

# You've Got Contract: An Email Establishes Binding Settlement in the Second Circuit

A recent Second Circuit opinion provides a reminder of the importance of reserving rights pending final documentation and the risks of being bound despite the absence of definitive agreements in place, writes **Rama Douglas** of **Kramer Levin Naftalis & Frankel**.

The circuit upheld the bankruptcy court's and district court's ruling that an email by defendant's counsel to the opposing side stating that the defendant will sign a settlement agreement creates a binding contract even if the defendant later chooses not to sign the settlement agreement.

The case is *Shinhan Bank v. Lehman Brothers Holdings Inc.*

**Read the article.**