
How to Get your Contracts Reviewed

April 1, 2025

—

Opening Doors in Hudson County
www.hudsonedc.org

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Welcome!



This webinar will be recorded and provided with a copy of this powerpoint after the event via email.



Use the chat feature below to ask questions.



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Agenda

1. HCEDC What We Do
2. Rutgers CTLC Contracts
3. Pop-up Clinic
4. Q&A
5. What's Next
6. Thank you

What We Do

Business Loans, Education, and Information

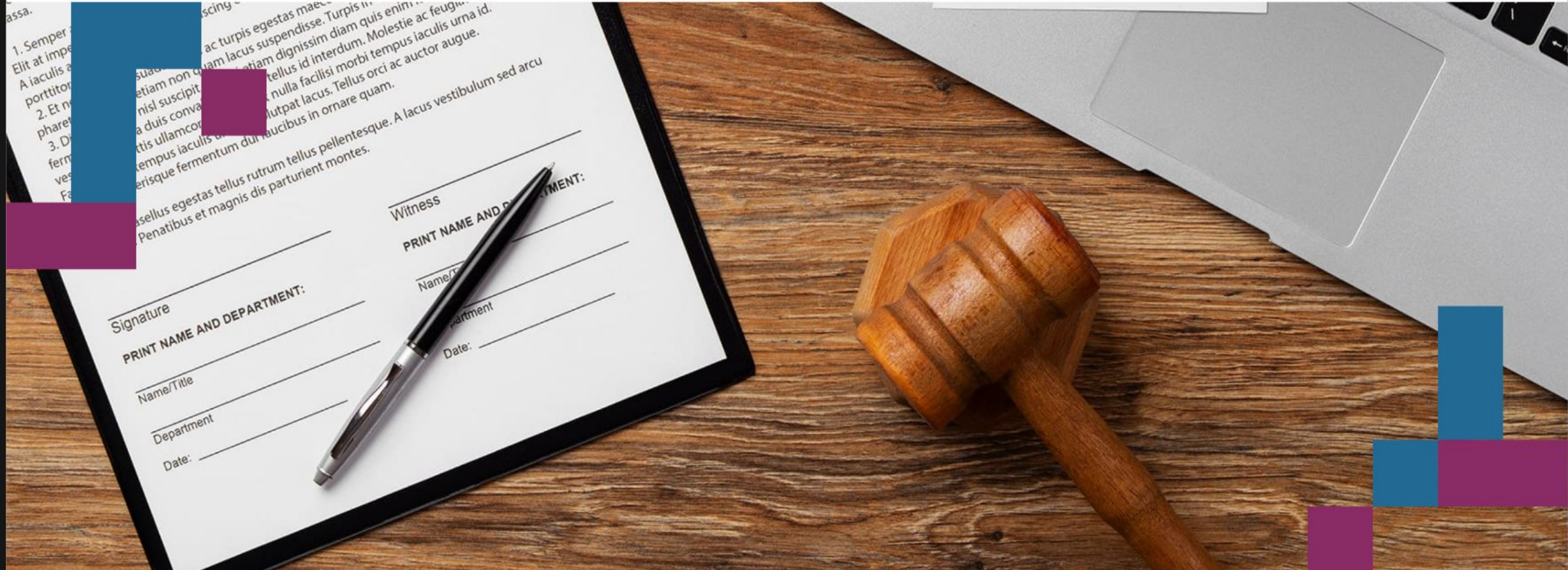


Check out the 2023 Annual Report and Business Spotlights [HERE](#).



CONTRACTS: KEY PROVISIONS AND THEIR SIGNIFICANCE

By: The Rutgers Community and Transactional Lawyering Clinic



Introductions



Chase Cantatore
Third Year Law Student



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Second Year Law Student

RUTGERS COMMUNITY AND TRANSACTIONAL LAWYERING CLINIC



Who Are We?

- Law Clinic based out of Rutgers Law School in Newark, first established in 1996.
- Provides corporate and transactional legal services to New Jersey nonprofit corporations, small businesses, entrepreneurs, and individuals such as artists and inventors
- Students work under the supervision of licensed attorneys---Professor Saul, Professor Pomparelli, and Professor Auffant---to represent clients

WHAT IS A CONTRACT?

Does a contract have to be fair?



- **A contract is an agreement between two parties, creating mutual obligations that are enforceable by law**

If a promise is broken (breached), the law provides remedies to the harmed party

- **Offer**

Clear and definite statement from one party to another, expressing their willingness to enter into a contract

- **Acceptance**

Agreeing to all the terms of an offer without any changes

- **Consideration**

What each party gets in exchange for entering into the contract
typically money, goods, or services



FAMOUS MODERN CONTRACTS DISPUTE

Who won? What does this teach us about offers and acceptance?



