

Topic Index

A

ACCOUNTS RECEIVABLE

- As collateral, **5:1, 5:2**
- Purchase of, **15:1 et seq.**

ACQUISITIONS

- Generally, **11:1**
- See also **Purchase and Sale of Goods and Other Assets** (this index)
- Accounts receivable, purchase of, **15:1 et seq.**
- Adjustments to purchase price, **11:1**
- Asset acquisition, **15:6**
- Asset acquisition agreements, **15:2, 15:6**
- Asset vs. stock purchase, **11:1**
- Bulk sales laws, **11:1, 15:1, 15:2**
- Closing
 - generally, **11:1, 11:4**
 - by fax, **11:5, 11:6**
 - conditions, **11:4**
- Confidentiality agreement
 - generally, **11:1**
 - form of, **11:2**
- Covenants, **11:4**
- Customer list, **15:6**
- Due diligence, **16X:11**
- Exit Strategies** (this index)
- Federal Trade Commission consideration, **11:1**
- Form of share purchase agreement, **11:4**
- Governing law, **11:4**
- Income tax considerations, **11:1, 15:1**
- Inventory, **15:6**
- Less than 100 %, **16X:14**
- Letters of intent, **11:1**
- Merger, **11:1, note 1.50**
- Non-compete
 - generally, **11:4**
 - purchase of rights to unique item, **15:2**
- Opinion of counsel, **11:4, 13:1 et seq.**
- Sales tax, **11:1, 15:1**
- Specialty clauses and agreements, **16X:11**
- Stock acquisition agreement, **11:4**
- Supplier list, **15:6**

ACQUISITIONS—Cont'd

Term sheet

generally, **11:1**

form of, **11:3**

less than 100%, **16X:14**

Warranties

generally, **11:1 et seq.**

assets of company to be acquired, **11:4, 15:2, 15:6**

authority to conduct business, **11:4**

authorizations, governmental, etc., **11:4**

bank accounts, **11:4**

brokers and finders, **11:4**

compliance with agreements, etc., **11:4**

contracts of company to be acquired, **11:4**

corporate authority, **11:4**

corporate documents, **11:4**

disclaimer, **11:1**

employee benefit plans, **11:4**

financial statements, **11:4**

finders, **11:4**

indemnity for breach of, **11:4**

infringement of third party rights, **11:4**

insurance, **11:4**

judicial determinations, **11:4**

knowledge by beneficiary, **11:4**

limitations as to time, **11:4**

litigation, **11:4**

merger, **11:1, note 1.50**

options, etc., **11:4**

personnel, **11:4**

qualifications, **11:4**

shares being acquired, **11:4**

stock acquisitions, **11:1 note 1.50**

surviving closing, **11:4**

various considerations, **11:1**

ADEQUATE ASSURANCE, DEMAND FOR

Generally, **15C:2**

Common law, **15:4**

Leases, **15C:2**

Sales, **15:2**

ADJUSTMENT CLAUSES

Consumer price index, **16X:8**

Fixed percentage, **16X:8**

For currencies, **16X:2**

For fuel, **16X:3**

INDEX

AFFILIATE

Definition, **10:8**

AGENCY AGREEMENTS

Generally, **6BB:1**

See also **Finder's Agreement** (this index)

Commission and fixed fee arrangement, **6BB:3**

Exclusive agency, **6BB:3**

Foreign Corrupt Practices Act, **6BB:1, 6BB:3**

Forms of, **6BB:2, 6BB:3**

AGENT FOR SERVICE OF PROCESS

Appointment, **2:3**

Maintaining, **2:3**

AGREEMENT TO AGREE

Form of, **15D:1**

Forms of, **15D:3**

AHAB

Moby Dick (this index)

AMENDMENTS

Amending an agreement

generally, **1:4**

form of amendment, **1:4**

Amendment and waiver, writing required, **10:3**

Participation and coordination agreements, **2D:2**

Prior agreements superseded, **15.1:2**

ANTI-DILUTION

Adjustment by directors, **6A:2**

Convertible preferred stock, **8A:3**

Stock option, **12:2**

Stock pledge, **4:2**

ANTITRUST CONSIDERATIONS

Distributorships, **15A:1**

Specialty clauses and agreements, **16X:9**

APARTMENT BUILDING

Management agreements, **6D:2**

APPRAISAL

Generally, **16A:1, 16A:3**

ARBITRATION

American Arbitration Association clause, **6:4, 7:3**

Clause with hearing not per rules of specified body, **9:2, note 12**

Combining proceedings under two contracts, **16X:5**

Development agreement, **10B:3, 10B:4**

Disclosure, **6:4**

Guarantee, contracting with arbitration clause, **3:1**

ARBITRATION—Cont'd

- Injunctive relief notwithstanding, **6:4**
- International Chamber of Commerce Arbitration clause, **9:2**
- Letter of credit securing payment under contract after award, **14:3**
- Sale of equipment by manufacturer, **15.1:2**
- Specialty clauses and agreements, combining arbitration proceedings, **16X:5**
- Virtual proceedings, **6:4**

ARCHITECTS

- Real Estate Construction Contracts** (this index)

AS IS

- Development agreements, **10B:4**
- Equipment evaluation by prospective customer, **15:1.4**

ASSIGNMENT

- See also **Contract Rights** (this index)
- Changes in control, **10A:2**
- Exceptions to prohibition
 - affiliates, **10:7**
 - license, **10:3**
 - successors, **10:7**
- Loan agreements, **2B:4**
- Options, **8:2, 12:2**
- Partnership, **9:4**
- Prohibition on, **11:4**
- Put and call options, **6:6**
- Sale of equipment by manufacturer, **15.1:2**
- Subrogation, insurers, **6E:5**

ATTORNEY-CLIENT RELATIONSHIP

- Retainer agreements, **6C:1**

AT WILL, CAVEAT

- Termination clauses, **15A:3**

AUCTION

- Generally, **16A:1, 16A:5**

AUDIT RIGHTS

- See **Inspection of Records** (this index)

AUTHORIZED SIGNATORIES

- Corporations, **16:1 et seq.**

AUTOMATIC RENEWAL CLAUSE

- See **Termination Clauses** (this index)

B

BANKRUPTCY

- See also **Loan and Collateral Participation and Coordination Agreements;**
Subordination (this index)

INDEX

BANKRUPTCY—Cont'd

- General partner

 - limited partnership, **9:4**

 - termination provisions, **9:2 to 9:4**

- Guarantee, bankruptcy of obligor guaranteed, **3:2**

- Letters of credit

 - bankruptcy considerations, **14:2, 14:3, 14:5**

 - recovery of payment made to beneficiary, **14:2, 14:3, 14:5**

 - termination, **14:2**

- Licenses, intellectual property, **10:1**

- Participation and coordination agreements, **2D:2**

- Partner in general partnership, **9:2**

- Pledge of stock, bankruptcy considerations, **4:1**

- Preferences

 - letters of credit, recovery of payment made to beneficiary, **14:2, 14:3, 14:5**

 - pledge of stock, **4:1**

- Purchase and sale of goods and other assets, **15:4**

- Restrictions on transfers of shares, **8:1**

BILL OF SALE

- Form of, **15:5**

BOARD OF DIRECTORS

- Action by, **16:1 et seq.**

- Resolutions, forms of, **16:1, 16:2**

BONUS

- Early completion, **6G:2**

BOOK ENTRY SECURITIES

- Generally, **4:1**

BOOK VALUE

- Determination, **6:6, 8:2**

BROKERAGE AGREEMENT

- Generally, **7:1**

- Advertising the property, **7:4**

- Co-brokers, **7:4**

- Commission, how determined, **7:4**

- Exclusions from commission, **7:4**

- Exclusive brokerage agreement, **7:4**

- Post-termination protection, broker, **7:4**

- Protective clause, principal, **7:4**

- Real estate broker, no need for written agreements, **7:1**

BROKERS

- Acquisitions, warranty respecting brokers, **11:4**

- Brokerage agreement, see Brokerage agreement

BULK SALES LAW

- Acquisitions, **11:1**

BULK SALES LAW—Cont'd

Purchase and sale of goods and other assets, **15:1, 15:2**

BUSINESS COVENANTS

Covenants (this index)

BUY-BACK RIGHTS

Company's right to repurchase optioned shares, **12:2**

Examples, **8:2, 9:4**

Partnerships, purchase of partner's interest, **9:4**

Shareholders, restrictions on transfer of shares, **8:1**

Valuation considerations, **8:1**

BUY-SELL AGREEMENTS

Generally, **16A:5**

See also Chapters 11 and 15

C

CAPITAL CALLS

LLCs, **9B:2, note 8.5**

Partnerships, **9:4, note 27**

CAPITAL EXPENDITURES

Considerations, **16X:11**

CASH COLLATERAL

Accounts, **5A:4**

Investment of, **4:2**

CAUSE

Employment Contract (this index)

CERTIFICATE OF INCORPORATION

Amendment, classes of stock, **8:2**

CERTIFICATE OF RESOLUTIONS, INCUMBENCY AND CORPORATE DOCUMENTS

Generally, **16:1**

Form of, **16:2**

CHATTEL PAPER

Generally, security interest in, **5A:1**

Form of security agreement, lease, **5A:4**

CHOICE OF LAW

Governing Law (this index)

CLASSES OF STOCK

Amendment of certificate of incorporation, **8:2**

Dissolution of corporation by one class, **8:2**

Division of control, **8:2**

Preferred stock (generally) (this index)

Shareholders (this index)

INDEX

CLOSING

- By fax, **11:5, 11:6**
- Conditions
 - generally, **11:1, 11:4**
 - failure to satisfy, **11:4**
- Date and place, **11:4**
- Simultaneous signing and closing, **11:1, 15:1**

CLOSING AGENDA

- Generally, **11:1, 15:1**
- Form of, **15:3**

COCA COLA

- Generally, **16B:1**

COLLARS

- For adjustments between currencies, **16X:2**
- For adjustments to fuel, **16X:3**

