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**Four Contract Clauses to Double-Check If You Don't Have an Attorney**

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Small businesses, particularly those with under $25 million in annual revenue, often operate without a general counsel. Many have a sharp, business-savvy negotiator who can spot a good deal and close it quickly. This confidence can create the impression that an attorney is unnecessary, especially if the company has never faced litigation before. But as every litigator knows, once a deal unravels, there are clear signs that no attorney ever reviewed the contract, even when the business terms seemed favorable at the start.

The following four provisions are commonly overlooked when legal counsel is not involved, and their absence can turn a manageable dispute into a costly problem:

> First, venue and jurisdiction clauses determine where a lawsuit must be filed. If a Tennessee business agrees that all disputes must be litigated in Utah, the inconvenience and expense of traveling out of state can give the opposing side tremendous leverage. Even a straightforward case becomes expensive and difficult when you are fighting on someone else's turf.
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> Second, attorney fee provisions can also create major problems. Many contracts contain a sentence stating that the "prevailing party" is entitled to recover attorney fees. This sounds fair, but in business disputes, both sides often assert claims and counterclaims, making it unclear who actually prevails if the case goes all the way. Worse, some contracts do not permit attorney fees or allow only one side to recover fees. These one-way provisions are enforceable in most states and can turn a small dispute into a devastating financial loss once legal fees are added.
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> Third, indemnity clauses are another danger zone. These provisions often appear in all capital letters and legal jargon, but they can shift enormous risk to your business.

For example, if your company provides a service and your customer is sued because of it, you may have agreed to cover all of their defense costs and damages. Without realizing it, you could end up paying for someone else's lawsuit.

Fourth, limitation of remedies clauses can also quietly erase your ability to recover meaningful damages. Contracts can legally restrict what types or amounts of damages you can claim. Suppose you have a $50,000 annual contract and a breach causes $250,000 in losses. If the contract limits recovery to the contract price, you are capped at $50,000 regardless of the actual harm.

*Howell O'Rear is a Nashville-based attorney focused on resolving complex business and construction disputes. For nearly two decades, he has represented clients in commercial litigation, real estate conflicts, and partnership disputes throughout Tennessee. Howell is known for his practical approach to dispute resolution, whether through negotiation, mediation, or trial, and for helping clients find efficient, lasting solutions to high-stakes problems.*

*A graduate of the University of Virginia School of Law, Howell has built his career on combining strong advocacy with sound judgment, earning a reputation as a trusted advisor to business owners, developers, and professionals navigating challenging legal matters. Howell has been listed as a Best Lawyer and Super Lawyer for over ten years.*

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