

WRITING A MEMORANDUM OF UNDERSTANDING

A memorandum of understanding (MOU) is a document between at least two parties that explains the proposed agreement between them. It is a document that .

Here is a MOU Template which provides more detail on each of these sections. Get it in writing. Other documents for your business: If you're using a Memorandum of Understanding, chances are you might need one of the following: This How to has been written to help you understand what an MoU is and when you would use one. My friends and colleagues started telling their friends and colleagues about this great tool I had designed to seriously reduce the amount of time it took to write a kick-butt MOU, and I was soon overwhelmed with requests for my editable MOU template. Listen closely. It describes the project they intend to work on together and what each party's expected contribution will be. No explanation is necessary. What services will the first party provide prior to the onset of the arrangement? How the agreement is terminated by one or both parties, under what circumstances, how is the end carried out. At this meeting, you will determine what functions, services or resources will be shared. This includes where there is a need for further negotiations, or where the roles of the parties in achieving the outcomes is ambiguous it is not signed by all parties. Other contributions. Using your Rocket Lawyer account, you can make, edit, share and sign your document online. The elements that make up an agreement are offer and acceptance however when it comes to an MoU, the elements also include intention and consideration. By the time you are ready to make an MOU, you've likely already had the conversations to know what you want to include in the document. Why should I take the time to make an MOU? Generally-speaking, the short answer is no. In most cases, unless money is exchanged an MOU will not stand up in court if challenged. An MoU is not suitable: While MoUs are a formal document, they are not the best option if you are after enforceable legal obligations. MoUs help parties have a shared understanding of their agreement, and what their obligations are relative to each other. Term of Agreement When the agreement starts on a certain date, during a limited event, as soon as a sale occurs. Any set dates to review activity, performance, or satisfaction with the arrangement. For any provision in the MoU to have legal force, the MoU has to expressly state that this is the will of the parties who have signed it. Write down which organizations will be responsible for the different services and resources. As a general guide, an MoU should explain: what organisations are involved the context to the agreement and the reason for it the values and principles of the agreement the key people involved who will do what in general terms the terms of agreement And it should provide space for signatures. The guarantee is simple "you assume zero risk. Detail how the MOU can be terminated. This is an incredible opportunity that is available to you" but only if you take the first step. If you could read just one article about how to quickly design a bullet-proof, rock-solid Memorandum of Understanding, this is it. Miscellaneous Any restrictions to either party Any disclaimer statements Any privacy statements such as revealing the sales amount, but not information about the customers A place for all parties to sign the agreement. This document is not as binding as a contract, but it outlines a commitment between the parties to work together towards a common goal.