COLLATERAL

- See also **Contract Rights** (this index)
- Cash collateral accounts, **5A:4**
- Collateral securing collateral, **5A:3**
- Copyrights, **5:1**
- Defined to include changes in, **4:2**
- Description of, **5:1, 5:2**
- Form of agreement, **2D:2**
- Guarantee, **5A:3**
- Insurance covering, **5:1, 5:4 et seq., 16:1**
- Intellectual property, **5:1**
- Investment of cash collateral, **4:2**
- Lease, **5A:4**
- Maintenance of value of collateral, **4:3**
- Membership interest in an LLC, **4:4**
- Participation and coordination agreements, **2D:1, 2D:2**
- Partnership agreement, **5A:2**
- Patents, **5:1**
- Promissory note, **5A:3**
- Securing indemnities, **15:6A**
- Securing the debt of another, **3:1**
- Stock, **4:1 to 4:3**
- Trademarks, **5:1**

COMMISSION

- Apartment rentals, **6D:2**
- Based on receipts, **10:3**
- Based on sales, **10:4**
- Broker, how determined, **7:4**
- Fees** (this index)
- Royalty** (this index)

COMMITMENT FEE

Loan agreements, **2B:2, 2B:4**

COMMON STOCK

Preemptive rights, form of preemptive rights in favor of common stock only,
8B:3

COMPENSATION

Incentive compensation
based on profits, **6:4**
phantom stock, **6A:1, 6A:2**
stock option, **12:1, 12:2**
Retainer agreements, **6C:2**

COMPLEX CAPITAL STRUCTURE

Preemptive rights, **8B:5**

COMPOUND INTEREST

Promissory note, **2:1**

CONFIDENTIALITY AGREEMENTS

Generally, **16B:1, 6BB:2, 6BB:3**
Acquisition, **11:1**
Agency agreement, limited form, **6BB:2, 6BB:3**
Employee
generally, **6:1**
form of, **6:5**
Equipment, evaluation by prospective customer, **15:1.4**
Form of, acquisition, **11:2**
Form of, generally, **16B:2**
Form of, new idea, not protected by patent or copyright, **16B:4**
Form of, new idea, patent pending, **16B:3**
Form of, product development, **10B:2**
Investment banker, prior to signing engagement agreement, **7A:3**
Relating to terms of an agreement, **16X:7**
Retainer agreements, **6C:2**
Specialty clauses, **16X:7**

CONFLICT OF LAWS

Local counsel, need for notwithstanding contract's designation of governing law,
16X:15

CONSENT TO SUBLEASE

Equipment leases, **15C:5**

CONSIDERATION

Put and call options, **6:6**

CONSIGNMENTS

Generally, **15B:1**
As security interest, **15B:1, 15B:2**
Form of agreement, **15B:2**

INDEX

CONSIGNMENTS—Cont'd

- Priority over perfected security interest, **15B:1**
- Sale on approval, **15B:1**
- Sale or return, **15B:1**

CONSTRUCTION CONTRACTS

- Real Estate Construction Contracts** (this index)

CONSULTING AGREEMENTS

- Generally, **6B:1**
- Form of, ad hoc arrangement, **6B:3**
- Form of, intellectual property development, **6B:4**
- Form of, specific job, **6B:2**
- Independent contractor clause, **6B:2**
- Protection of data licensed to consultant's client, **10A:2**

CONSUMER PRICE INDEX

- Escalation clauses, **16X:8**

CONTINGENCY FEES

- Retainer Agreements** (this index)

CONTRACT RIGHTS

- Covenants
 - by assignor, **5A:1 to 5A:4**
 - by other party to contract, **5A:1 et seq.**
 - checklists, **5A:1**
 - guarantee, **5A:3**
 - lease, **5A:4**
 - partnership rights, **5A:2**
 - promissory note, **5A:3**
- Non-disturbance agreement
 - generally, **5A:1**
 - form of, **5A:4**
- Sale of
 - generally, **5A:1**
 - form of agreement, **5A:5**
 - indemnity of buyer, **5A:5**
 - release of assignor, **5A:1, 5A:5**
 - sale of business, as part of, **15:6**
- Security interest in
 - generally, **5A:1 et seq.**
 - accounts, **5A:1**
 - cash collateral account, **5A:4**
 - charter of ships, **5A:1**
 - chattel paper, **5A:1**
 - general intangible, **5A:1**
 - guarantee
 - generally, **5A:1**
 - form of security agreement, **5A:3**

CONTRACT RIGHTS—Cont'd

Security interest in—Cont'd

leases

generally, **5A:1**

form of security agreement, **5A:4**

limited liability company interest, **4:4**

non-disturbance agreement

generally, **5A:1**

form of, **5A:4**

partnership interest

generally, **5A:1**

form of security agreement, **5A:2**

promissory note

generally, **5A:1**

form of security agreement, **5A:3**

rights under letter of credit, **5:2**

Subordination and non-disturbance agreement

generally, **5A:1**

form of, **5A:4**

Warranties

checklist, **5A:1**

guarantee, **5A:3**

lease, **5A:4**

partnership rights, **5A:2**

promissory note, **5A:3**

sale of contract, **5A:5**

CONTROL

Changes in, **8:2, 10A:2, note 4**

Defined, **7:3, 10A:2, note 4**

Limitations on disclosure of proprietary material, **10A:2**

CONVERTIBLE PREFERRED STOCK

Generally, **8A:1, 8A:3**

CO-OBLIGORS

Coordination agreements among joint guarantors, **2D:1, 2D:2, 3:5**

Guarantee (this index)

Guarantors (this index)

Indemnity (this index)

CO-OWNERSHIP OF INVESTMENT PROPERTY

Generally, **9A:1**

Form of agreement, **9A:2**

COPYRIGHT

Development of product

generally, **10:1, 10B:1**

agreements to develop, **10:3, 10B:2**

Licensee's right to register, **10:3**

INDEX

COPYRIGHT—Cont'd

- License of, **10:2, 10:6, 10:7**
- Liquidated damages, **15:1:2**
- Litigation to protect, **10:3, 10:4**
- Ownership, **10:3**
- Purchase of, **15:1 et seq.**
- Warranties, **10:3**

CORPORATIONS

- As partners, **9:1**
- Shareholders** (this index)
- Shareholders' Agreements** (this index)
- Subchapter S corporations compared, **9:1**

COUNTERPARTS

- Limited partnership, **9:4**

COVENANTS

- See also **Contract Rights** (this index)
- Conduct of business acquisitions, prior to closing
 - generally, **11:4**
 - security agreement, restrictions, **5:2**
- Further assurances
 - pledged shares, **4:2**
 - purchase and sale of goods, **15:2**
 - security agreement, **5:2**
- Listing of securities traded on an exchange, **4:1, 12:2**
- Participation and coordination agreements, **2D:2**
- Pledged shares, **4:2**
- Put and call options, **6:6**
- Registration of publicly traded securities, **4:1, 12:2**

CREDIT

- Late completion, **6G:2**

CREDITORS

- Asset purchase agreement, taxing authorities, **15:2**

CROSS CURRENCY CLAUSE

- Finders agreement, **7:3**

CROSS OPTIONS

- Right of first refusal, **12:4**

CURRENCY

- Adjustment for fluctuations between two currencies, **16X:2**
- Cross currency clause, **6BB:3, 7:3**
- Judgment in currency different from currency of obligation, **2:3**
- Specialty clauses and agreements, currency adjustment, **16X:2**

CUTSHALL, RICH

- Generally, **6BBB:1**

D

DAMAGES

- Limitation of, consequential, etc.
 - indemnity situation, **15.1:2**
 - warranty situation, **15:2**
- Liquidated
 - generally, **15.1:2**
 - data license, **10A:2**
 - sale of equipment, **15.1:2**

DAMAGE TO PROPERTY

- Development agreement, **10B:3**
- Right of first refusal, lessee purchase of real estate under lease, **12:3B**

DATA CONVERSION

- Generally, **10A:1**
- Form of agreement, **10A:5**

DATA LICENSING

- Generally, **10A:1**
- Forms of agreements
 - data maintenance (updates), **10A:4**
 - license with data update, **10A:3**
 - license without data update, **10A:2**
- Governmental entity as licensee, **10A:1**
- Limitation of liability, **10A:2**
- Limitations on use and disclosure, **10A:1, 10A:2**
- Limited warranties, **10A:2**
- Liquidated damages, **10A:2**
- Protection against disclosure, **10A:1, 10A:2**
- Protection against transfer, **10A:2, note 4**

DATA PROCESSING

- Data Conversion** (this index)

DEATH

- General partner in limited partnership, **9:4**
- Limited partner, **9:4**
- Partner in general partnership, **9:2**

DEFAULT

- Acquisitions agreement, **11:2**
- Bankruptcy, as an event of, **15:4**
- Employment contract, **6:1**
- Equipment lessee, **15C:2, 15C:3**
- License agreement, **10:4**
- Negotiation and settlement, **20:1**
- Promissory note, **2:1, 2:3**

INDEX

DEFECT IN PRODUCT

Development agreement, **10B:3**

DELAY

See also **Force Majeure** (this index)

Creditor's, in exercising rights, **2:3, 4:2, 5:2**

Sale of equipment, **15.1:2, 15.1:3**

DEMAND LOANS

Revolving credit note, **2A:1**

DEMAND NOTE

Statute of limitations, **2:1**

DEPRIVATION OF USE

Consulting agreements, **10A:2**

DESTROYED STOCK CERTIFICATES

Specialty clauses and agreements, **16X:6**

DEVELOPMENT OF PRODUCT

Generally, **10:1, 10B:1**

Amendment, **10B:4**

Arbitration, **10B:3, 10B:4**

Competing products, **10B:2**

Confidentiality, **10B:2, 10B:4**

Copyrights, **10B:2**

Customer's ownership, **10B:4**

Damage to property, **10B:3**

Defects, **10B:3**

Defining terms, **10B:1, 10B:2, 10B:4**

Execution by fax, **10B:4**

Form of agreement, **10:3, 10B:2 to 10B:4**

Governing law, **10B:3, 10B:4**

Improvements, **10B:2**

Indemnity, **10B:3, 10B:4**

Injunctive relief, **10B:3**

Insurance, **10B:3**

Intellectual property, **10B:4**

Joint ownership, **10B:2, 10B:3**

Less sophisticated product, **10B:3**

Notice, **10B:2, 10B:4**

Ownership, **10B:2, 10B:4**

Partnership to develop a product, **9:3**

Patents, **10B:2**

Personal injury, **10B:3**

Preliminary analysis, **10B:1**

Purchase of product, **10B:2**

Replacement, **10B:3**

Sale of product by developer, **10B:2, 10B:3**

DEVELOPMENT OF PRODUCT—Cont'd

Sales tax, **10B:3**
Severability, **10B:2, 10B:3**
Software development agreement, **10B:4**
Termination, **10B:2**
Trademarks, **10B:2**
Waiver, **10B:4**
Warranties, **10B:3, 10B:4**

