

# On the Linguistic Features of Business Contracts

Puqing Shi <sup>1,\*</sup>

<sup>1</sup> School of Foreign Language, China University of Petroleum (Beijing), Beijing, China

\*Corresponding author. Email: Shipuqing20@163.com

## ABSTRACT

Business contract belongs to a solemn style, with significant official document style characteristics, which is different from the genre of daily English and literature. The business contract language is characterized by accurate words and rigorous structure. It has strict requirements on words, syntactic structure and writing procedures. It avoids flashy or emotional words and does not pursue literary grace, charm and rhetoric. Specifically, business contract language has the characteristics of formatting, accuracy, preciseness, solemnity, unity and consistency. This paper will understand its language characteristics from four aspects: vocabulary, phrase, sentence and stylistic structure.

**Keywords:** Business contract, Language features, Law, Rigorism

## 1. INTRODUCTION

With the increasing frequency of modern business activities. In international trade, there are individuals, legal persons, international organizations, and countries as parties to international business contracts.<sup>[1]</sup> As these parties, to integrate into and be guaranteed in international trade, business contract plays an extremely important role. However, many people have insufficient understanding of business contracts as legal document, do not grasp the language characteristics well, and the cultural differences of various countries make many business people have many problems in understanding and writing business contracts.<sup>[2]</sup> Business contract is a contract reached by natural or legal persons in accordance with legal procedures to stipulate mutual rights and obligations to achieve certain business purposes. It has a legal binding force on both parties.<sup>[3]</sup> Therefore, business contracts are legal documents, and their written language is different from general written language, technical written language and literary written language. This thesis aims to study the linguistic features of business contracts different from general styles.<sup>[4]</sup>

## 2. LEXICAL FEATURES OF BUSINESS ENGLISH CONTRACTS

### 2.1. Accuracy

Business contract is a formal document with legal effect. Therefore, it is very important to use words accurately in business contract. Accurate and rigorous

contract terms can not only avoid misunderstanding and ambiguity but also clarify and guarantee the rights and obligations of all parties to the contract. Then, to meet the characteristics of the contract, we should follow the following rules when drafting the contract.<sup>[5]</sup>

#### 2.1.1. Use special legal terms

Contract language is a legal language and a formal language, which is obviously different from oral language. For example, we will use prior to instead of before, provided that instead of but, terminate instead of end, or in accordance with instead of complying to, and so on. For example, in case no settlement can be reached, the case then maybe submitted for arbitration to the Arbitration Commission of the China Council for the promotion of international trade in accordance with the regulatory rules of procedure proposed by the said Arbitration Commission. The Arbitration Committee shall be final and binding upon both parties. And the Arbitration fee shall be borne by the losing parties.<sup>[6]</sup> In the above example sentences, submitted, in accordance with and born are used more accurately and formally, and these words are rarely used in other styles and have no associative meaning, which fully meets the requirements of language accuracy in the style of contract.

#### 2.1.2. Use archaic words

Ancient words composed of here / there / where + prepositions often appear in contracts. In the concentration, here is equivalent to this, there is equivalent to that, and where is equivalent to what or

which. For example: here after = after this time, thereby = by that means, wherein = in what; In which. For example, where by the buyers agree to buy and the Sellers agree to sell the under mentioned goods subject to the terms and conditions as stimulated hereinafter.<sup>[7]</sup> Where by and here after in the above example sentences just make the wording of the contract formal, accurate and concise.

### *2.1.3. Use synonym overlap*

English vocabulary generally has the feature of polysemy. Therefore, in order to overcome the impact of such terms on the accuracy of the contract, we often use synonyms overlapping some key words in the contract. For example, terms and conditions, complete and final, bind and obligate, etc. For example, this contract is made by and between the buyers and the Sellers; whereby the Buyers agree to buy and the Sellers agree to sell the under-mentioned goods subject to the terms and conditions as stipulated hereinafter. In the above example sentences, by and between and terms and conditions are synonyms, which correctly ensures the accuracy of the contract in content.<sup>[8]</sup>

## **2.2. Rigorism**

Contracts often use a large number of figures, which involve amount, date, quantity, etc. In order to avoid unnecessary losses, we must treat the figures in the contract strictly.

