

‘Commercially Reasonable Efforts,’ ‘Best Efforts’ and Similar Standards

Contracting parties frequently use terms such as “commercially reasonable efforts,” “reasonable efforts,” “best efforts” or similar standards when describing their expectations regarding the performance of a party’s obligations, according to **a post** on the website of Morrison Foerster. However, these terms are inconsistently interpreted by courts and are often subjectively applied.

The post’s authors discuss how these three contracting terms have been interpreted in recent court decisions and considerations with respect to the use of such terms by contracting parties.

The article concludes with a list of best practices when negotiating and drafting agreements to avoid conflict.

Read the article.