DILUTION

Anti-Dilution (this index)

DIRTY HARRY

Knowing limitations, settlement and release, **16A:1**

DISBURSEMENTS

Retainer agreements, **6C:2**

DISCLAIMER OF LIABILITY

Injury or damage at contractor's site, **10B:3**

DISCLAIMER OF WARRANTIES

Warranties (this index)

DISCOUNT CLAUSES

Generally, **16X:4**
Forms of, **2:3, 16X:4, 17:1**
Prepayment discounts and prepayment premiums, **16X:4**

DISMISSAL OF ATTORNEY

Retainer agreements, **6C:1, 6C:2**

DISSOLUTION

Corporation by one class of shareholders, **8:2**
General partner in limited partnership, **9:4**
Partner in general partnership, **9:2**

DISTRIBUTORSHIPS

Generally, **15A:1**
Antitrust considerations, **15A:1**
At will
 generally, **15A:1**
 form of agreement, **15A:3**
Definite term
 generally, **15A:1, 15A:2**
 form of agreement, **15A:2**
Exclusive
 antitrust considerations, **15A:1**
 form of agreement, **15A:2**
Manufacturer's warranties and indemnity, **15A:2**
Termination, **15A:2**

INDEX

DRAFT

Form of, **14:4**

DRAFTING

Generally, **1:1 et seq.**

Amendments, **1:4**

Exercises in, **17:1 et seq.**

Proofreading, **1:3**

DRAGALONG RIGHTS

Generally, **12:6**

Form of, **12:6**

DUE DILIGENCE

Acquisitions, investments and capital expenditures, **16X:11**

DUNE

Generally, **16X:14**

E

EINSTEIN, ALBERT

Generally, **16B:1**

EMPLOYEE EQUITY INCENTIVE PLAN

Generally, **6A:1**

Form of plan, **6A:2**

EMPLOYEE MANUALS

Generally, **6:2**

Content, **6:2**

Specific provisions

amendment, **6:2**

employment at will, **6:2**

equal employment opportunity, **6:2**

harassment, **6:2**

insurance, **6:2**

EMPLOYEE SEARCH

See **Executive Search Agreements** (this index)

EMPLOYEE WORK PRODUCT

Generally, **6:1**

See also **Employment Contract** (this index)

Agreement covering, **6:5**

EMPLOYMENT CONTRACT

Generally, **6:1 et seq.**

Assignment, **6:4**

Benefit to employer, **6:1**

Car, **6:4**

Cause, dismissal for, **6:1, 6:4A**

EMPLOYMENT CONTRACT—Cont'd

- Compensation and bonus, **6:4**
- Death, **6:4**
- Default, **6:1**
- Disability, **6:4**
- Duties, description, **6:4**
- Employee's name, use of, **6:4**
- Expenses, reimbursement for, **6:4**
- General form, **6:4**
- Indemnity, **6:4**
- Injunctive relief, **6:4**
- Insurance for employee, **6:4**
- Key man insurance, **6:4, 11:4**
- Non-compete, **6:1, 6:4**
 - options in lieu of or to complement, **6:6**
- Opinion letter respecting, **11:4**
- Options to protect passive investors in privately-held companies, **6:6**
- Payment upon, **1:1**
- Products produced by employee, **6:4**
- Provision, termination, **6:4A**
- Put and call options, **6:6**
- Release, employee of employer, **16A:2**
- Restrictive covenants, **6:4**
- Search firms, See **Executive Search Agreements** (this index)
- Severance, **6:4A**
- Termination of employment, **6:4A**
- Topics outlined, **6:3**
- Trade secrets, **6:4**
- Vacation, **6:4**

ENGINEERS

- Real Estate Construction Contracts** (this index)

ENTIRE AGREEMENT CLAUSE

- Amendments** (this index)

EQUIPMENT

- Installation of. **Sale and Installation of Equipment** (this index)
- Leases** (this index)
- Management agreements (agent having broad authority), **6D:3**
- Sale and Installation of Equipment** (this index)
- Security interest in, form of agreement, **5A:4**
- Service of, **6BBB:1, 6BBB:2**

ESCALATION CLAUSES

- Component costs, **16X:8**
- Consumer price index, **16X:8**
- CPI, Consumer price index, **16X:8**
- Fixed percentage, **16X:8**
- Labor costs, **16X:8**

INDEX

ESCROW AGREEMENTS

Generally, **5B:1, Chapter 5B**

Forms of

- asset acquisition, tax liabilities, **15:6**
- asset acquisition, to secure seller's indemnities, **15:6A**
- attorney of party as escrow agent, **5B:2**
- deposit under a contract, **5B:2**
- settlement, **16A:4**

“ETCETERA”

Use of, **1:2**

EVALUATION OF PRODUCT BY PROSPECTIVE CUSTOMER

Form of agreement, **15.1:4**

“EVERGREEN” CLAUSE

Termination Clauses (this index)

EXAMPLES

Use of in agreement, **1:2**

EXCLUSIONS OR EXEMPTIONS

Preemptive rights, form to exclude preemptive rights, **8B:6**

EXCLUSIVITY

- Antitrust considerations, **15A:1, 16X:9**
- Buying arrangements, generally, **16X:9**
- Distributorship, **15A:1, 15A:2**
- Finders, **7:3A**
- Territorial, **7:3A**

EXECUTION OF AGREEMENT

- By fax or PDF, **7:2**
- Counterparts, **9:4**
- Multiple parties and copies, **9:4**

EXECUTIVE SEARCH AGREEMENTS

- Generally, **6:BBBB:1**
- Form of, **6:BBBB:2**
- Topics for discussion with search firm, **6:BBBB:3**

EXIT STRATEGIES

- Generally, **8:1**
- Dragalong and tagalong rights, **12:6**
- Piggyback rights, **12:2**
- Put options, **6:6**

EXPENSES

- Fees** (this index)
- Reimbursement of Expenses** (this index)

F

FAX

- Execution by facsimile exchange, **7:2, 10B:4**
- Procedure for closing by, **11:5, 11:6**

FEDERAL FUNDS CHECK

- Generally, **11:4**

FEES

- See also **Reimbursement of Expenses** (this index)
- Based on receipts, **10:3**
- Based on sales, **10:4**
- Commission, brokerage agreement, **7:4**
- Costs of collecting amount to which fee applies, **7:3**
- Finders, fees on renewal, **7:3**
- Letters of credit, **14:1**
- Loan agreements, **2B:2, 2B:4**
- Retainer and contingency fees, **6C:2**

FIELD OF USE

- Defining for intellectual property, **10B:3**

FINANCING STATEMENTS

- Description of collateral, **5:1, 5:2**
- Expiration, **5:1**
- Place to file, **5:1**

FINDERS

- Acquisitions, warranty respecting finders, **11:4**
- Disclosure of sources, **7:1**
- Expenses, **7:3**
- Fees on renewals, **7:3**
- Written agreement, need for, **7:1**

FINDER'S AGREEMENT

- Generally, **7:1 et seq.**
- Exclusivity, **7:3A**
- For commercial opportunities, **7:3**
- For financing, **7:2**
- For investment bankers, See **Investment Bankers** (this index)
- For sale or lease of products, **7:3A**
- Post-termination protection, finder, **7:3**
- Product promotion, commitment to promote, **7:3A**
- Protective clauses, principal, **7:2, 7:3**
- Records (maintenance of to determine fee; access), **7:3**

FIXED YEARLY PERCENTAGE INCREASE

- Escalation clause, **16X:8**

FLY FISHING

- Respite, "The River," following Chapter 10B

INDEX

FORCE MAJEURE

Generally, **16X:1**

Form of provision, **16X:1**

Specific situations, sale of equipment, **15.1:2, 15.1:3**

FOREIGN CORRUPT PRACTICES ACT

Generally, **6BB:1 et seq.**

FOREIGN SALES

Sale and Installation of Equipment (this index)

FOREIGN TRANSACTIONS

Clauses for transactions and foreign buyers, **12:7**

FORM OF RETAINER AGREEMENT

Generally, **6C:2**

FORUM

Designation or selection, **2:3, 2D:2**

FRAUDULENT CONVEYANCE

Asset purchase agreement, **15:2**

FRUSTRATION OF CONTRACT

Force Majeure (this index)

FUEL ADJUSTMENT CLAUSE

Generally, **16X:3**

FURTHER ASSURANCES

Covenants (this index)

G

GENERAL INTANGIBLES

Generally, security interest in, **5A:1**

GENERAL PARTNERSHIP

Generally, **9:1 et seq.**

Forms of, **9:2, 9:3**

GOOD WILL

Purchase of, **11:1, 15:1**

GOVERNING LAW

Acquisitions, **11:4**

Conflict of laws, **16X:15**

Development agreement, **10B:3, 10B:4**

Employment agreements, **6:6**

Letters of credit, **14:2, 14:3**

Loan and collateral participation and coordination agreements, **2D:2**

Local counsel, need for, **16X:15**

Participation and coordination agreements, **2D:2**

Promissory note, **2:3**

GOVERNING LAW—Cont'd

- Purchase and sale of goods and assets, **15:1**
- Put and call options, **6:6**
- Sale of equipment by manufacturer, **15.1:2**

GROSS UP

- Tax gross up, **2:3**

GUARANTEE

- Generally, **3:1 et seq.**
- Bankruptcy of obligor guaranteed, provision respecting, **3:2**
- Contract in existence, guarantee of, **3:1**
- Contract with arbitration clause, guarantee of, **3:1**
- Coordination agreements among joint guarantors, **2D:1, 2D:2, 3:5**
- Forms of
 - contract (short form), **3:3**
 - promissory note (long form), **3:2**
- Joint guarantors, **2D:1, 2D:2, 3:5**
- Joint guarantors, coordination agreements, **3:5**
- Non-recourse, **3:1**
- Not in furtherance of corporate purposes, **3:1**
- Partial (limited to part of debt)
 - generally, **3:4**
 - declining balance, **3:4**
 - fixed amount, **3:4**
 - part of a series, **3:4**
- Participation and coordination agreements, **2D:2**
- Remedies, order of pursuit, **3:2**
- Security interest in
 - generally, **5A:1**
 - form of security agreement, **5A:3**
- Subordinated obligation, **3:1**

