



Contracts with German companies – successful negotiation and legally secure drafting

Miriam Mecnarowski Rechtsanwältin/Lawyer
Kai Scholz LL.B. / Rechtsanwalt/Partner

June 30, 2025



Agenda



Introduction

Cultural Differences and Negotiation Styles

Legal Framework of German Contracts

Successful Negotiation – Dos and Don'ts

Legally Secure Contract Drafting – Key Clauses

Legal Challenges

Alternatives to German Courts

Conclusion & Key Takeaways

Oracle Law Global – At a glance

- **About:**

- Leading international law firm
- Tailored legal solutions grounded in deep commercial understanding
- **Mission:** help clients manage risk & achieve strategic/financial goals

- **Global Presence:**

- Offices in: Frankfurt, Naples, Milan, London, Belfast, Addis Ababa, Poznan, Dublin
- Serving multinational corporation, banks, start-ups, public bodies and individuals

- **Established Expertise**

- Founded 2002 in London – now globally recognized
- Strength: Aviation Law, Banking & Finance, Energy / Oil & Gas, Corporate M&A

- **Our Values**

- Innovation, collaboration and commercial insight
- Trusted legal partner with solution-oriented mindset
- Consistent high quality service



Cultural Differences and Negotiation Styles

- ▶ German business culture: structure, precision, reliability
- ▶ Azerbaijani business culture: relationship-focused, flexible
- ▶ Different expectations:
 - Germany: Written agreements, risk management
 - Azerbaijan: trust-based, also oral agreements
 - **Tip:** Cultural awareness is key to success

examples
to illustrate
cultural
differences

Directness vs Diplomacy

Trust vs Structure

Flexibility vs Planning

Legal Framework of German Contracts



Principle of contractual freedom – with legal boundaries



Importance of written form (e.g., for terms & conditions, employment)



Core legal basis: German Civil Code (BGB)



The role of **General Terms and Conditions (AGB)**



choice of law and jurisdiction must be explicitly agreed

Successful Negotiation – Dos and Don'ts

Do	Don't
be well-prepared and patient	avoid emotional reactions during negotiations
communicate clearly and factually	no “friendly deals” without legal structure
build trust—but insist on written confirmation	don't place too much trust in verbal agreements
show interest in long-term cooperation	avoid vague or incomplete contract drafts

Standard Contract Structure

- ▶ **Preamble**
- ▶ Parties
- ▶ Object of the contract
- ▶ Duties and obligations
- ▶ Prices/payment
- ▶ Duration/termination
- ▶ **Essential clauses:**
- ▶ Liability (Haftung)
- ▶ Force majeure (Höhere Gewalt)
- ▶ Confidentiality (Geheimhaltung)
- ▶ Jurisdiction and choice of law
- ▶ Signature



Legally Secure Contract Drafting – Key Clauses

- **Parties**

Correct and complete legal identification of companies

- **Scope of services/deliverables:**

Precise and measurable terms

- **Payment terms:**

Currency, deadlines, interest for late payments

- **Liability**

Limitations, exclusions, product liability

- **Confidentiality & data protection**

Especially under GDPR

- **Governing law & jurisdiction**

Clearly defined in writing

- **Termination & duration**

Conditions for ending the contract



Common Pitfalls to Avoid

- Relying on handshake deals
- Underestimating legal formalities (e.g., written form requirements)
- Ignoring mandatory German provisions
- Not considering tax/VAT implications



Legal Review and Compliance

- **When to involve a German lawyer**
- Due diligence on the contracting party
- Ensuring compliance with:
 - Data protection (GDPR)
 - Anti-corruption laws
 - Competition laws



Dispute Resolution Options




German courts vs.
Arbitration



Mediation
possibilities



Enforceability of
foreign judgments
in Germany



Dispute Resolution Option




German courts vs. Arbitration



Dispute Resolution Option



Mediation possibilities



Dispute Resolution Option



Enforceability of foreign
judgments in Germany



Conclusion and Q&A



- ▶ Well structured contracts create legal certainty and build trust
- ▶ Cultural Awareness + Legal expertise = successful partnerships
- ▶ Investing in clear contract drafting saves time, money and stress
- ▶ Different court proceeding styles for different needs



Contracts with German Companies Successful Negotiation and Legally Secure Drafting

QUESTIONS? – let's keep in touch:

scholz.k@oracle-ra.de
mecnarowski.m@oracle-ra.de