### *2.2.1. Pay attention to the representation of time*

The sellers shall advise the Buyers immediately of the occurrence mentioned above the within fourteen days thereafter. In the above example, we should use within instead of in. Because in fourteen days can be understood as within 14 days or after 14 days, there is ambiguity. Therefore, to avoid unnecessary disputes, we apply within here.<sup>[9]</sup>

### *2.2.2. Pay attention to the representation of amount figures*

You should insist on using both case and lowercase, that is, after lowercase, rewrite it again with uppercase in parentheses. In English, it is customary to add "say" and "only" after the amount in words, which is equivalent to "capital" and "whole" in Chinese. For example, in the event of both parties agree to terminate the contract after the expiry date, the consensus rights of Party B shall not be transferable, and Party B shall not renew to third party, all the confidence information relating to this industry. For example, Party B shall not reveal it to anyone. The above two examples are from the same contract, so the first example above uses review, and the second example below must also use review.<sup>[10]</sup> This maintains the

consistency of the contract and avoids misinterpretation of the contract.

## **2.3. Use more shall accents**

It indicates the respective obligations of both parties and contains the mandatory meaning of "must". The Buyers shall, have the right on the strength of the inspection certificate issued by the C.C.I.C and the relative documents to claim for compensation to the Sellers. Shall in the above example sentence strengthens the tone of the sentence and has mandatory meaning.

## **3. PHRASAL FEATURES OF BUSINESS ENGLISH CONTRACTS**

### ***3.1. Special phrases will be used in business contracts to express the fixed meaning of some English in the contract***

In business contracts, it is not difficult to find that the contract will use some conventional fixed phrases to express some customary meanings. The following are common phrases in business contracts: Whereas, In witness whereof, Now this present witness, Null and void, By and between, Make and sign.<sup>[11]</sup>

### ***3.2. Most noun phrases***

In the written language of business contracts, verb phrases are not comparable to noun phrases in terms of quantity or complexity of using the phrase structure. Therefore, in business communication, the part of the contract that should have appeared verb phrases is often transformed into noun phrases, which makes the business contract easier to read.

### ***3.3. Conversion of verb phrases into prepositions and adjective phrases***

The conversion of verbs into prepositional phrases is one of the highlights of the expression of business contract sentence patterns. Examples are as follows: Convert support into in support of; Transform violate into in violate of; Default is converted to in default of; Break into in break of. In common business contracts, the sentences in which verbs are transformed into adjective phrases are as follows: inclusive into be inclusive of; Convert exclude to be excluded of. Examples of sentences are as follows; any overtime payment on the date of commencement of your contract will be USD AMOUNT IN FIGURE (USD Amount in Words) and will be paid in arrears at the end of the month. The foregoing states the sole and exclusive liability of the parties hereto for infringement of patents, copyright, mask works, trade secrets trademarks, and other proprietary rights, whether direct or contributory.

### **3.4. Use phrases instead of clauses.**

In English business contracts, in order to make the contract sentences more concise and clearer, some phrases will be used to replace some definite, adverbial, subject clause, etc. For example: All property of the Contractor while at the Premises shall be at the risk of Contractor and the Department shall accept no liability for any loss or damage however occurring thereto or caused thereby except where any such loss or damage was caused or contributed to by any act, neglect or default of any Servant of thereby Crown at the Premises acting in the course of hi employment. The adverbial clause "how it will be happened there or be caused there" is replaced by "how occurring there or caused there".

## **4. THE SYNTACTIC FEATURES OF BUSINESS ENGLISH CONTRACTS**

By reading the relevant references of business contracts, we summarize and select the following important sentence features in the contract:

### **4.1. Complex and lengthy sentences and rigorous structure**

The contract is an official document with legal effect. Therefore, when writing the contract, we hope to provide complete and rigorous information to prevent readers from misinterpreting and misreading. There are many conditions for the establishment of certain legal concepts, and then there are more restrictions on the central word. Therefore, there are more long sentences and fewer short sentences in business contracts. Compared with ordinary English, contract English generally requires long sentence patterns to ensure strict logic and express the relationship between various parts without leakage. Long sentences are mostly composed of subordinate clauses (adverbial clauses, attributive clauses, etc.), phrases or words.<sup>[12]</sup>

### **4.2. The basic sentence pattern is declarative sentence**

Contract is an official document used to determine the legal relationship between the parties and stipulate the legal nature of the rights and obligations of the parties. It has the characteristics of pertinence, clarity and legal wording. Therefore, the sentence patterns used in English contracts have limitations. Declarative sentences are used for interpretation, explanation and judgment, and generally have no personal feelings when used.