GUARANTORS

- Loan and collateral participation and coordination agreements, **2D:1, 2D:2, 3:5**

H

HART-SCOTT-RODINO ACT

- Acquisitions** (this index)

HEDGES

- For currencies, **16X:2**
- For fuel, **16X:3**

“HELL AND HIGH WATER” CLAUSE

- Equipment leases, **15C:2**

HEMINGWAY, ERNEST

- Basic Principles of Drafting, **1:1**

INDEX

HERBERT, FRANK

Generally, **16X:14**

“HISTORICAL NOTE”

Follows Chapter 15C

HOLDER IN DUE COURSE

Generally, **2:1**

I

IMPOSSIBILITY OF PERFORMANCE

Force Majeure (this index)

INCOME TAXES

Acquisitions (this index)

Partnerships (this index)

Purchase and Sale of Goods and Other Assets (this index)

INCOMPETENCY

General partner in limited partnership, **9:4**

Partner in general partnership, **9:2**

INCORPORATION BY REFERENCE

One agreement incorporated into another, **1:2**

INDEMNITY

Acquisition, **11:4**

Against negligence, **16X:13**

Broad form, **10:3**

Buyer's furnishing specification, **15D:2, 15D:3**

Consignments, **15B:2**

Consultants, **16X:13**

Co-obligors, coordination agreements, **3:5**

Costs to enforce right to indemnity, **10:3**

Counterclaims, **10B:3**

Damage to property at contractor's site, **10B:3**

Development agreement, **10B:3**

Directors, officers, employees, by corporation, **8:2**

Distributorships, **15A:2, 15A:3**

Employee, **6:4**

Enforcement of right and expenses, **15D:2**

Equipment lessee, **15C:2, 15C:3**

Finders, sale or lease of products, **7:3A**

Indemnifying party's right to defend, **10:3, 11:4**

Industry standard, **16X:13**

Injury to personnel at contractor's site, **10B:3**

Investment bankers, **16X:13**

Limitation of liability, **15A:2, 15A:3, 15B:2**

Limited liability company, **9B:2**

Management agreements, **6D:2, 6D:3**

INDEMNITY—Cont'd

- Manufacturing agreements, **15D:1 to 15D:4**
- Partnership, **9:4**
- Products, **7:3A**
- Purchase and sale of goods, **15:2, 15:4**
- Sale of equipment by manufacturer, **15.1:2**
- Third party beneficiaries, **6E:5**

INDEPENDENT CONTRACTOR CLAUSE

- Generally, **6B:2**
- Development agreement, **10B:3**

INFRINGEMENT OF THIRD PARTY RIGHTS

- Warranties, **10:3, 11:4, 15:2**

INJUNCTIVE RELIEF

- Acquisitions, **11:4, 15:2**
- Bonds and other security, **16B:3**
- Confidentiality agreements, **16B:2, 16B:3**
- Development agreement, **10B:3**
- Employment contract
 - generally, **6:4**
 - opinion letter respecting, **11:4**
- Right to notwithstanding arbitration clause, **6:4**

INSPECTION OF RECORDS

- Finder's agreements, **7:3**
- Production and license agreement, **10:3**

INSURANCE

- Breach of warranty insurance, **5:4**
- Casualty, reducing periodically, **15C:3**
- Claims made policy, **10:4**
- Contractual liability insurance
 - long form, **15C:2**
 - short version, **10B:2**
- Covering collateral, **5:1, 5:4, 5:5, 5A:4, 16:1**
- Development agreement, **10B:3**
- Employee manuals, **6:2, 6:3**
- Employment contract, **6:4**
- Intellectual property, **10:7**
- Key man insurance, **6:4, 11:4**
- Lessee's obligations to insure, **15C:2**
- Limitations on liability, **6D:2, 6D:3**
- Mortgagee interest insurance, **5:4**
- Multiple units, **15C:3**
- Occurrence based policy, **10:4**
- Product liability, **10:4**
- Purchase and sale of other goods and assets, **15:2, 15:4**
- Real estate construction, **6E:5**

INDEX

INSURANCE—Cont'd

- Retainer agreements, **6C:2**
- Right of first refusal, lessee purchase of real estate under lease, **12:3B**
- Sales, risks of loss and damage, **15.1:2, 15.1:3**
- Security agreements, **5:1, 5:4, 5:5, 5A:4**
- Single asset: damage; loss; destruction—form for, **5:6**

INTEGRATION CLAUSE

- Generally, **15.1:2**

INTELLECTUAL PROPERTY

- See **License Agreements** (this index)
- Consulting agreements, form of consulting agreement for advice regarding intellectual property, **6B:4**
- Development of product
 - generally, **10:1, 10B:1**
 - forms of agreements, **10:2, 10B:2, 10B:3, 10B:4**
- Security interest in, **5:1**

“INTEND”

- Use of, **1:2**

INTEREST

- Compound, **2:1**
- Equipment lease, **15C:2, 15C:3**
- Floating rate
 - generally, **2:1**
 - affecting negotiability, **2:1**
- Option as affecting rate, **12:1**
- Revolving credit note, **2A:1, 2A:2**
- Royalty, **10:4**
- Usury
 - generally, **2:1**
 - floating interest rate, **2:1**
 - option, affect on rate, **12:1**
 - protective clause, **2:3**

INTERNAL REVENUE SERVICE

- Asset purchase agreement, creditor, **15:2**

INTERNATIONAL SALES

- Sale and Installation of Equipment** (this index)

INVESTMENT BANKERS

- Engagement agreement
 - generally, **7A:1**
 - confidentiality agreement before signing engagement agreement, **7A:3**
 - form of, **7A:2**

INVESTMENT REPRESENTATION

- Stock option, **12:2**

J

JOINT AND SEVERAL GUARANTEE

Participation and coordination agreements, **2D:1**

JOINT OBLIGORS

Generally, **3:1, 3:2**

JOINT VENTURES

Generally, **9:1A**

JUDGMENTS

Judgment currency clause (judgment in currency different from currency of obligation), **2:3**

JURISDICTION

Designation or selection, **2:3, 2D:2**

K

KEY MAN INSURANCE

Acquisitions, **11:4**

Employment agreement, **6:4**

KNOW-HOW

License of, **10:7**

L

“LAWYER’S LAMENT”

Follows Chapter 19

LEASES

Consent to sublease, **15C:5**

Default

equipment leases, **15C:2, 15C:4**

negotiating a default situation, **20:1**

right to disable equipment, **15C:4**

Equipment

generally, by leasing or finance company, **15C:1**

generally, by manufacturer, **15C:4**

as a security interest, **15C:1**

assistance by lessor, **15C:4**

consumer lease, **15C:1**

delivery and redelivery, detailed provisions, by leasing or finance company, **15C:3**

delivery and redelivery, detailed provisions, by manufacturer, **15C:4**

form of, by leasing or finance company, **15C:2, 15C:3**

form of, by manufacturer, **15C:4**

“hell and high water” clause, **15C:2**

insurance

generally, **15C:2, 15C:4**

INDEX

LEASES—Cont'd

Equipment—Cont'd

insurance—Cont'd

- casualty, reducing periodically, **15C:3**
- multiple units, **15C:3**
- maintenance and repairs, lease by leasing or finance company, **15C:2, 15C:3**
- maintenance and repairs, lease by manufacturer, **15C:4**
- multiple units of movable equipment, **15C:3**
- option to purchase, **12:7, 15:2**
- redelivery, to leasing or finance company, detailed provisions, **15C:3**
- redelivery, to manufacturer, detailed provisions, **15C:4**
- security for lease, letter of credit
 - generally, **15C:2**
 - form of letter of credit, **15C:2**
- single piece of equipment, lease by leasing or finance company, **15C:2**
- termination payments, **15C:3**
- testing of equipment, **15C:4**
- training by manufacturer, **15C:4**
- warranties, lease by leasing or finance company
 - assignment of manufacturer's warranties, **15C:2**
 - disclaimer, **15C:2**
- warranties, lease by manufacturer, **15C:4**

Lessee's

- option to purchase real estate under lease, **12:2A**
- right of first refusal to purchase real estate under lease, **12:3B**

Negotiating a default situation, **20:1**

Security interest in

- generally, **5A:1**
- form of security agreement, **5A:4**

LEGAL FEES

Recovery of, **16X:12**

Reimbursement of Expenses (this index)

LETTERS OF CREDIT

Generally, **14:1 et seq.**

Annual renewals, **14:3**

Assignment under UCP, **14:1**

Bankruptcy considerations, **14:2, 14:3, 14:5**

Beneficiary

- duty to examine credit, **14:2, 14:3**
- successors in interest, **14:2, 14:3**

Business interruption clause, **14:2, 14:3**

Cancellation, surrender by beneficiary for, **11:6, 14:3**

Commercial letter of credit

- generally, **14:3A**
- documents required to draw, **14:3A**
- form of, **14:3A**

Confirmation (guarantee) of credit, **14:1**

LETTERS OF CREDIT—Cont'd

- Documents required to draw, **14:1**
- Draft, form of, **14:4**
- Drawings by installments, **14:7**
- “Evergreen” clause, **14:3**
- Expiration
 - generally, **14:2**
 - extension of, **14:2**
 - transport documents, special rule, **14:2**
- Fees, **14:1**
- Governing law clause, **14:2, 14:3**
- Governing rules, **14:1**
- Individual as beneficiary, **14:2**
- Installment credits, **14:7**
- Irrevocable letter of credit, **14:2**
- ISP98, **14:1**
- “Purportedly,” use of term, **14:2**
- Recovery in bankruptcy of preference payment made to beneficiary, **14:2, 14:3, 14:5**
- Reducing letter of credit, **14:5**
- Responsibilities of bank, **14:1, 14:2**
- Revocable letter of credit, **14:2**
- Revolving letter of credit, **14:6**
- Securing arbitration award or judgment, **14:3**
- Securing lease
 - generally, **15C:2**
 - form of, **15C:2**
- Securing promissory note, **14:2**
- Security interest in rights under, **5:2**
- Shipments by installments, **14:7**
- Sight draft, **14:2, 14:4**
- Standby credits, **14:1**
- Successors in interest, **14:2, 14:3**
- Surrender by beneficiary for cancellation
 - “evergreen” credit or credit renewing annually, **14:3**
 - failure to close transaction, credit issued in advance of closing, **11:6**
- Termination, bankruptcy considerations, **14:2**
- Transferability, **14:2**
- Transfer clause, **14:2**
- Uniform Customs and Practice for Documentary Credits, **14:1**