CONTRACTS YOU MAY LIKELY ENCOUNTER:



- Service Contracts
- Employment Contracts
- Independent Contractor or Subcontractor Agreements
- Leases
- Sales or Purchase Contracts
- Licensing Agreements
- Financial Contracts (ie. Loan Agreements)

COMMON ELEMENTS IN CONTRACTS

What They Mean, & Other Considerations:

Identifying the Parties

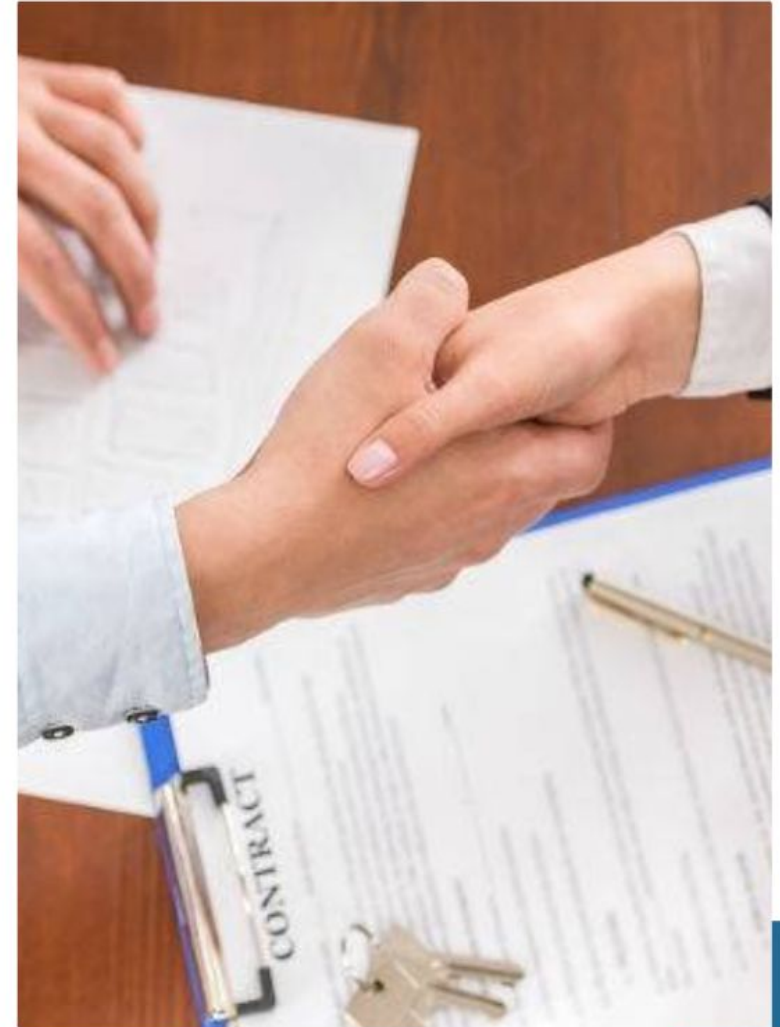
- Clearly define who is entering into the contract.
- Use their legal names.

Term

- How long does the contract last?
- Timeline?
- Is there a defined term?
- Is it renewable?

Scope of Services

- States what the parties are agreeing to do together - the purpose of the contract.
- Be specific - Is there a deliverable? What particular services are being performed? Is there a way for the parties to add



COMMON ELEMENTS IN CONTRACTS

What They Mean, & Other Considerations:

■ **Payment**

What are the fees? How are they calculated?

■ **Transmission of Money**

How will the money be transmitted between the parties?

■ **Payment Timing**

When will the payments be made?

■ **Refund Possibility**

Is there a possibility for a refund?

■ **Indemnification**

Protects one party from certain risks or costs.

■ **Expense Handling**

One side promises to handle and pay expenses for the other.

■ **Protection Limits**

Can include limits on how much protection is provided.

■ **Warranties and Representations**

Assurances from each party confirming their ability to complete the contract.

COMMON ELEMENTS IN CONTRACTS

What They Mean, & Other Considerations:

■ **Ending the Contract (Termination):**

How will each side clearly communicate if they want the contract to end?

■ **Advance Notice:**

It's fair if both sides have similar ways to end it, including advance notice (like giving 30 days' notice in writing).

