

4.6.7

6 Reasons for Having a Formal Partner Contract

1. The discipline requires you to address the areas where things might go wrong.
2. You set out your stall. Better to find out early that you can't agree.
3. Your contract protects you legally, but should also be a management tool for you to manage your relationship.
4. If things do go wrong there is agreement on how to proceed.
5. Where relationships are governed by legislation, you are protecting yourself against unmitigated application of the legislation. This is particularly important for agency agreements in the EU. (See Checklist EU Agency Regulations)
6. If you intend to sell the business at some point, your agreements will form an important part of due diligence and hence the value of your business.

The following modules offer a deeper insight into this topic:

Key Contractual issues

Legal Considerations

You can find them either in the SavvyAcademy or in the 'Find and Manage Partners' area of 'Create Your Plan'.

Information you complete as part of the Module will be automatically entered into your Plan. The more modules you complete, the more your Plan will build.