LETTERS OF INTENT

- Generally, **11:1**

LICENSE

- See also **License Agreements** (this index)
- Bankruptcy, intellectual property, **10:1**
- Exclusive
 - limited territory, **10:4**

INDEX

LICENSE—Cont'd

Exclusive—Cont'd
worldwide, **10:3**

LICENSE AGREEMENTS

Generally, **10:1 et seq.**
Checklist, **10:2**
Data Licensing (this index)
Foreign jurisdictions involved, considerations, **10:7**
Intellectual property not protected by patent or copyright, **10:8**
Patent License (this index)
Perpetual, non-terminable software license, **10:6**
Production and License Agreement (this index)
Proprietary, software license, **10:5**
Software Licenses (this index)
Topics outlined, **10:2**
Trademark License (this index)

LIMITATIONS ON LIABILITY

Agents and managers, in excess of principal's insurance coverage, **6D:2, 6D:3**
Consequential or incidental damages, **15A:2**
Limitation to correction of product, **10A:2, 10A:5**
Loss of profits, **15A:2**
Repair or replacement of product, **15B:2**
Sale of equipment by manufacturer, **15.1:2**
Service providers, **6BBB:2**
Share purchase agreement, **11:4**

LIMITED LIABILITY COMPANIES

Generally, **9:1, 9B:1**
Capital calls, **9B:2, note 8.5**
Doing business in foreign countries, **9B:1**
Form of management agreement, **9B:2**
Indemnity, **9B:2**
Security interest in membership interest, **4:4**

LIMITED PARTNERS

Liability for partnership obligations, **9:1**

LIMITED PARTNERSHIP AGREEMENT

Not signed by limited partners
generally, **9:4**
amendment not approved by limited partners, **9:4**

LIMITED PARTNERSHIPS

Generally, **9:1 et seq.**
See also **Partnership Agreement; Partnerships** (this index)
Bankruptcy of general partner, **9:4**
Capital calls, **9:4, note 27**
Death
general partner, **9:4**

LIMITED PARTNERSHIPS—Cont'd

- Death—Cont'd
 - limited partner, **9:4**
- Dissolution of general partner, **9:4**
- Existence, when commences, considerations, **9:1**
- Formation, **9:1, 9:4**
- Form of agreement, **9:4**
- Incompetency of general partner, **9:4**
- Insolvency of general partner, **9:4**
- Liability of limited partner for partnership obligations, **9:1**
- Liquidation of general partner, **9:4**
- Merger and consolidation, **9:4**
- Publication requirements, **9:4**

LIQUIDATED DAMAGES

- See **Damages** (this index)

LIQUIDATION

- General partner in limited partnership, **9:4**
- Partner in general partnership, **9:2**

LISTING OF SECURITIES TRADED ON AN EXCHANGE

- Pledge of stock, **4:1**
- Stock option, **12:2**

LOAN AGREEMENTS

- Generally, **2B:1, 2B:6**
- See also **Loan and Collateral Participation and Coordination Agreements**
(this index)
- Assignment, **2B:4**
- Commitment fee, **2B:2, 2B:4**
- Conditions, **2B:4**
- Covenants, **2B:4**
- Default, **2B:4**
- Forms of, **2B:4, 2B:7**
- Lender's expenses prior to signing, **2B:3**
- Opinion letter, form of, **2B:5**
- Prepayment, **2B:2, 2B:4**
- Revolving credit agreement
 - generally, **2B:6**
 - form of, **2B:7**
- Syndicated loans
 - loan participation agreement, form of, **2E:2**
 - preliminary analysis, **2E:1**
- Term sheet, form of, **2B:2**
 - letter to accompany term sheet, form of, **2B:3**
- Warranties, **2B:4**
- Yield protection, changes of law, **2B:4**

INDEX

LOAN AND COLLATERAL PARTICIPATION AND COORDINATION AGREEMENTS

- Generally, **2D:1**
- Amendment, **2D:2**
- Bankruptcy, **2D:2**
- Benefits, **2D:2**
- Collateral, **2D:1**
- Covenants, **2D:2**
- Enforcement of rights, **2D:2**
- Expenses, **2D:2**
- Form of agreement, **2D:2**
- Governing law, **2D:2**
- Joint and several guarantee, **2D:1**
- Jurisdiction, **2D:2**
- Loans, **2D:1**
- Multiple guarantors, **2D:1**
- Notice, **2D:2**
- Payments, **2D:2**
- Primary lender, **2D:1**
- Usury, **2D:2**
- Waiver, **2D:2**

LOST OR DESTROYED STOCK CERTIFICATES

- Specialty clauses and agreements, **16X:6**

M

MAGNUM FORCE

- Dirty Harry** (this index)

MAINTENANCE AGREEMENTS

- Service Contracts** (this index)

MANAGEMENT AGREEMENTS

- Generally, **6D:1**
- Bonding requirement, **6D:2**
- Delivery and return of equipment, **6D:3**
- Descriptions of services
 - apartment building, **6D:2**
 - equipment (agent having broad authority), **6D:3**
- Forms of
 - apartment building, **6D:2**
 - equipment (agent having broad authority), **6D:3**
- Funding the agent
 - apartment building, **6D:2**
 - equipment (agent having broad authority), **6D:3**
- Indemnity
 - apartment building, **6D:2**
 - equipment (agent having broad authority), **6D:3**

MANAGEMENT AGREEMENTS—Cont'd

- Limitation on liability, in excess of principal's insurance coverage
 - apartment building, **6D:2**
 - equipment (agent having broad authority), **6D:3**
- Litigation, **6D:3**
- Records and reports
 - apartment building, **6D:2**
 - equipment (agent having broad authority), **6D:3**

MANUALS

- Employee Manuals** (this index)

MANUFACTURING AGREEMENTS

- Generally, **15D:1**
- See also **Sale and Installation of Equipment, Purchase and Sale of Goods and Other Assets and Production and License Agreements** (this index)
- Forms of, **15D:2, 15D:3, 15D:4**
- Product in development, **15D:1, 15D:3**
- Specifications provided by buyer, **15D:2, 15D:3**
- Specifications provided by manufacturer, **15D:4**

MOBY DICK

- Generally, **15B:1**

MODIFIERS

- Placement, **1:2**

MORTGAGES

- Mortgagee interest insurance, **5:4**

MULTI-JURISDICTIONAL TRANSACTIONS

- Generally, **16X:15**

MULTIPLE LENDERS AND GUARANTORS

- Participation and coordination agreements, **2D:1**

N

NEGOTIABILITY

- Promissory Note** (this index)

NEGOTIABLE INSTRUMENT

- Promissory Note** (this index)

NEGOTIATING

- Generally, **18:1 et seq., 20:1**
- Belief in negotiating position, **19:1**
- BLIP, an essay, **19:1**
- Bluffing, **19:1, 21:1**
- Bullies, **21:1**
- Conclusion, **19:3**
- Default, **20:1**
- Encore, **19:2**

INDEX

NEGOTIATING—Cont'd

- Importance of particular negotiating issues, knowledge of, **18:1, 19:1**
- Leverage, negotiating, **19:1**
- Overlawyering, **18:1**
- Patience, **19:1**

NON-COMPETE

- Acquisitions, purchase of rights to unique item, **11:4, 15:2, 15:6**
- Employment contract, **6:1, 6:4**
- Products that compete with newly developed product, **10B:3**

NON-DISCLOSURE, CONFIDENTIAL INFORMATION

- See also **Confidentiality Agreement** (this index)
- Acquisitions, **11:4**
- Employment contract, **6:4**

NON-DISTURBANCE AGREEMENT

- Subordination and
 - generally, **5A:1**
 - form of agreement, **5A:4**

NON-RECOURSE OBLIGATION

- Guarantee of, **3:1**

NOTICE

- Development agreement, **10B:2, 10B:4**
- Long form, **11:4**
- Participation and coordination agreements, **2D:2**
- Sale of collateral, **4:2**
- Sale of equipment by manufacturer, **15.1:2**
- Short forms, **5:2, 7:2, 10:3**
- With copy to attorneys, **11:4**

O

OPINION LETTER

- Generally, **13:1 et seq.**
- Employment contract, **11:4**
- Form of, generally, **13:2**
- Form of, loan transaction, **2B:5**
- Lack of power to cause things to happen, **13:1**
- Liquidated damages, **13:1**
- Multi-jurisdictional transactions, **16X:15**
- Qualifications
 - generally, **13:1**
 - bankruptcy, **13:2**
 - documents examined, **13:2**
 - equity considerations, **13:1**
 - good standing, **13:2**
- Questions of fact, **13:1**

OPINION LETTER—Cont'd

Reliance on, **11:4, 13:1**

OPTIONS

Generally, **12:1 et seq.**

in lieu of or to complement non-compete provisions, **6:6**

See also **Shareholders** (this index)

Convertible preferred stock, **8A:1, 8A:3**

Cross options, **12:4**

in lieu of rights of first refusal, **12:4**

Elements to be covered, **12:1**

Exercises in drafting, **17:2**

Legend on stock certificate, **12:6**

Lessee's

purchase real estate under lease, option to, **12:2A**

right of first refusal to purchase real estate under lease, **12:3B**

Method of exercise, **12:2**

Option to lease equipment, **12:1**

Option to purchase equipment or real estate, **12:1**

Option to purchase leased equipment, **12:7, 15:2**

Passive investors in privately-held companies, options to protect, **6:6**

Percentage of shares as basis, **12:5**

Piggyback rights, **12:2**

Preemptive rights, see **Preemptive Rights** (this index)

