

# The Devil is in the Details



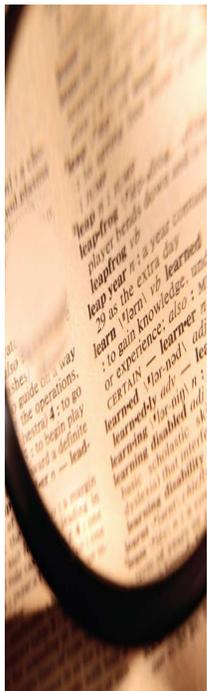
## Part 1: Avoiding Contract Pitfalls

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I've found that it is not uncommon for otherwise very careful people to glance over a contract and just sign it without really knowing what it obligates them or the other party to do. This article is intended to help you review contracts so you will have a better chance of knowing what you are signing. It is also good practice to periodically review existing contracts to determine whether they still meet your needs, so that you can negotiate more favorable terms when it is time to renew.

It is my hope that this three-part series on avoiding contract pitfalls is useful for you and your business. Let me know by commenting on the HRGC FaceBook page (Hampton Roads General Counsel, PLLC), or by leaving a comment on the website ([www.hrgclaw.com](http://www.hrgclaw.com)).

### Suggestions for Avoiding Contracting Pitfalls



1. Remember, a contract is a STARTING point and you can negotiate the terms of nearly every agreement. You want to make the deal happen, but so does the other side. The bottom line is the contract should capture the deal and protect the parties interests, so ask for what you want. The worst that can happen is they say "no."
2. Correctly identify the parties by using the complete name of the business and not your personal name as the contracting party. Identify the title of the person signing on behalf of the business. Otherwise, you may find yourself personally on the hook for a business deal.
3. Complete all blanks on any preprinted form because items left blank can be filled in later by someone else. Also, be sure all changes or deletions are initialed.
4. Double check the business terms of the contract (price, amount, duration, etc.) to determine whether it accurately reflects the agreement of the parties.
5. Make note if the contract is automatically renewed and ask yourself the following:  
Do you have to give notice if you do not want to renew?  
Are there penalties if the notice is not timely given?  
Is renewal on the same terms as the original agreement?  
Are there price increases?

Look for Part 2 in this series later this week. The complete article can be found on our website under "resources" ([www.hrgclaw.com](http://www.hrgclaw.com)).