

*The International Business Practices Education Center*

**ENCYCLOPEDIA OF  
PRACTICAL USAGES  
OF TERMINOLOGY  
FOR BUSINESS AGREEMENTS**

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# INTRODUCTION

The purposes of this Encyclopedia are to provide as many words as possible which are customarily and frequently used or appear in a variety of business agreements or contracts among the companies doing business internationally, and to show practical usages of each word in as many forms as possible.

## Entry Word

The entries contained in this Encyclopedia were selected according to the following criteria:

- \* Specific words' being perceived as words peculiar to business agreements, and actually now in use customarily and frequently in them:
- \* Conventional words' having different meanings or uses when they are used in business agreements: and
- \* Conventional words' requiring careful attention when they are used in relation to such items as determination, prohibition, restriction, permission, liability, etc. in each clause or provision of agreements.

## Remarks

- \* The italicized words appearing in the sentences show how each word is used in actual business agreements. However, the sentences are only examples of actual usages, and are not in any way intended to be complete clauses or provisions.
- \* The usages contained in the Encyclopedia were all written by or collected from many international business and legal experts who have long and actual experience in various business areas and professions. However, it is recommended that the use of them be confirmed by attorneys or legal experts when drafting any agreements or contracts for actual business purposes.





# A

## **abandon**

- \* This Agreement shall be terminated or *abandoned* by the Licensee, if and when one or more claims of the Licensed Patents shall have been held invalid by a court having jurisdiction in the Licensor's country.
- \* AAA intends to allow any licensed patent to lapse or to become *abandoned* without having first filed a substitute.
- \* If the project is *abandoned* in whole or in part, the Architect shall be paid his compensation for services.
- \* If the Owner does not give written notice to resume work within (---) days of the date fixed in the notice of suspension, the Contractor may *abandon* that portion of the work so suspended and shall be entitled to payment in accordance with Paragraph (---) — Payment for Work Suspended by the Owner.

## **abandonment**

- \* Each party agrees to cause to be filed in the patent office such *abandonment* of contest.
- \* If the project is abandoned, the Architect shall be paid his compensation for services performed prior to receipt of a written notice of such *abandonment*.
- \* This Agreement will provide for the *abandonment* of the transaction at

any time prior to consummation thereof.

## **abate**

- \* If, prior to the transfer of the property, any part of it shall be destroyed or injured by fire or other casualty, then the purchase price specified above shall be *abated* to the extent or amount of such loss, unless reconstruction or replacement shall have been effected by the Optionor.
- \* The stock necessary and used in such purchase shall be deducted equally from the amount that under this Agreement would be coming to the AAA and ZZZ and the payments required by them shall be likewise *abated*.

## **abatement**

- \* The Purchaser shall not be entitled to any *abatement* or reduction in the purchase price.

## **abide**

- \* Contractor shall observe and *abide* by all applicable laws, rules and regulations in (country) in connection with the work.
- \* I agree to *abide* by all regulations and by-laws governing the club.
- \* The parties agree to conform to and *abide* by all laws, rules and regula-

tions that are binding on or applicable to real estate brokers and real estate salesmen.

- \* Both parties agree to *abide* by the decision of the arbitrators.
- \* There shall be no strike by the Union, except for and after, the failure of other party to *abide* by and perform the decision of the Board of Arbitration.

### abridgment

- \* Cancellation of this Agreement or modification or *abridgment* thereof by amendment shall not avoid the liability of the Principal to the Agent.

### abrogate

- \* This Agreement shall not thereby be *abrogated* but shall continue to apply to any and all other territories.

### absence

- \* The shares may not be sold in the *absence* of an effective registration statement for the shares under the Securities Act of (year).
- \* Such samples shall immediately be delivered to the First Party, in the *absence* of a prior demand, at the end of this Agreement.
- \* In the *absence* of breach by the Seller, this Agreement shall be renewable on an annual basis.
- \* In the *absence* of the president or in the event of his death, the vice-

president shall perform the duties of the president.

### absent

- \* The Site Agent shall be present at the Site throughout normal working hours except when *absent* for reasons connected with the proper performance of the Contract.