Put backs and cross options, **12:4**

Put/call options (especially to protect a passive investor), **6:6**

Put option as exit strategy, **6:6**

Real estate, **12:2A**

Right of first refusal

generally, **12:1**

by lessee, purchase real estate under lease, **12:3B**

form of, **12:2**

new product, **12:3**

price based on owner's offer, **12:3A, 12:3BB**

price based on third party offer, **8:2, 12:3B**

put backs and cross options, **12:4**

real estate, **12:3B, 12:3BB**

stock, **8:2, 12:3A**

variations, **12:4**

Shares of stock, right of first refusal, **12:3A**

Stock option, **12:2**

Syndicated loan, right to purchase interest of participant in default, **2E:2**

Tagalong rights, **12:6**

Usury, **12:1**

OVERLAWYERING

Generally, **18:1 et seq.**

INDEX

P

PARTICIPATION AND COORDINATION, LOANS AND COLLATERAL

- Generally, **2D:1**
- Amendment, **2D:2**
- Bankruptcy, **2D:2**
- Benefits, **2D:2**
- Collateral, **2D:1**
- Covenants, **2D:2**
- Enforcement of rights, **2D:2**
- Expenses, **2D:2**
- Form of agreement, **2D:2**
- Governing law, **2D:2**
- Joint and several guarantee, **2D:1**
- Jurisdiction, **2D:2**
- Loans, **2D:1**
- Multiple guarantors, **2D:1**
- Notice, **2D:2**
- Participation agreement, syndicated loan
 - generally, **2E:1**
 - form of participation agreement, **2E:2**
- Payments, **2D:2**
- Primary lender, **2D:1, 2D:2**
- Usury, **2D:2**
- Waiver, **2D:2**

PARTNERS

- Limited Partnerships** (this index)
- Partnership Agreement** (this index)
- Partnerships** (this index)

PARTNERSHIP AGREEMENT

- Amendment without approval of limited partners, **9:4**
- Limited partnership agreement not signed by limited partners
 - generally, **9:4**
 - amendment not approved by limited partners, **9:4**
- Security interest in partnership interest
 - generally, **5A:1**
 - form of security agreement, **5A:2**
- Variations from statutory provisions, **9:4**

PARTNERSHIPS

- Generally, **9:1 et seq.**
- Accounting, **9:2 et seq.**
- Additional capital requirements, **9:2 et seq.**
- Admission of new partners, **9:4**
- Authority of partner to bind partnership, **9:1**
- Bank accounts, **9:3, 9:4**

PARTNERSHIPS—Cont'd

- Bankruptcy of general partner
 - generally, **9:4**
 - termination provisions, **9:2 to 9:4**
- Books and records, **9:2 et seq.**
- Capital calls, **9:4, note 27**
- Conflicts in interest, **9:4**
- Consolidation, **9:4**
- Corporations as partners, **9:1**
- Dealings with partners, **9:4**
- Death
 - general partner, **9:2, 9:4**
 - limited partner, **9:4**
- Dissolution of general partner, **9:2, 9:4**
- Distribution of profits, **9:2 et seq.**
- Distributions on dissolution, **9:4**
- Executive committee, **9:4**
- Filings, **9:4**
- General partnership agreement
 - generally, **9:1**
 - forms of, **9:2, 9:3, 9:3A**
- Income tax considerations, **9:1, 9:4**
- Incompetency of general partner, **9:2, 9:4**
- Indemnity, **9:4**
- Insolvency of general partner, **9:2, 9:4**
- Inspection of books and records, **9:2 et seq.**
- Liability of partners for obligations of partnership, **9:1**
- Limitations on partners' authority, **9:1 et seq.**
- Limited partnership agreement, form of, **9:4**
- Liquidation of general partner, **9:2, 9:4**
- Management, **9:1 et seq.**
- Managing partner, **9:4**
- Merger and consolidation, **9:4**
- Profits, determination, **9:4**
- Purchase of partner's interest, **9:4**
- Risks, **9:1**
- Security interest in partnership interest, **5A:1**
 - generally, **5A:1**
 - form of security agreement, **5A:2**
- Subchapter S corporations compared, **9:1**
- Tax
 - considerations, **9:1**
 - elections, **9:4**
 - returns and information, **9:4**
- Term, **9:4**
- Termination, **9:4**
- Transfer of partner's interest, **9:4**

INDEX

PARTNERSHIPS—Cont'd

- Valuation of partner's interest, **9:4**
- Voting, **9:4**
- Who may be partners, **9:1**
- Withdrawal, **9:3, 9:4**

PASSIVE INVESTOR PROTECTION

- Put and call options, **6:6**

PATENT LICENSE

- Form of, **10:7**
- Foreign jurisdictions involved, considerations, **10:7**
- Improvements
 - by licensee, **10:7**
 - by licensor, **10:7**
- Injunction, licensee's right to terminate, **10:7**
- Licensee's rights on termination, **10:7**
- Prosecution of patent applications, **10:7**

PATENTS

- Confidentiality agreement, new idea, **16B:3**
- Development agreement, **10B:2**
- Liquidated damages, **15.1:2**
- Patent License** (this index)
- Purchase of, **15:1, 15:2**

PAYMENT

- By wire transfer, **12:7**

PDF

- Execution by PDF exchange, **7:2**

PENALTY

- See **Credit**, late completion

PERSONAL INJURY

- Development agreement, **10B:3**

PHANTOM STOCK PLAN

- Generally, **6A:1**
- Form of plan, **6A:2**

PIGGYBACK RIGHTS

- Exit strategy, **12:2**

PLEDGE OF STOCK

- Generally, **4:1 et seq.**
- Bankruptcy considerations, **4:1**
- Maintenance of value of collateral, **4:3**
- Publicly traded shares
 - generally, **4:1, 4:3**
 - pledgee's right to trade the collateral, **4:3**
- Remedies, order of pursuit, **4:2**

PLEDGE OF STOCK—Cont'd

- Right to vote shares, **4:1**
- Shares listed on an exchange, **4:1**
- Uncertificated shares, **4:1**
- Warranties, **4:2**

“POETIC JUSTICE”

- Follows Chapter 12

POST TRIAL MATTERS

- Retainer agreements, **6C:2**

POWER OF ATTORNEY

- Generally, **16:1**
- Form of, **16:3**
- Resolution authorizing, **16:2**

PREAMBLE

- Generally, **1:2**
- Security agreement, **5:1**

PREEMPTIVE RIGHTS

- Generally, **8:1, 8B:1 et seq.**
- Allocation of securities, **8B:2 to 8B:5**
- Common stock only, form of preemptive rights in favor of, **8B:3**
- Complex capital structure, form of preemptive rights for, **8B:5**
- Contents of offer to shareholders, **8B:2 to 8B:5**
- Disposition of securities not purchased by shareholders, **8B:2 to 8B:5**
- Exclusion of preemptive rights, form for, **8B:6**
- Forms. See entries throughout this topic
- Limitation on sale of shares, **8B:4**
- Preliminary analysis, **8B:1**
- Shareholders, generally, **8:1**
- Single class of stock, form of preemptive rights for corporation with, **8B:2**
- Veto at shareholder and director levels, as affecting, **8B:1**
- Voting rights, form to preserve relative voting rights among classes identical in all other respects, **8B:4**

PREFERENCES IN BANKRUPTCY

- Letter of credit, recovery of preference payment made to beneficiary, **14:2, 14:3, 14:5**
- Pledge of stock, **4:1**

PREFERRED STOCK (GENERALLY)

- Generally, **8A:1 et seq.**
- Anti-dilution, **8A:3**
- Conversion rights, **8A:1, 8A:3**
- Cumulative preferred dividend, **8A:1, 8A:2**
- Dissolution or liquidation of corporation
 - generally, **8A:1**
 - participating preferred, **8A:2**

INDEX

PREFERRED STOCK (GENERALLY)—Cont'd

- Equity-growth participation features, **8A:1, 8A:2**
- Redemption, **8A:1, 8A:2, 8A:3**
- Voting rights
 - generally, **8A:1**
 - corporate changes
 - convertible preferred, **8A:3**
 - participating preferred, **8A:2**
 - election of directors, **8A:1, 8A:2**

PREPAYMENT

- Generally and forms of, **16X:4**
- Loan transaction
 - clauses, **2B:4**
 - prepayment fee, **2B:2, 2B:4**
- Premium, fixed interest rate, **2:3, 17:1**
- Promissory note, **2:3**

PRICE ADJUSTMENT CLAUSES

- Component costs, **16X:8**
- Consumer price index, **16X:8**
- Fixed percentage, **16X:8**
- Labor costs, **16X:8**

PRIMARY LENDER

- Participation and coordination agreements, **2D:1**

PRIOR AGREEMENTS SUPERSEDED

- Generally, **15.1:2**

PROCEDURE FOR CLOSING BY FAX

- Generally, **11:5 et seq.**

PRODUCT DEVELOPMENT

- Development of Product** (this index)

PRODUCTION AND LICENSE AGREEMENT

- Generally, **10:3**
- Competing products, **10:3**
- Costs to collect amounts to which royalty applies, **10:3**
- Failure by licensee to publish, **10:3**
- License Agreements** (this index)
- Modification of products, **10:3**
- Procedures for acceptance/rejection of product, **10:3**
- Records (maintenance of to determine royalty; access), **10:3**
- Restrictions on consumer's use of product, **10:3**
- Royalties (based on receipts), **10:3, 10:4**
- Trademark License** (this index)
- Warranties and indemnity, **10:3, 10:4**

PROMISSORY NOTE

- Generally, **2:1 et seq.**

PROMISSORY NOTE—Cont'd

- Compound interest, **2:1**
- Default clauses, **2:1, 2:3**
- Discount, **17:1**
- Elements listed, **2:1**
- Holder in due course, **2:1**
- Interest on default, **2:1 et seq.**
- Letter of credit securing payment, **14:2**
- Negotiability, **2:1**
- Negotiable note, model with commentary, **2:4**
- Non-negotiable note, **2:1, 2:3, 15:6**
- Premium, fixed interest rate, **2:3**
- Prepayment, **2:3**
- Revolving credit note
 - generally, **2A:1**
 - form of, **2A:2**
 - interest, **2A:1, 2A:2**
 - recording of loan and repayments, **2A:2**
- Security interest in
 - generally, **5A:1**
 - form of security agreement, **5A:3**
- Statute of limitations, demand note, **2:1**
- Usury, **2:1, 2:3**

