Contractual terms and expressions shall be interpreted taking into account the whole context, including the contract or statement in which they appear.

Commentary:

1 The Principle takes account of the fact that contractual stipulations form an integral part of the contract in which they appear. Very often, there are connections between the various contract clauses in a contract. The contractual agreement may consist of a number of contract documents, which, in their entirety, constitute the contract and which may or may not include indications as to the hierarchy between the various documents which must be observed when interpreting the clauses which make the contract.

2 For all these reasons, any interpretation of a contract clause must not look at that clause in isolation but must take into account the contract as a whole. This includes the preamble of the contract which may contain important guidelines for the interpretation and understanding of the contract as a whole. A letter of intent concluded prior to the contract itself may also provide helpful guidance for the interpretation of the clauses contained in the contract.