

How to Ensure That an Agreement to Negotiate in Good Faith is Enforceable

While an agreement to negotiate in good faith can be enforceable, like any other agreement, it must be expressed as a contractual ***commitment*** and not just noted as an intention or expectation, writes **Shep Davidson** in **The In-House Advisor** published by **Burns & Levinson**.

“Failing to understand this distinction and/or draft a contract carefully in this regard, could result in your client having no recourse for the other party’s failure to live up to its promise,” he **writes**.

He discusses the case of ***Schwanbeck v. Federal-Mogul Corp.***, pointing out that the case shows “that if you really want an agreement to negotiate in good faith to be enforceable, you have to be precise in how you describe what the parties will and will not do going forward.”

Read the article.