### absolute

- \* AAA further agrees that it shall assume and agree to perform and pay when due all of the debts, liabilities, obligations and Contracts of XXX, YYY, and ZZZ of any kind whether *absolute*, contingent or otherwise.
- \* The Mortgagor declares and warrants to the Mortgagee that he is the *absolute* owner of the legal and beneficial title to the property.

### absolutely

- \* The First Party shall hold and dispose of the seat in the (city) Stock Exchange as his own property *absolutely*.
- \* The Distributor agrees to guaranty *absolutely* and unconditionally the payment of all sight drafts against bill of lading.

### abstract

- \* The Optionor shall furnish to the Optionee, for examination by his counsel, complete *abstracts* of title to his real estate and leasehold in (city), (country).



### **abstractor**

- \* The First Party shall furnish and deliver to the Second Party, within (---) days from the date hereof, a complete abstract of title recertified to date by a competent *abstractor*.

### **abuse**

- \* Provided, however, that AAA's obligation hereunder shall not apply where the death, injury or damage has resulted from customer's misuse or *abuse* or ZZZ's fault.

### **acceleration**

- \* The Endorser hereby consents to the term of *acceleration* of the time of payment.

### **accept**

- \* The Firm shall not *accept* or require any security of any sort from any member of the Union.
- \* The Second Party hereby agrees to *accept* the total sum of (amount) in settlement of all claims.
- \* The Contractor, in *accepting* the Contract, agrees to furnish everything necessary for such purposes, notwithstanding any omissions in the specifications, and/or the drawings.

### **acceptability**

- \* Buyer shall have full opportunity to examine the records and books of the Company and its subsidiaries to determine the *acceptability* to it of their titles and leases to properties.

### **acceptable**

- \* The date when receipt by us of the Letter of Credit *acceptable* to us has been fulfilled shall be regarded as effective date of Contract.

### **acceptance**

- \* Notice of such *acceptance* shall be in writing.
- \* *Acceptance* of this Agreement shall be deemed conclusive upon the mailing.
- \* AAA shall have a general lien on all of the merchandise, drafts and trade *acceptances*.
- \* AAA agrees to use all reasonable means to advertise and promote *acceptance* of licensed products.
- \* In order to induce the *acceptance* by the other parties, the Grantor agrees to the Creditor to endorse each of the notes in blank.

### **access**

- \* The Licenser may have free *access* to any such applications in the Patent Office in the Licensee's country.
- \* Such personal representatives shall not have any *access* to the books or records of the First Party.
- \* The provision of this Clause shall apply only if and to the extent that this Contract involves *access* to classified matter.
- \* The Lessee covenants and agrees with the Lessor to give the Lessor

and its Agents *access* to all of its books and papers connected with its operations upon the property.

- \* Contractor shall forthwith replace any member of Contractor's personnel whom Owner does not wish to give *access* to the work site owing to incompetence.
- \* Owner shall make the work site available to Contractor and permit Contractor the free and uninterrupted use thereof and *access* thereto at no expense to Contractor.
- \* Each party shall, at all times, have *access* to and may inspect and copy any of them.
- \* AAA grants to ZZZ the right of free *access* over, upon and across the lots with vehicles of any kind.
- \* Seller grants to Buyer complete *access* to Seller's respective premises, books, records and accounts.
- \* All merchandises consigned to the Distributor shall be kept in such manner as to permit of their ready inspection by the Manufacturer, who shall have *access* thereto at any times during business hours.
- \* The Contractor shall keep on the work a copy of the drawings and shall at all times give the Contracting Officer *access* thereto.

#### **accessibility**

- \* Bidders should ascertain local conditions determined by inspection and inquiry, such as the location *ac-*

*cessibility*.

#### **accessible**

- \* The Optionor represents that its existing contracts for supplies are now in (city), (country) and are not *accessible*, and the exact terms of them cannot, at the time of performance of this Agreement, be ascertained.
- \* Books of account of the Joint Venture Company shall be freely *accessible* to the outside accountants agreed on between the Parties.

#### **accident**

- \* The Employer shall not be liable for any damages or compensation payable at law in consequence of any *accident* to any workman or other person in the employment of the Contractor and the Contractor shall indemnify and keep indemnified the Employer.
- \* The Contractor shall provide for immediate care of employees in case of *accident* or sickness until such time as they are placed in care of medical authority and shall provide on Site sufficient first aid equipment and a sufficient number of persons qualified in the administration of first aid.

#### **accidental**

- \* The Purchaser may use all such things of the Contractor for the purpose of finally completing the Works and shall not be liable to the Contractor for any fair wear and tear or *accidental* damage that may

occur to such things.

### **accommodation**

- \* Buyer shall provide consultants at its own expense with the *accommodations*, facilities, conveniences and services to assist consultants to work effectively for the performance of the work.

### **accompany**

- \* Each Bid shall be *accompanied* by a Bid Guaranty.
- \* The voting power becomes ineffective by reason of the intervention of military power in the affairs of ZZZ, whether or not *accompanied* by war or civil strife.
- \* Such letter or letters of credit shall be payable at (place) against presentation of Contractor's invoices *accompanied* with the documents specified in the letter(s) of credit.
- \* The Voting Trustees are to be *accompanied* by properly executed transfers to the Voting Trustees.
- \* The Licensee's remittance for the full amount of royalties due for such quarter shall *accompany* such reports.
- \* Each Proposal shall be *accompanied* by an acceptable form of Proposal Guaranty in an amount equal to (---) per cent (---%) of the amount of the Proposal payable to ---.
- \* Each bid must be *accompanied* by cash, certified check, or bid bond in

the amount of U.S.\$(---).

- \* Bidder's bond shall *accompany* the Proposal submitted by the Bidder, as a guaranty that the Bidder will enter into an agreement with the Owner for the construction of the work, if the Contract is awarded to him.
- \* The Project Specifications shall mean all sections of the project specifications issued by the Owner, dated (---), *accompanying* this Agreement.

### **accomplish**

- \* All acts and things shall have been done as required for *accomplishing* the merger under the applicable provisions of the laws of (country).
- \* The Survivor will make the necessary arrangements to *accomplish* the purpose of this paragraph.
- \* If the Lessee shall make an assignment for the benefit of creditors to *accomplish* any of such purposes, the Owner may remove the machine and terminate the Contract.

### **accomplishment**

- \* The Contractor shall furnish all plans and specifications necessary for the *accomplishment* of the project.

### **accord**

- \* The commissions shall vary in percentage *according* to the kind of sale made by the salesmen.



\* All works should be in *accord* with the Laws and the local utility regulations.

\* The Arbitrators shall *accord* the parties a full hearing.

\* The Second Party shall faithfully, and *according* to the best of his ability, purchase the goods.

## **accordance**

\* The work shall be performed in *accordance* with the provisions of the Contract.

\* We employ you as our broker in *accordance* with the terms and conditions expressed in this letter.

\* A (---) months' notice shall be given by either party of their desire to discontinue this Agreement in *accordance* with the last paragraph.

\* Contractor guarantees that the work and more specifically the materials are in *accordance* with the Contract.

\* The Contractor shall do all services for the commissioning of the plant in *accordance* with this contract, appendices thereto and the technical specifications and data, drawings, plans and specifications referred to thereof.

\* New members admitted to membership shall be entitled to share in the property of the association in *accordance* with the general rule.

\* AAA grants to ZZZ an exclusive license to manufacture machinery

constructed in *accordance* with said pending patent application.

\* The Promoters shall be responsible for the organization of Joint Venture Company in *accordance* with the Articles of Incorporation attached hereto.

\* The Tenant will be compensated by the Landlord for the unexhausted value of his contributions in *accordance* with the values set forth in this Lease.

\* The shares represented by such certificate are issued in *accordance* with and pursuant to the provisions of this Agreement.

\* Local and Foreign shall cause the Joint Company to be duly organized in *accordance* with this Agreement.

## **account**

\* The commission shall only be paid out of the moneys received by the sales company as payments on *account* of the purchase mortgage taken back by the Seller.

\* Failure on the part of ZZZ to *account* to AAA shall constitute a breach of this Agreement.

\* We shall forward to you (---)% of the invoice price of sales, except as to *accounts* which are in default in payment.

\* The right of the Manufacturer to examine such *accounts* and contracts shall cease (---) months after the termination of this Agreement.

- \* The Distributor shall keep accurate *accounts* of all transactions covered by this Agreement and shall permit examination by the Manufacturer of such *accounts*.
- \* The costs and expenses shall be *accounted* for and borne separately by both parties.
- \* In the event of litigation against ZZZ on *account* of any claim of infringement arising out of the use of licensed products, AAA agrees to do so.
- \* The *accounts* of the sales company shall be competent and conclusive evidence of the state of *accounts* between the parties.
- \* All the payments shall be made in the U.S. currency by Buyer to Seller by telegraphic transfer to Seller's designated *account(s)* with bank(s) in (country).
- \* It is agreed that the Dealer will sell such products at the (place) zone retail list prices, in order that the Dealer may obtain a fair margin of profit with respect to AAA Products sold, taking into *account* the cost thereof, the selling, delivering, installation and servicing expenses in connection therewith, allowances of any character to the extent warranted, and other factors.
- \* All debts due on whatever *account* of or belonging to or due to each of the constituent corporations shall be deemed to be transferred to Buyer without further act or deed.
- \* ZZZ shall not assign the *accounts*
- receivable or subcontract the order without first obtaining the written agreement of AAA.
- \* Bank shall *account* for and deliver to such substituted escrow agent all shares of stock and cash held by it.
- \* In accordance with the instruction from AAA, we open a confirmed letter of credit in your favor for *account* of AAA.
- \* AAA further agrees to keep full and accurate books and records of *account* to permit verification of the statements submitted by it.
- \* The cost of such remedial actions will be for Contractor's *account* if and to the extent the aforesaid reasons are attributable to Contractor.
- \* The Trustees accept the trusts created, and covenant and agree to and with the Settlor, in consideration of them, that they will execute with all due fidelity, and will *account* for all moneys received by them, to the beneficiary when properly and lawfully required.
- \* The pre-tax profit of the business acquired by Buyer hereunder shall be determined in accordance with the usual *accounting* practice of Buyer.

#### accountant

- \* Accounts are to be examined by an auditor or *accountant*.
- \* The Buyer shall have the right to

designate a certified public *accountant*.

### accounting period

- \* The *accounting period* of the Company shall begin on the 1st of April and shall end on the 31st of March of the subsequent year.
- \* The *accounting periods* of New Company shall end on the 31st day of December in each year.

### account receivable

- \* The Seller does sell and convey to the Buyer all the *accounts receivable* both current and those that have previously been written off from books of the business.
- \* The new corporation shall be organized, and the examinations that are provided for shall be made, as expeditiously as possible, the partner shall convey to the new corporation their entire business, including the name, real estate in (place) (except cash on hand and *accounts receivable*).

### accredit

- \* Company agrees to permit inventor or inventor's duly authorized and *accredited* representative to examine its records.

### accrue

- \* The rights of the parties to any commission which *accrued* prior to the notice, shall not be divested by the termination of this Contract.

- \* All technical assistance fees payable hereunder shall *accrue* monthly on the last day of each month.
- \* The Joint Company shall be entitled to take appropriate credit against royalties thereafter *accruing*.
- \* The Lessee shall have the right to reimburse itself for the amounts so paid by it, without interest, from and out of the royalty that may *accrue* to the Lessor, but not otherwise.
- \* The profits that may *accrue* from the business of the partnership, after deduction of all of the expenses and outlays attending the conduct and management of the business, shall be divided as follows:  
---
- \* This Agreement shall supersede all contracts or arrangements that may have existed between the parties but does not affect any rights that may have *accrued* or may *accrue* to either party thereunder.
- \* AAA further agrees that it shall assume and agree to perform and pay when due all of the debts, liabilities, obligations and contracts of BBB, CCC and DDD of any kind whether *accrued*, absolute, contingent or otherwise.
- \* ZZZ agrees that it will render to AAA with each royalty payment specified in the preceding paragraph a written report setting forth the sales price of all licensed devices sold under this Agreement during the period covered by such statement, together with a compu-



tation of the royalty *accruing* by virtue of such sales.

### **accumulate**

- \* Consultants shall be entitled to take paid leave during their stay in (country) at the rate of (---) day(s) per month, which can be *accumulated* up to (---) days.

### **accuracy**

- \* The Licensee shall during its ordinary working hours disclose these books to the Licenser or its Agents for the sole purpose of checking the *accuracy* of the royalty statements.

### **accurate**

- \* ZZZ agrees to keep full, *accurate* and complete records of all the business transactions.

### **achieve**

- \* If the Buyer fails to *achieve* the minimum purchase specified herein in any one year period, the exclusive license shall forthwith be changed to a nonexclusive license.
- \* If the Contractor shall fail to *achieve* completion of the Works within the time prescribed by Clause (---) hereof, then the Contractor shall pay to the Employer the sum stated in the Contract as liquidated damages for such default.
- \* Revisions required while the design work is in progress, minor revisions to recently completed designs and revisions to *achieve* compliance

with Project Specification shall not be considered as changes.

- \* The Contractor shall design, engineer, supply, construct and commission at the Site a Plant having a (---) metric tons per day capacity with Utility Center and Offsites as specified in Appendix (---) capable of *achieving* the performances specified in Appendix (---).

### **acknowledge**

- \* The Borrower shall apply to the Lender for a loan, to be evidenced by the bond of the Borrower, duly executed and *acknowledged*, for the payment on demand.
- \* The Second Party borrows and *acknowledges* having received from the First Party, the sum of (amount).
- \* In consideration of (amount) in hand paid by the Optionee, the receipt of which is *acknowledged*, the Optionor agrees to sell the following property.
- \* AAA Bank hereby *acknowledges* the receipt of the (number) contracts mentioned in the foregoing instrument, and hereby agrees to hold the Contracts subject to the terms and conditions in that instrument.
- \* The parties mutually *acknowledge* and agree that in the event of any default by either party under this Agreement the injury to the aggrieved party will be irreparable.

\* Local consumer protection laws shall be checked for restrictions relating to clauses of disclaimer of warranty and clauses which must be separately *acknowledged* by the Buyer, etc.

\* The parties *acknowledge* and agree that Joint Venture Company shall be formed forthwith upon satisfaction of the following conditions.

\* The First Party, in consideration of the sum of one dollar (\$1), and other good and valuable consideration paid to it by the Second Party, the receipt of which is *acknowledged*, has made, and does make, the assignments and transfers as set forth hereunder.

### **acknowledgment**

\* Claims for loss or damage will not be considered unless supported by railroad agent's *acknowledgment* on freight bill.

\* The *acknowledgment* shall be in the form prescribed by the law of jurisdiction where executed.

### **acquaint**

\* Bidder should fully *acquaint* himself with all conditions and matters.

### **acquiesce**

\* Such other party shall consent to or *acquiesce* in the appointment of a receiver.

### **acquire**

\* The Lessor leases to the Lessee all

of the right, title and interest formerly belonging to AAA Company, and previously *acquired* by the Lessor under a deed of conveyance from (person).

\* It is agreed that if AAA does not engage in the manufacture ZZZ shall have the right to *acquire* a nonexclusive license.

\* Foreign shall supply to the Joint Company all advertising aids which it now has or shall *acquire* during the term of this Agreement.

### **acquisition**

\* The Board of Directors will make, declare or pay or agree to make, declare or pay, any distributions or payments of any kind in respect of its capital stock, including without limitation payments upon the purchase, redemption or other *acquisition* of any shares of its capital stock.

### **acquit**

\* ZZZ shall *acquit* AAA from all his claims and causes of action.

