated from the course details page.

Date	Location	Format	Fee
11 - 15 October 2027	Geneva	Classroom	**€3,315**
22 - 26 November 2027	London	Classroom	**€2,915**
1 - 5 November 2027	Barcelona	Classroom	**€2,275**
8 - 12 November 2027	Frankfurt	Classroom	**€2,175**
15 - 19 November 2027	Istanbul	Classroom	**€2,825**
6 - 10 December 2027	London	Classroom	**€2,915**
13 - 17 December 2027	Barcelona	Classroom	**€2,275**
20 - 24 December 2027	Frankfurt	Classroom	**€2,175**
27 - 31 December 2027	Kuala lumpur	Classroom	**€2,425**
14 - 18 December 2026	Online / Live	Online / Live	**€1,625**

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Seminar dates

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Live dates and pricing for Liquidated Damages, Penalties and Performance Securities generated from the course details page.

Date	Location	Format	Fee
21 - 25 December 2026	Online / Live	Online / Live	**€1,625**
7 - 11 December 2026	Online / Live	Online / Live	**€1,625**
11 - 15 January 2027	Online / Live	Online / Live	**€1,625**
18 - 22 January 2027	Online / Live	Online / Live	**€1,625**
25 - 29 January 2027	Online / Live	Online / Live	**€1,625**
4 - 8 January 2027	Online / Live	Online / Live	**€1,625**
15 - 19 February 2027	Online / Live	Online / Live	**€1,625**
22 - 26 February 2027	Online / Live	Online / Live	**€1,625**
1 - 5 February 2027	Online / Live	Online / Live	**€1,625**
8 - 12 February 2027	Online / Live	Online / Live	**€1,625**

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Date	Location	Format	Fee
22 - 26 March 2027	Online / Live	Online / Live	**€1,625**
1 - 5 March 2027	Online / Live	Online / Live	**€1,625**
8 - 12 March 2027	Online / Live	Online / Live	**€1,625**
15 - 19 March 2027	Online / Live	Online / Live	**€1,625**
5 - 9 April 2027	Online / Live	Online / Live	**€1,625**
12 - 16 April 2027	Online / Live	Online / Live	**€1,625**
19 - 23 April 2027	Online / Live	Online / Live	**€1,625**
26 - 30 April 2027	Online / Live	Online / Live	**€1,625**
10 - 14 May 2027	Online / Live	Online / Live	**€1,625**
17 - 21 May 2027	Online / Live	Online / Live	**€1,625**

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Date	Location	Format	Fee
24 - 28 May 2027	Online / Live	Online / Live	**€1,625**
3 - 7 May 2027	Online / Live	Online / Live	**€1,625**
14 - 18 June 2027	Online / Live	Online / Live	**€1,625**
21 - 25 June 2027	Online / Live	Online / Live	**€1,625**
7 - 11 June 2027	Online / Live	Online / Live	**€1,625**
26 - 30 July 2027	Online / Live	Online / Live	**€1,625**
5 - 9 July 2027	Online / Live	Online / Live	**€1,625**
12 - 16 July 2027	Online / Live	Online / Live	**€1,625**
19 - 23 July 2027	Online / Live	Online / Live	**€1,625**
2 - 6 August 2027	Online / Live	Online / Live	**€1,625**

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Date	Location	Format	Fee
9 - 13 August 2027	Online / Live	Online / Live	**€1,625**
16 - 20 August 2027	Online / Live	Online / Live	**€1,625**
23 - 27 August 2027	Online / Live	Online / Live	**€1,625**
13 - 17 September 2027	Online / Live	Online / Live	**€1,625**
20 - 24 September 2027	Online / Live	Online / Live	**€1,625**
6 - 10 September 2027	Online / Live	Online / Live	**€1,625**
18 - 22 October 2027	Online / Live	Online / Live	**€1,625**
25 - 29 October 2027	Online / Live	Online / Live	**€1,625**
4 - 8 October 2027	Online / Live	Online / Live	**€1,625**
11 - 15 October 2027	Online / Live	Online / Live	**€1,625**

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Date	Location	Format	Fee
22 - 26 November 2027	Online / Live	Online / Live	**€1,625**
1 - 5 November 2027	Online / Live	Online / Live	**€1,625**
8 - 12 November 2027	Online / Live	Online / Live	**€1,625**
15 - 19 November 2027	Online / Live	Online / Live	**€1,625**
6 - 10 December 2027	Online / Live	Online / Live	**€1,625**
13 - 17 December 2027	Online / Live	Online / Live	**€1,625**
20 - 24 December 2027	Online / Live	Online / Live	**€1,625**
27 - 31 December 2027	Online / Live	Online / Live	**€1,625**