

*“The whole deal was cancelled because the trial sample failed to meet the set criteria.”*

Customers expect that the products and services they buy meet agreed specifications and quality standards, and are fit for purpose.

Businesses that cause environmental damage are liable to pay for the clean up costs as well as possible fines (‘the polluter pays’ principle).

## Tips

- Product and service specifications should be defined in both purchase and sales agreements. All agreements should be in writing, and contracts for subcontracted services should clearly define the liabilities of each party and who’s responsible for insurance.
- Trade or employers’ associations may have ready-made contract templates for a variety of situations, although in every contract you should look at legal requirements, general terms and special conditions.
- Make sure that key employees have enough knowledge of business law to recognise when the expertise of a solicitor is needed, and that you have a clear policy on how contracts will be arranged, together with relevant instructions for employees.

## Useful links

Business Link – Tendering for contracts

[www.businesslink.gov.uk/bdotg/action/detail?type=RESOURCES&itemId=1073790707&r.s=sl](http://www.businesslink.gov.uk/bdotg/action/detail?type=RESOURCES&itemId=1073790707&r.s=sl)

Business Link – Buyers’ terms and conditions and unfair contract terms

[www.businesslink.gov.uk/bdotg/action/layer?topicId=1074405506&r.s=sl](http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1074405506&r.s=sl)