### **4.3. Stylistic features of business English Contracts**

The content of the contract is detailed and clear, and the translation is standardized.

Whether in Chinese or English, the contract can be divided into four parts: title, preface, body and end. In order to avoid the long text of the contract and ensure the detailed and complete expression, the appendix is usually used to supplement and detail some detailed items.<sup>[13]</sup>

## **5. TRANSLATION OF BUSINESS CONTRACT LANGUAGE**

Business contracts are legal documents, so when translating into English, we should pay special attention to the selection of words, which are professional, formal and accurate, so as to make the translation rigorous in structure, strict in logic and concise.

### **5.1. The use of May, shall, must, may not (or shall not) should be extremely cautious when using these words in the contract. Improper selection may cause disputes**

May aims to stipulate the rights of the parties (what they can do), shall stipulate the obligations of the parties (what they should do), must is used for mandatory obligations (what they must do), and may not (or shall not) is used for prohibitive obligations (what they must not do). May do cannot be said to be can do, shall do, should do or ought to do, may not do, etc. In some legal documents in the United States, shall not can be used, but cannot do or must not are absolutely disabled, for example:

The parties hereto shall, first of all, settle any dispute arising from or in connection with the contract by friendly negotiations. Should such negotiations fail, such dispute may be referred to the Court having jurisdiction on such dispute for settlement.

双方首先通过友好协商解决因合同而发生的或与合同有关的争议。如果协商未果，可将争议提交有管辖权的法院解决。

### **5.2. Formal terms**

Some words used in contract English have fixed expressions. For example, the phrase "因为" is often used with "by virtual of" and "due to", and generally not "because of"; "财务年度末" is generally used "at the close of the fiscal year" instead of "in the end of the fiscal year"; "在……之前" usually uses "prior to" instead of "before"; "关于" often uses "as regards", "concerning" or "relating to" instead of "about"; "事实上" uses "in effect" instead of "in fact"; "开始" uses "consultation" instead of "start" or "begin"; "停止" uses "cease" instead of "stop"; "其他事项" uses "miscellaneous" instead of "other matters / events"; "认为" uses "deem" and "consider" instead of "think" or "believe"; "愿意做" uses "intent to do" or "desire to do" instead of "want to do", "wish to do".

In addition, there are, for example, here after, there after, here above, here after, in witness whereof, here by, there of, etc. For example:

This Contract shall come into force from the date of execution hereof by the Buyer and the Builder.

本合同自买方和建造方签署之日生效。

### 5.3. *Synonyms and synonyms*

The use of synonyms and synonyms is also a common feature in English contracts, such as "made and entered into", "by and between", "for and in consideration of", "terms and conditions", "for and on half of", etc.

The above are mainly the language features of English contracts. The language of English contract also has its own style, with distinctive wording characteristics and the preciseness, accuracy and authority of legal documents.

## 6. CONCLUSION

In international business communication, signing a contract is the final step and final guarantee for both parties to finally reach cooperation. Business contract is an important legal document for international business activities. Therefore, the drafter of the contract must understand the provisions of the laws, regulations and regulations of the countries related to the contract, as well as the rules in international practice. Moreover, the drafter must also have an in-depth understanding of the language characteristics of the business contract. The sentence pattern of business contracts is lengthy, the structure is complete, and most of them are declarative sentences. More ancient words and synonyms are used. The contents of the contract must be detailed and clear, and the model text must be standardized. The content of the contract is detailed and clear, and the translation is standardized. To sum up, business English contract has its distinctive and unique characteristics. Only by learning and deep understanding these characteristics can we be familiar with and master the writing and translation of business English contracts.

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