



*Business Contract Negotiation*  
*Key Legal Vocabulary*  
*Role Play*  
*Sample Agreement To Negotiate*



# Legal Terms For Business Contract Negotiation

Here's a list of contract-related vocabulary along with their definitions to use in your conversation about business contract negotiation:

- **Clause:** A specific section or provision within a contract that outlines a particular aspect of the agreement.
- **Terms and Conditions:** The detailed requirements, rules, and expectations that both parties agree to follow as outlined in the contract.
- **Obligation:** A duty or responsibility that each party is legally bound to fulfil under the terms of the contract.
- **Counteroffer:** A response from one party to the other proposing changes to the original offer, often leading to further negotiation.
- **Consideration:** Something of value exchanged between parties as part of the contract, typically money, goods, or services.
- **Indemnification:** A clause that outlines how one party will compensate the other for any losses, damages, or liabilities that may arise.
- **Confidentiality Agreement:** A contract clause that obligates parties to keep certain information confidential and not share it with third parties.
- **Force Majeure:** A clause that addresses unforeseen events or circumstances, often referred to as "acts of God," which can excuse parties from fulfilling their contractual obligations.
- **Termination Clause:** A section in the contract that specifies the conditions under which the agreement can be ended or terminated.
- **Arbitration:** A dispute resolution process in which an impartial third party reviews the case and makes a binding decision to resolve the conflict.





# Legal Terms For Business Contract Negotiation:

- **Mediation:** A dispute resolution process in which a neutral third party assists parties in reaching a mutually acceptable agreement.
- **Governing Law:** The jurisdiction or legal system under which the contract will be interpreted and enforced.
- **Breach of Contract:** The failure of one party to meet the obligations or terms outlined in the contract.
- **Amendment:** A formal change or alteration made to the original contract terms after it has been signed by both parties.
- **Liquidated Damages:** Pre-determined financial penalties that are set in the contract for specific breaches.
- **Representation and Warranty:** Statements made by one party in the contract that assure the other party of certain facts or conditions.
- **Hold Harmless Clause:** A clause that limits one party's liability in specific situations, often used to protect against legal claims.



# Business Contract Negotiation Role Play

Here are two sets of specific goals for each party involved in the negotiation of the partnership agreement contract - you can find the Agreement on the next page.

STUDENT A Represents **TechSolutions**. **Your Goals:**

- 1. Revenue Allocation:** TechSolutions aims to negotiate a profit sharing percentage that accurately reflects the value of their technology expertise and software solutions in the partnership. They want to secure a higher percentage of the profits, considering the innovation and development efforts required for their contributions.
- 2. Intellectual Property Rights:** TechSolutions seeks to include a clause in the contract that clearly outlines the ownership and usage rights of any intellectual property developed during the partnership. They want to ensure that their proprietary technology remains under their control, while still benefiting the partnership.

STUDENT B Represents **LogisticsPro** **Your Goals:**

- 1. Resource Access:** LogisticsPro's primary goal is to negotiate access to TechSolutions' advanced technology solutions to optimize their logistics services. They want to ensure that the partnership enables them to efficiently manage their transportation and warehousing operations.
- 2. Risk Allocation:** LogisticsPro aims to negotiate a fair allocation of risks and liabilities within the partnership. They want to include provisions that address potential disruptions in transportation and logistics, such as force majeure events, and define how such situations will be managed.





# PARTNERSHIP AGREEMENT

This Partnership Agreement ("Agreement") is entered into on [Date], between TechSolutions, a company organised and existing under the laws of [Jurisdiction], with its principal place of business at [Address], referred to as "TechSolutions,"

and

LogisticsPro, a company organised and existing under the laws of [Jurisdiction], with its principal place of business at [Address], referred to as "LogisticsPro." TechSolutions and LogisticsPro may be individually referred to as a "Party" or collectively as the "Parties."

## 1. Purpose of Partnership:

The Parties agree to collaborate and enter into a partnership for the purpose of jointly providing integrated technology solutions and efficient logistics services to clients in the [Industry] sector.

## 2. Responsibilities and Contributions:

- TechSolutions shall provide technology expertise, software solutions, and related support services.
- LogisticsPro shall provide logistics expertise, transportation services, and warehousing facilities.

## 3. Term:

This partnership shall commence on [Effective Date] and continue for a period of [Duration], unless terminated earlier as per the provisions of this Agreement.

## 4. Profit Sharing:

Profits generated from the partnership activities shall be distributed as follows:

- TechSolutions: [Percentage]% share
- LogisticsPro: [Percentage]% share



## 5. Confidentiality:

The Parties agree to maintain strict confidentiality regarding any proprietary information, trade secrets, and client data obtained during the course of this partnership.

## 6. Dispute Resolution:

In case of any disputes arising from this Agreement, the Parties agree to engage in mediation before pursuing legal action.

## 7. Termination:

Either Party may terminate this Agreement by providing [Notice Period] written notice to the other Party. Termination shall not affect any existing contracts or commitments between the Parties.

## 8. Governing Law:

This Agreement shall be governed by and construed in accordance with the laws of [Jurisdiction].

## 9. Entire Agreement:

This Agreement constitutes the entire understanding between the Parties concerning the subject matter hereof and supersedes any prior oral or written agreements.

IN WITNESS WHEREOF,  
the Parties hereto have executed this Agreement as of the date first above written.

TechSolutions:

LogisticsPro:

Authorised Signature

[Name]

[Title]

Date:

Authorised Signature

[Name]

[Title]

Date:

