



Fleury, Comery LLP
Barristers & Solicitors

ARE LAWYERS 'DEAL- KILLERS ?

Sometimes our clients find themselves being urged to sign an agreement before consulting their lawyer because "lawyers kill deals".

TIMING

It is a legitimate and common sales tactic to create an aura of urgency surrounding a sale. "Don't lose this opportunity" is what you will be told. However, the implication is "there is not time to see your lawyer before you sign on the dotted line".

Firstly, we urge you to see a lawyer at the time you are thinking about entering into a major agreement. We can give you some general advice as to what to look for and what to look out for in an agreement. If there is genuine urgency, we can suggest escape clauses for the contract if you need time for sober second thought.

Secondly, in any event we are prepared to review your proposed agreement on an urgent basis.

Finally, one of the benefits of having a lawyer at an early stage is that it is difficult for the other party to argue with you when you say "just give me a day (or a few hours) to talk this over with my lawyer."

WE KNOW THE COMMERCIAL REALITY

Our law firm has been in business since 1957. There are very few business deals that one or other of our partners has not seen. Although we are not financial advisors, many of our clients have received valuable assistance in the course of negotiating an agreement that is the simple result of our having been down that road before. We feel that it is important that a client understand all aspects of an agreement before it is signed.

On real estate agreements for example, we want to work with your real estate agent not against him or her. A good real estate agent appreciates that a deal which has been reviewed by your solicitor is likely to be a simpler, easier and more satisfying process for their principal. That translates into other good referrals and future business.

TWO EXAMPLES

Example No. 1: The client had to sell her house in the context of a marriage breakdown. Because of her income she thought she would never obtain bank financing, had already gone to a mortgage broker, and was ready to pay a premium and higher interest to obtain a private mortgage. She also thought that she was going to have to pay a prepayment penalty of over \$2,000 to pay out the mortgage on the matrimonial home. This client involved our office before she signed the deal for her new home. We were able to negotiate an agreement with the present mortgagee (a bank) to forego the prepayment penalty if the new home was financed with the bank - and yes, at a regular bank with low rates. We saved the client a mortgage broker's fee and a prepayment penalty, probably a total of \$2,600 to \$3,000.

Example No. 2: Our client consulted us after she had signed an agreement to purchase a vision care business and its leased premises. The value of this business very much depended on the continued presence of an optometrist and ophthalmologist office nearby. Known to the vendor but not known to the purchaser, was the fact that the medical professionals intended to move away within the year. This story has a fairly happy ending, but only because we got involved very quickly. In consultation with our litigation lawyers, we were able to negotiate the termination of the agreement and the refund of most of the deposit. We could have saved our client the full deposit and possibly have assisted in making a proper agreement - if our client had consulted us before signing.

ARE LAWYERS 'DEAL-KILLERS ?

Yes, lawyers are deal-killers. We kill BAD DEALS. We are prepared to work with you and your other advisors to craft for you a GOOD DEAL.

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