



# STRONGER BUSINESS BEGINS WITH STRONGER CONTRACTS



## Signing a Contract Is a Big Deal.

*As a business owner, signing a contract is not a trivial matter. Contracts create obligations, and violations of those obligations can have dire consequences. You simply cannot afford to sign unfavorable contracts that create unnecessary exposure to legal risks.*

We work with business owners every day, helping them resolve a variety of legal matters.

And it is striking how many of the legal issues that business owners

face could have been avoided had they simply gotten the contract right, to begin with.

In this report, we are going to introduce five specific clauses that **MUST** be present in every contract you sign on behalf of your business. Including these clauses in your contracts will dramatically reduce the legal and financial risk that you are assuming as you operate your business. And they will ensure, in the event of a contract dispute, that your financial and legal risk is limited, and that you will have the most advantageous position possible as the dispute proceeds.

As always, please keep in mind that this is general information. If you would like help with your specific situation, please contact us immediately!

### **I. Your Contracts Must Include a Provision Covering Attorney's Fees for the Prevailing Party**

In Florida, each party must usually bear its own attorney's fees. There are two exceptions to this rule: (1) Where a Plaintiff sues under a specific, applicable Florida Statute, and (2) where attorney's fees are provided for in the contract. An attorney's fees clause can prevent meritless lawsuits, and will greatly aid in recovering what is lost by the prevailing party. This clause can directly save you thousands of dollars, so make sure it's included!

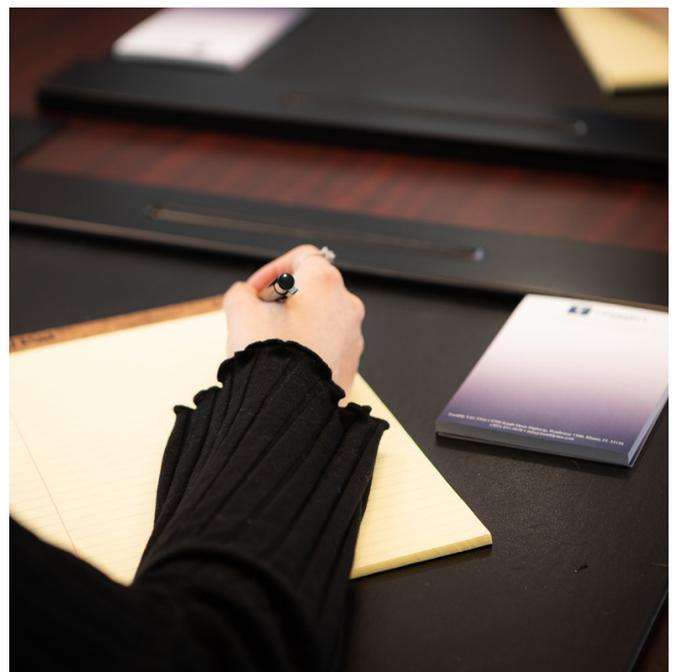
Especially when dealing with out-of-state customers, contractors or suppliers, the home-party in any lawsuit has a great cost advantage. Your contract should clearly indicate that upon any dispute over the contents of the contract or its performance, the venue for the dispute must be the state of Florida. Additionally, you should specifically state the county in which you operate.

You will also want to apply Florida law to govern your dispute- this may

sound redundant, but leaving this element out can be disastrous in litigation.

### **II. Your Contracts Must Include a Forum Selection/Venue Clause**

Especially when dealing with out-of-state customers, contractors, or suppliers, the home party in any lawsuit has a great cost advantage. Your contract should clearly indicate that upon any dispute over its contents, "venue is proper" in the State of Florida and in your specific county. You will also want Florida law to govern your dispute- this may sound redundant, but leaving this element out can be disastrous in litigation.



### **III. Your Contracts MUST Include a Severability Clause.**

A Severability Clause upholds the sanctity of an entire agreement, even where the Court finds one clause to be illusory, unconscionable, or otherwise unlawful. Your contracts should be designed to give you the upper hand in case of any litigation, and many parties have lost their case because they failed to include a severability clause in their contract. It's a simple addition that can make all the difference during a legal dispute.



### **IV. Your Contracts MUST Include a Termination and Damages Clause.**

Savvy business owners will include an Early Termination and Damages Clause in their contracts. This "Just in Case" clause gives business owners an out, just in case performance under the contract becomes either impossible or financially detrimental to the business. A termination clause can be tricky to create and must be properly drafted, and should also state-specific damages, if applicable, that each party is entitled to in

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**V. Your Contracts MUST Include a Specific Explanation of the Terms and Conditions of Service.**

This clause might seem obvious, and it should be obvious! But many business owners fail to specifically describe the terms of service: what is specifically required - and not required - of each party, and the time frame for performance. Including what your business is not responsible for is essential for clarity and peace of mind in case of a lawsuit. A clear and unambiguous "Terms of Service" section puts each party on notice of the exact requirements, leaving no room for ambiguity.

Of course, much more is involved in creating air-tight contracts than included in this single report. But these five clauses will go a long way towards minimizing your vulnerability to lawsuits and legal complications. If you would like to learn more, or if you would like to discuss your specific situation, please get in touch with us today!

You can reach us by phone at: (786) 305-4891 or by email at [info@tremblylaw.com](mailto:info@tremblylaw.com).

DISCLAIMER - The contents of this blog are general and not to be taken as advice or instructions. Every business is different, and the above might not be applicable to your situation. Before taking action that could have legal ramifications, contact the Trembly Law Firm.

