



Business Law Alert

Integration Insight—or Get it in Writing!

You have seen this clause on almost every contract you have signed:

Integration Clause

This is the entire Agreement between the parties; that no promise or other agreement has been made between them and not included herein shall be of any force or effect.

What does it mean? Simply this: This agreement includes EVERYTHING that was negotiated and agreed to by the parties.

So, what happens when you accidentally leave out something you negotiated—for example, the total amount?

In a recent court case, Benson, Inc. v. Hempfield Township, (Jan. 30, 2007), a Pennsylvania court ruled, basically, “That’s too bad.”

Kirby, a contractor of Benson, Inc., negotiated a settlement with Hempfield to resolve a contract dispute.

Kirby forgot to include in the final copy of the agreement that the settlement included a specific claim, even though the parties verbally agreed to that amount.

Well, the court ruled against Kirby because the final agreement included the Integration Clause.

How much did this clause cost Kirby? \$300,000.

What can we learn from Kirby’s oversight?

An important lesson: Make sure the final copy of your agreement includes EVERYTHING you negotiated with the other party.

Throughout negotiations, keep a running checklist of all negotiated claims. Then compare that checklist with the final copy of your agreement before you sign.

Otherwise, you could be left out in the cold with Kirby.

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If you have questions, please contact Ms. McKee at 215-242-5260 or sm@mckeeoffice.com

Tele-Seminars::

[Piercing the Corporate Veil: Is your business protected?](#)

May 28th at 2:00 pm

Speaker: Sharmil McKee, Esq.

[More Seminars](#)

Networking::

[3rd Annual Networking Tea](#)

May 17th at 5:00 pm

Host: Drexel Women in Business

[More Events](#)

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