PROOFREADING

- Generally, **1:2, 1:3**

PROPRIETARY SOFTWARE

- Form of license of, **10:5**

PURCHASE AND SALE OF GOODS AND OTHER ASSETS

- Generally, **15:1 et seq.**
- See also **Options**
- Accounts receivable, purchase of, **15:1 et seq.**
- Adjustments to price, variations from count, **15:2**
- Asset acquisition of a business, **15:6**
- Bankruptcy, **15:4**
- Bill of sale, **15:5**
- “Boilerplate,” order form, **15:4**
- Bulk sales law, **15:1, 15:2**
- C. & F., **15:4**
- C.I.F., **15:4**
- Creditors, **15:2**
- Developer of product, sale by, **10B:3**
- F.O.B., **15:4**
- Foreign sales, **15:1.2**
- Fraudulent conveyance, **15:2**
- Further assurances, by seller, **15:2**
- Goods in possession of suppliers, **15:2**

INDEX

PURCHASE AND SALE OF GOODS AND OTHER ASSETS—Cont'd

- Income tax considerations, **15:1, 15:2**
- Indemnity, **15:2, 15:4**
- Inspection, **15:4**
- Insurance, **15:2, 15:4**
- Non-compete, **15:2**
- Payment, when due, sales F.O.B., C.I.F., C. & F., **15:4**
- Payment terms, **15:2**
- Purchase order form, **15:4**
- Real estate, lessee's option to purchase under lease, **12:2A**
- Remedies, cumulative, **15:4**
- Risk of loss, when risk passes, **15:4**
- Sales and use taxes, **15:1**
- Security for seller's warranties, unpaid portion of price, **15:2**
- Severability clause, **15:4**
- Software, purchase of perpetual license to, **10:6**
- Standard terms, order form, **15:4**
- Submission to jurisdiction, **15:4**
- Title, when title passes, **15:4**
- Use tax, **15:1**
- Waiver of trial by jury, **15:4**
- Warranties
 - by seller, **15:2**
 - survival, **15:2**

PURCHASE ORDERS

- Form of, **15:4**

PUT AND CALL OPTIONS

- Assignment, **6:6**
- Consideration, **6:6**
- Covenants and warranties, **6:6**
- Employment agreements, **6:6**
- Exit strategy, **6:6**
- Governing law, **6:6**
- Passive investor protection, **6:6**
- Transfer of rights, **6:6**
- Waiver, **6:6**

Q

This letter is included because it asked not to be omitted

R

REAL ESTATE

- Construction Contracts** (this index)
- Lessee's option to purchase under lease, **12:2A**

REAL ESTATE CONSTRUCTION CONTRACTS

- Generally, **6E:1**
- Architects, **6E:2**
- Construction assistance, **6E:6**
- Construction management, **6E:5**
- Engineers, mechanical, **6E:3**
- Engineers, structural, **6E:4**
- General contractors, **6G**
 - generally, **6G:1**
 - bonus/credit - early/late completion, **6G:2**
 - forms of agreement, **6G:2, 6G:3**
- Indemnity, third party beneficiaries, **6E:5**
- Insurance, **6E:5**
- Successors in interest; assignment, **6E:2**
- Termination, early, **6E:2, 6E:5, 6E:6**
- Trade contractors
 - generally, **6F:1**
 - forms of agreement, **6F:2, 6F:3**

“REASONABLE”

- Use of term, **2:1**

RECEIPTS

- Defined, **10:3**

RECEIVABLES

- Accounts Receivable** (this index)

RECORDS (MAINTENANCE OF TO DETERMINE FEE; ACCESS)

- Finder’s Agreement** (this index)
- Production and License Agreement** (this index)

REDEMPTION OF SHARES

- Shareholder arrangements, generally, **8:1**
- Surplus requirement, **8:1**

REGISTRATION OF PUBLICLY TRADED SECURITIES

- Pledge of stock, **4:1**
- Stock option, **12:2**

REIMBURSEMENT OF EXPENSES

- Costs to enforce right to indemnity, **10:3**
- In-house counsel, exclusion, **16A:4**
- Legal fees, **16X:12**
 - costs to enforce right to indemnity, **10:3**
- Participation and coordination agreements, **2D:2**
- Pledge agreement, **4:2**
- Promissory note, **2:3**
- Security agreement, **5:2**

RELEASE

- Generally, **16A:1**

INDEX

RELEASE—Cont'd

- Employee of employer, **16A:2**
- Form of, **16A:2**
- General release, **16A:1**
- Obligor or collateral, effect on remaining obligors, **3:1, 16A:1**
- Specific release, **15:1.4, 16A:1**

REMEDIES

- Cumulative, **15:4**
- Failure by creditor to pursue, **3:2, 4:2, 5:2**
- Order or sequence of pursuit
 - guarantee, **3:2**
 - pledge, **4:2**
 - security agreement, **5:2**
- Right to disable equipment, **15C:4**

RENEGOTIATION CLAUSES: RENTAL AND HIRE RATES

- Discussion, **16X:10**
- Examples, **16X:10**
- Limits on amount of adjustment, **16X:10**

RENEWAL CLAUSE

- See **Termination Clauses** (this index)

REPLACEMENT

- Development agreement, **10B:3**

RESOLUTIONS

- Generally, **16:1 et seq.**
- Certificate of resolutions, **16:1**

RESTRICTIONS ON TRANSFER OF SHARES

- See also **Shareholders** (this index)
- Advisability, **8:1**
- Bankruptcy considerations, **8:1**
- Enforceability, **8:1**
- Provisions relating to, **8:2**

RETAINER AGREEMENTS FOR LAWYERS

- Generally, **6C:1**
- Adversarial attorney-client relationship, **6C:1**
- Compensation, retainer and contingency fee, **6C:2**
- Confidentiality, **6C:2**
- Contingency agreement, generally, **6C:2**
- Description of matter, **6C:2**
- Disbursements, **6C:2**
- Dismissal of attorney, client's, at will, **6C:1, 6C:2**
- Enforceability, **6C:1**
- Form of, **6C:2**
- Insurance, **6C:2**
- Post trial matters, **6C:2**

RETAINER AGREEMENTS FOR LAWYERS—Cont'd

Preliminary analysis, **6C:1**

REVOLVING CREDIT AGREEMENT

Generally, **2B:6**

Form of, **2B:7**

REVOLVING CREDIT NOTE

Demand loans, **2A:1**

Promissory Note (this index)

REVOLVING LETTER OF CREDIT

Generally, **14:6**

RIGHT OF FIRST NEGOTIATION

Alternative to right of first refusal, **12:3**

RIGHT OF FIRST REFUSAL

Options (this index)

ROYALTY

Advances against, **10:3**

Determination of amount

based on receipts, **10:3, 10:4**

based on sales, **10:4**

Indemnity, **10:4**

Interest, **10:4**

Minimum, **10:4**

Periodic payments, **10:3, 10:4**

Warranties, **10:4**

RULE AGAINST PERPETUITIES

Right of first refusal, lessee purchase of real estate under lease, **12:3B**

S

SALE AND INSTALLATION OF EQUIPMENT

Generally, **15:1.1 et seq.**

By dealer, form of agreement, **15:1.3**

By manufacturer, form of agreement, **15:1.2**

Evaluation of product by prospective customer, **15:1.4**

Force majeure, **15:1.2, 15:1.3**

Foreign sales, **12:7, 15:1.1, 15:1.2**

Inspection and testing, **15:1.2**

Insurance, **15:1.2, 15:1.3**

Parts and service, commitment to maintain, **15:1.2**

Prospective customer, evaluation of product, **15:1.4**

Training buyer's personnel, **15:1.2**

SALE OF GOODS

Generally, **15:1 et seq.**

Purchase and Sale of Goods and Other Assets (this index)

INDEX

SALE OF GOODS—Cont'd

Sale and Installation of Equipment (this index)

SALES

Defined, **10:4**

Product promotion, commitment to promote, **7:3A**

SALES TAX

Acquisitions, **11:1, 15:1**

Development agreement, **10B:3**

Purchase and sale of goods and other assets, **15:1**

SEARCH AGREEMENTS

See **Executive Search Agreements** (this index)

SECTION HEADINGS

License agreements, **10:3**

SECURITIES

Listing of Securities Traded on an Exchange (this index)

Registration of Publicly Traded Securities (this index)

SECURITY

Collateral (this index)

SECURITY AGREEMENT

Generally, **5:1 et seq.**

See also **Escrow Agreements** (this index)

Application of proceeds, **5:2**

Collateral

description of, **5:1, 5:2**

for the debt of another, **3:1**

Contract Rights (this index)

Covenants

affirmative, **5:2**

negative, **5:2**

Delay in exercising rights, **5:2**

Expenses, reimbursement, **5:2**

Financing statements, **5:1, 5:2**

Financing Statements (this index)

Membership interest in LLC, **4:4**

Notice to account debtors

generally, **5:2**

form of, **5:3**

Partnership interest, **5A:2**

Remedies, order of pursuit, **5:2**

Security Interest (this index)

Stock, **4:1 to 4:3**

Waiver, **5:2**

Warranties

authorizations, governmental, etc., **5:2**

SECURITY AGREEMENT—Cont'd

Warranties—Cont'd
claims against collateral, **5:2**
compliance with other agreements, **5:2**
corporate authority, **5:2**
corporate existence, **5:2**
default, **5:2**
judicial determinations, **5:2**
litigation, **5:2**

SECURITY INTEREST

See also **Contract Rights** (this index)
Intellectual property, **5:1**
Lease and equipment, **5A:4**
Leases (this index)
Membership interest in LLC, **4:4**
Partnership interest, **5A:2**
Perfection, **5:1**
Promissory note and guarantee, **5A:3**
Termination, **5A:1, 5A:2**

SERVICE CONTRACTS

Generally, **6BBB:1**
Form of, **6BBB:2**

SETTLEMENT

Generally, **16A:1**
By appraisal, **16A:3**
By auction, **16A:5**
By escrow, **16A:4**
Default, negotiation, **20:1**

SEVERABILITY

Development agreements, **10B:2, 10B:3**
Employment contract, **6:4**
Purchase and sales of goods and assets, **15:4**