### **acquittal**

\* The Buyer assumes to pay fully and discharge completely, in due course, to the *acquittal* of the Seller, all debts and liabilities of the business of every kind and nature.

### **act**

\* The attorney shall execute and perform, on my behalf, any other *act*, deed, matter or thing whatsoever.

- \* The Company hereby appoints the Distributor, and the Distributor agrees to *act*, as the Company's Distributor for the purpose of selling the Company's products.
- \* The Licensee shall join in all necessary *acts*, steps and proceedings in the protection of the granted Letters Patent.
- \* The provisions of the Arbitration *Act* of (country) shall apply to any such arbitration.
- \* The sales company shall employ the salesman to *act* as its salesman for the sale of land.
- \* ZZZ shall *act* as the agent of AAA in the collection of such royalty, resulting from the operation of MMM under the exclusive license granted by AAA.
- \* None of such shares of stock shall be voted in favor of any of the following *acts* or proposals.
- \* Executive secretary shall *act* as sole arbitrator and shall consolidate the Board of Arbitration under this Agreement.
- \* The Director calling a meeting shall *act* as chairman at meeting of the Board of Directors.
- \* If the Construction be delayed at any time in the progress of the work by any *act* or neglect of the Owner or the Architect, then the time of completion shall be extended for such reasonable time as the Architect may decide.

- \* The attorney shall perform all *acts* and deed that may be deemed necessary.
- \* The Contractor shall indemnify and save harmless the company from and against all losses and all claims by reason of any *act* or omission of the said Contractor.
- \* No increase in the Contract Sum shall be allowed for any such substitution unless the Contractor has *acted* promptly and responsively in submitting for acceptance any list or lists of names as required by the Contract Documents.

#### **action**

- \* Buyer will take no *action* to prevent, delay or otherwise interfere with the issuance to Seller of letters patent based on any patent application of any of items revealed to Buyer.
- \* The termination shall not affect the obligations of the Operator hereunder to take *action* after the termination hereof.
- \* The Seller may take such *action* as it may deem necessary to protect its interest.
- \* It is expressly understood and agreed that such rights, privileges or authorities may be exercised at any time or times, whether before or after or during the pendency of any suit or *action* against the Second Party, ---.
- \* This Agreement shall, in no way, bar or prevent a suit or *action* by



the Second Party to recover the amount or amounts collected.

- \* In consideration of the advantages that will accrue from concerted *action*, the several parties do agree with each other as follows: ---.
- \* The attorney shall prosecute any *actions* compelling the payment.
- \* All costs and expenses of *actions* by ZZZ shall be paid by AAA.
- \* The Seller does sell and convey to the Buyer all the property including choses in *action* and trade acceptance.
- \* When a civil *action* for infringement of said patent shall be pending, the royalty payment shall be suspended.

#### actively

- \* The Distributor shall *actively* and aggressively conduct the sale of the Manufacturer's products.
- \* The Distributor agrees to prosecute the sale of the Company's products *actively* and diligently.

#### activity

- \* Distributor agrees to furnish AAA quarterly with up-to-date information on the sales performance as well as inventory status and special sales *activities* by Distributor and general market conditions in the territory.

#### act of God

- \* The business of Seller shall not be materially and adversely affected as a result of riot, activities of armed forces, or *acts of God* or the public enemy.
- \* The Seller shall not be liable for damages arising from embargoes on freight of any government, insurrections, lockouts, *acts of God*, or other unavoidable causes.
- \* The cause of suspension referred to shall be taken to mean fire, casualty, unavoidable accident, strikes, labor conditions, lockouts, war, *acts of God*, the enactment of any national law.
- \* The Distributor shall make shipment of all Dealer's orders, subject to strikes, fire, wars, *acts of God* or causes beyond the control of the Distributor.
- \* In the event embargoes, quarantines, *acts of God* or any other conditions beyond the control of the Buyer prevent the Buyer from packing the product, the Buyer shall have the additional time required therefor.
- \* In the event of *acts of God*, the minimum royalty shall not be required.
- \* Neither party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligations is delayed, hindered or prevented as a result of *acts of God*.