

# **BROAD CONTRACT INTERPRETATION AS A REMEDY AGAINST UNBALANCED CLAUSES**

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# General Issues

- Contractual freedom principle in Franchise Agreements
- Application of General Contractual Rules of Interpretation
- Uneven bargaining powers of parties

# Protective Regulations

General principles:

- a) Bona Fides / Good Faith
  - Disclosure without specific regulation
  - Effect of any disclosure requirement or *de facto* disclosure
- b) Lack of Collaboration
- c) Expectations created by Franchisor/ Similarities with the Common Law doctrine of *Promissory Estoppel*
- d) Theory of Unforeseen Contingencies

# Regulation on *General Terms and Conditions* (GTC)

Franchise Agreement: *A Pre-prepared Model Contract. Implication?*

- “*Abused Economic Dependency*” under Uruguayan Law
- “*Prudent Merchant*” under Turkish Law





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*Thank you*

Questions & Comments