# ‘Belt and Suspenders’ Overreach in Contracts May Prevent Satisfaction

An arbitration agreement is unenforceable where a party retains the right to make unilateral modifications effective upon notice to the other party, writes **David Goodman** of Greensfelder, Hemker & Gale, P.C.

“A starting point is to identify the transactional risks to be addressed in the contract and the entity’s needs that must be achieved, Goodman writes. “Often, drafters opt for a “belt and suspenders” approach, which is not only a terrible fashion faux pas but may result in an overreach nullifying the effectiveness of the risk management strategy.”

He discusses the example of the danger of how an attempt by an employer to get what it wanted in excess of what it needed is presented in *Nelson v. Watch House Int’l, LLC*, ___ F.3d ___ (5th Cir. March 2, 2016). *Watch House Int’l* is a March 2016 Fifth Circuit decision based on Texas law holding that the arbitration provision incorporated in a pre-employment agreement rested on illusory consideration.

**Read the article**.