

Chapter 7 Homework: Defining the Deal

Each time you enter into ANY kind of contract, get in the habit of filling in this checklist. This process, when it becomes a habit, will prevent you from entering into hand-shake transactions with ambiguous terms.

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| Who is buying? | | |
| Who is selling? | | |
| Is it a sale of goods or services or both? | | |
| Is it recurring or a one-time deal? | | |
| Describe the products or services in a way that a dumb lawyer can understand | | |
| Is the supplier dependent on outside factors (like another supplier, the weather, financing, etc.) in order to complete the order? | | |
| Is the deal an “exclusive” or “requirements” deal? | | |
| What are all of the terrible, horrible, very bad things that could go wrong? | | |
| What risk management terms are in the contract IN CASE all of the very bad things happen? | | |