■ **Transferring the Contract (Assignment):**

Can someone pass their responsibilities in the contract to another person?

■ **Consent for Transfer:**

Usually, both parties agree in advance whether consent is needed before transferring duties.

COMMON ELEMENTS IN CONTRACTS

What They Mean, & Other Considerations:

- **Damages**
A remedy for a wrongful contract termination or breach.
- **Type of Damages**
Usually monetary damages.
- **Determination of Damages**
Usually determined in a court proceeding (i.e. Alternative dispute resolution).
- **Dispute Resolution**
Optional clause determining where and how disputes will be heard.
- **Methods of Dispute Resolution**
Negotiation, Arbitration, Mediation, Expert determination.

CONTRACT DEALBREAKERS

This will vary between contracts

1

Evaluate your comfort level and risk carefully.

2

Clearly understand what is required of you.

3

Determine if you can fulfill all obligations until completion.

4

Recognize what's at stake before making or accepting an offer.

5

Confirm the terms are in your best interests.

6

Accepting unfavorable terms may expose you to:

Litigation, Financial penalties, Reputational damage, Criminal liability.

CONTRACT DEALBREAKERS AND RED FLAG EXAMPLES

■ Identifying the Parties

Ex:

Parties not clearly named or identified

Missing or incomplete contact information or business address

■ Contract Duration (Term)

Ex:

Automatic renewal without clear terms

Difficult or unclear process for ending the agreement

■ Scope of Services

Ex:

Unclear descriptions of each party's responsibilities

Missing obligations previously discussed verbally

■ Payment Terms

Ex: Unclear methods or timing of payment (lump sum, installments, wire transfer, checks).

■ Unclear Expectations if Disputes Arise or Delays Occur

■ Ambiguity Regarding Responsibility for Payment if There Are Any Delays

Ex: No clear terms on late payments or penalties (such as late fees or interest)

■ Indemnification (Liability Limits)

Ex: Liability Limits that aren't balanced or fair for both parties
Aim to limit your liability -- ideally, only responsible if you caused the problem

■ Termination and Assignment

Ex:

Unclear conditions for ending or terminating a contract
Lack of control or consent if the contract is transferred ("assigned") to another party

BOILERPLATE TERMS

Don't Overlook!

Choice of Law

Ensures that disputes are resolved in your home state or a state acceptable to you

Entire Agreement

Establishes the written contract as the complete and final agreement between parties, regardless of previous negotiations, discussions, and agreements

Force Majeure

Can free parties of liability when an unforeseen event occurs that prevents either party from fulfilling their obligations

Attorney Fees

Avoid clauses requiring you to pay the other party's legal fees unfairly

Severability

Confirms that the contract remains effective even if some parts are found invalid or unenforceable

Notices

Outlines how formal notices related to the contract should be delivered.
Ex. email with a Read received

CONTRACTUAL DEFENSES AND EXCUSES

not an exhaustive list and not advice to exit obligations

- **Mistake**

- **Misrepresentation or Fraud**

- **Impossibility or Impracticability**

- **Duress or Undue Influence**

- **Unconscionability**

Were the terms fair?

- **Jest**

An offer which the offeree knows or should know is made in jest is not a valid offer

- **Gratuitous promise**

Any Questions?





POP-UP CLINIC

April 17, 2025, from 11-12pm on Zoom!

Eligible to participate in the Pop-Up by your participation in this information session!

2 half hour sessions

When signing up for the clinic, you will submit a copy of your contract and your question. You will receive your appointment and then you just need to join the Zoom at the appropriate time.



Questions?

What's Next

Need help with additional business needs?

One-on-One with the HCEDC team:

1. Fill out the intake form [HERE](#)
2. Email rfeliz@hudsonedc.org after completion to set up a zoom call

Promote your business

small Business Saturday post on HCEDC's social media platforms.

Requirements to participate:

1. Have a business in Hudson County with a digital footprint and a way for people to purchase your product or service either in-store or online.
2. Complete the HCEDC intake form [HERE](#) – this helps us better understand your business and provide tailored information and resources.
3. Email rfeliz@hudsonedc.org after completion.
4. If your business is selected, you will receive a follow up email. We will contact you when your business promotion is live.

Sign Up to Keep Up!

Be the first to know:

- Empowering business and training programs
- Upcoming networking sessions
- Accessible loan options
- Incentives and more

[Sign Up HERE!](#)

Thank you!

Contact us via:

email - info@hudsonedc.org

phone - (201) 369-4370 ext. 2

website - www.hudsonedc.org

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