SEVERANCE

Employment contracts, **6:4A**

SHAREHOLDERS

Division of voting power
generally, **8:1**
comprehensive provisions, **8:2**
Dragalong rights, **12:6**
Obligation of corporation to buy shares
generally, **8:1**
surplus, requirement for, **8:1**
Piggyback rights, **12:2**
Preemptive Rights (this index)

INDEX

SHAREHOLDERS—Cont'd

- Restrictions on transfer of shares
 - generally, **8:1**
 - comprehensive provisions, **8:2**
- Stock certificates, lost or destroyed, **16X:6**
- Tagalong rights, **12:6**
- Valuation of shares, **8:1, 8:2**

SHAREHOLDERS' AGREEMENTS

- Generally, **8:1, 8:2**
- Advisability, **8:1**
- Asset purchase, **15:2**

SIGHT DRAFT

- Letters of Credit** (this index)

SIGNATORIES

- Asset purchase agreement, specimen signatures, **15:2**
- Corporate authorizations, **16:1 et seq.**

SIGNATURES

- See **Counterparts and Execution of Agreement** (this index)

SINGLE CLASS OF STOCK

- Form of preemptive rights for corporation with single class of stock, **8B:2**

SOFTWARE

- Development agreement, **10B:4**
- Form of license of proprietary software, **10:5**
- Sale of equipment by manufacturer, **15.1:2**
- Software Licenses** (this index)

SOFTWARE DEVELOPMENT AGREEMENT

- Generally, **10B:4**
- Form of, **10B:4**

SOFTWARE LICENSES

- Generally, **10:5, 10:6, 10:7**
- Limitation on liability, **10:5**
- Limited warranty, **10:5**
- Minimum annual royalty, **10:5**
- Modification to software: by licensee; by licensor, **10:5, 10:6**
- Perpetual, non-terminable software license, **10:6**
- Proprietary software license, **10:5**
- Protection of rights, **10:5**
- Purchase by licensee of future modifications by licensor, **10:6**
- Royalties: based on revenues; based on products produced, **10:5**

SPECIALTY CLAUSES AND AGREEMENTS

- Generally, **16X:1 et seq.**
- Acquisitions, **16X:11**
- Adjustment based on Consumer Price Index, **16X:8**

SPECIALTY CLAUSES AND AGREEMENTS—Cont'd

- Antitrust considerations, **16X:9**
- Arbitration proceedings, combining, **16X:5**
- Capital expenditures, **16X:11**
- Combining arbitration proceedings, **16X:5**
- Confidentiality clauses relating to terms of agreement, **16X:7**
- Consumer Price Index and escalation clauses, **16X:8**
- Currency adjustment, **16X:2**
- Destroyed stock certificates, **16X:6**
- Discounts, prepayment, **16X:4**
- Due diligence, **16X:11**
- Escalation clauses, **16X:8**
- Exclusive buying arrangements, **16X:9**
- Fixed yearly percentage increase, **16X:8**
- Force majeure, **16X:1**
- Fuel adjustment, **16X:3**
- Local counsel, need for, **16X:15**
- Lost or destroyed stock certificates, **16X:6**
- Prepayment discounts and prepayment premiums, **16X:4**
- Relating to terms of agreement, **16X:7**

SPECIFICATIONS

- Sale of equipment by manufacturer, **15.1:2**

STATUTE OF LIMITATIONS

- Demand note, **2:1**

STOCK

- Classes of Stock** (this index)
- Preemptive Rights** (this index)
- Preferred Stock** (this index)
- Shareholders** (this index)

STOCK CERTIFICATES

- Lost or destroyed, **16X:6**

STOCK OPTION

- Generally, **12:1 et seq.**
- Preemptive rights, see **Preemptive Rights** (this index)
- Right of first refusal, **8:2**

STOCK PLEDGE

- Generally, **4:1 et seq.**
- See also **Pledge of Stock** (this index)

STOCK PURCHASE AGREEMENT

- Generally, **11:1 et seq.**
- See also **Acquisitions** (this index)

SUBCHAPTER S CORPORATIONS

- Partnerships** (this index)

INDEX

SUBMISSION TO JURISDICTION

Generally, **2:3**

Purchase and sale of goods and other assets, **15:4**

SUBORDINATION

Generally, **Chapter 2C**

Bankruptcy, **2C:2**

Collateral, **2C:2**

Covenants, **2C:2**

Form of agreement, **2C:2**

Guarantee of subordinated obligation, **3:1**

Guarantees, **2C:2**

Insurance, **2C:2**

Payments of principal and interest, **2C:2**

SUBORDINATION AND NON-DISTURBANCE AGREEMENT

Generally, **5A:1**

Form of agreement, **5A:4**

SUBROGATION

Assignment (this index)

SURPLUS

Requirement for corporation to buy its shares, **8:1**

SURVIVAL OF WARRANTIES

Acquisitions (this index)

Purchase and Sale of Goods and Other Assets (this index)

SYNDICATED LOANS

Loan participation agreement, form of, **2E:2**

Preliminary analysis, **2E:1**

T

TAGALONG RIGHTS

Generally, **12:6**

Form of, **12:6**

TAX GROSS UP

Generally, **2:3**

TERMINATION CLAUSES

After delay, **15D:2**

Annual renewals, “evergreen” clause

generally, **10:4, 14:3**

restrictions, **15C:1**

At will, caveat: requirement for reasonable notice, **15A:3**

On notice, **7:2**

On notice after specified date, **7:3, 10:4**

TERMINATION OF AGREEMENT

Distributorship agreement, **15A:2, 15A:3**
Settlement and release, **16A:1, 16A:2**

TERMINATION PROVISION

Employment contract, **6:4A**

TERM SHEET

Generally, **11:1**
Acquisition of less than 100%, **16X:14**
Form of, loan, **2B:2**
Forms for, acquisition
 asset deal, **15:6**
 stock deal, **11:3**
Letter to accompany, loan, **2B:3**

TESTING OF PRODUCT BY PROSPECTIVE CUSTOMER

Form of agreement, **15.1:4**

THIRD PARTY BENEFICIARIES

Indemnity, **6E:5**

TRADE CONTRACTORS

Real estate construction contracts (this index)

TRADEMARK

Confidentiality agreement, new idea, **16B:3**
Development agreement, **10B:2**
Purchase of, **15:1**

TRADEMARK LICENSE

Generally, **10:4**
Goodwill of mark, **10:4**
Indemnity, by licensee, **10:4**
Insurance, product liability, **10:4**
License Agreements (this index)
Production and License Agreement (this index)
Promotion of product by licensee, **10:4**
Quality of product under license, **10:4**
Records
 advertising expenditures, **10:4**
 royalties, **10:4**
Royalties (based on sales)
 generally, **10:4**
 minimum, **10:4**
Territory, limited and restraints on licensor, **10:4**
Warranties and indemnity, by licensor, **10:4**

TRADE SECRETS

Generally, **6:1**
Confidentiality agreement, **6:5, 16B:4**
Evaluation of equipment by prospective customer, **15:1.4**

INDEX

TRADE SECRETS—Cont'd

License agreement, **10:8**

TRANSFER OF RIGHTS

Put and call options, **6:6**

TRIAL BY JURY

Waiver (this index)

U

UNCERTIFICATED SHARES

Pledge of Stock (this index)

UNENFORCEABLE PROVISION

Severability (this index)

UNIFORM CUSTOMS AND PRACTICE

Letters of Credit (this index)

USURY

Generally, **2:1**

Options, **12:1**

Participation and coordination agreements, **2D:2**

Protective clause, **2:3**

Revolving credit note, **2A:2**

V

VALUATION

Generally, **6A:1, 8:1**

Based on earnings, **6A:3**

Book value, **6:6, 8:2**

By appraisal, **12:2A**

By formula, **12:2A**

Determined by directors, **6A:1, 6A:2**

Partner's interest, **9:4**

Shares, **8:1, 8:2**

VOTING

Division of voting power among shareholders, **8:1**

Partnerships, **9:4**

Preemptive rights, form of preemptive rights to preserve relative voting rights
among classes identical in all other respects, **8B:4**

W

WAIVER

See also Release

Amendment and waiver, writing required, **10:3**

Damages, consequential, etc.

indemnity situation, **15.1:2**

WAIVER—Cont'd

- Damages, consequential, etc.—Cont'd
 - warranty situation, **15:2**
- Development of product, **10B:4**
- Employment agreements, **6:6**
- Equipment evaluation by prospective customer, **15:1.4**
- Participation and coordination agreements, **2D:2**
- Put and call options, **6:6**
- Revolving credit note, presentment, **2A:2**
- Security agreement, **5:2**
- Trial by jury, **2:3, 2A:2, 15:4**

WARRANTIES

- Acquisitions** (this index)
- Assignment of manufacturer's warranties, **15C:2**
- By dealer, **15.1:1, 15.1:3**
- By manufacturer
 - to buyer, **15.1:2**
 - to distributor, **15A:2**
- Copyrights, etc., **10:3**
- Counterclaims, **10B:3**
- Development agreement, **10B:3**
- Disclaimer
 - generally, note 1, **11:1**
 - asset acquisitions, **15:2, 15:6**
 - bill of sale, **15:5**
 - by manufacturer, **15B:2**
 - by service provider, **6BBB:2**
 - lease, **15C:2**
- Indemnities for breach, **10:3, 10:4, 11:4**
- Intellectual property, **10:3, 10:4, 10B:2, 10B:4**
- Knowledge by beneficiary, as affecting warranties, **11:4**
- Limitations on liability, **6BBB:2, 11:4, 15A:2, 15B:2**
- Merger, **11:1, note 1.50**
- Option to purchase shares, **12:2**
- Pledged shares, **4:2**
- Purchase and sale of goods and other assets, **15:2**
- Put and call options, **6:6**
- Qualifications, **11:4**
- Royalty, **10:4**
- Security Agreement** (this index)
- Stock acquisition, **11:1, note 1.50**
- Surviving closing, **11:4**
- Trademarks, **10:4**

“WHEREAS” CLAUSES

- Generally, **1:2**
- Security agreement, **5:1**

INDEX

WRITTEN AGREEMENTS

Brokerage, real estate broker, **7:1**

Finders, **7:1**

