# On Language Features and Translation Principles of International Business Contract

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# Abstract

International Business English contract has legal effect in business activities and has one of the most standard and formal styles in English, which emphasizes the veracity of wording, rigorous structure and strict requirements on language. Therefore, it is very necessary and important to consider various factors when translating business contracts. This article analyses the linguistic features of international business English contracts and put forward the relevant principles and suggestions related to the business contract translation.

# Keywords

business contract, language features, translation principles.

# **1. Introduction**

International business contract has an increasing place in conducting business activities these days. To master and acquire international business contract's language features and translation principles will be useful to communication cooperation during international trading activities. Since the 1980s, Chinese scholars have taken up the study of international business contracts. Many scholars and research fellows have contributed a lot in this regard and published some articles with subjective ideas. Although the authors may have different theories according to their own understanding, they are mainly based on functional equivalence theory, the theory of purpose, the theory of relevance, and so on.

This paper attempts to continuously integrate the rules of international business contract translation, as a result, more scholars can consult effective translation methods more quickly and systematically.

# 2. An Overview of International Business Contract

# 2.1. Definition of International Business Contract

Article 2 of the Contract Law of the People's Republic of China stipulates that a contract is an agreement between natural persons, legal persons and other organizations with equal subjects to establish, alter or terminate mutual civil rights and obligations.

International Business English contract is a kind of commercial cooperation between the parties concerned, for the sake of guaranteeing their rights and obligations, it formally concluded in accordance with the law, what's more, after notarization, the parties must abide by the provisions of the agreement.

If there are no other particular requirements for the contract goods between two parties in world trade, the content and form of business English contract are generally adopted.

# 2.2. Structure of International Businesses Contract

Business contract is usually composed of three parts. They are the preamble, the main body and the final clauses.

(1) The preamble of the international business English contract, which is called the validity clause of the contract, is the basic condition for the contract to come into force. The name of the contract, names and legal addresses of the parties, the date and site of signing the contract, words that agree to a contract are primarily included in preamble.

(2) The text of the contract is the subject of the contract and the substantive terms of the contract, the details are as follows: The scope of the contract, covering the formation of the company, the scope and purpose of production and operation, the provisions, such as the scope, scale, quality, standard as well as the time and the way to perform the contract terms, the terms of the contract price and payment terms, the assignment of the contract conditions, responsibility of default, the method of disputes, force majeure clause, etc.

(3) The final clause of the contract shall specify the usage and validity of the language, and sometimes include any modifications or supplements to the contract. In contracts with a large number of contents, appendices are often used to avoid the overly complicated contract text and the incomplete content.

### 2.3. **Classification of International Businesses Contract**

There are many kinds of international business English contracts. Including Contracts for Sino-Foreign Joint Ventures, Contracts for International Sale of Goods, Contracts for International Engineering Projects, Contracts for International Technology Transfer, Contracts for Compensation Trade, Contracts for Sino-Foreign Cooperative Development of Natural Resources, Contracts for Foreign Labor Services, Contracts for International Leasing Affairs, Contracts for Sino-Foreign Credits and Loans, Contracts for International Build-Operate-Transfer and so on.

# 3. Language Feature of International Business Contract

International business English contract, a powerful legally binding force, is a transactional style. What it pursues is not the formal beauty of language, but the clarity and organization of thinking, the rigor and precision of textual logic, and the standardization and professionalism of expression. Therefore, formal vocabulary, special syntax and discourse are widely used in international business English contracts, which fully reflect the stylistic characteristics of business English contracts at all levels.

#### 3.1. Lexical Feature of International Business Contract

In terms of vocabulary, business English contracts pay more attention to professional, precise and clear words, and the meaning of words is not ambiguous, so they will also present obvious colors. The main features of a business English contract are the use of professional terms, concise and rigorous language, and the use of special words and expressions.

# 3.1.1. The Usage of Technical Terms

Technical terms are of international generality and precise meaning. They are certified by authoritative disciplines and have no ambiguity. Their meanings are fixed without personal feelings. A contract is legally binding economic document. Its words belong to the area of law. Technical terms are generally accurate and infallible and are used to formulate the obligations and rights of the parties to a contract. Furthermore, people usually use technical terms with particular meanings, which translated from common words. Meanwhile, international business activities cover comprehensive fields, including technology, law, business and so on. Taking some examples as follow:

Eg:

(1) Party B is forbidden to disclose or sell the know-how related to this project without the permission of Party A.

In the example above, know-how is a technical term meaning the (technical) knowledge and skill required to do something. Know-how has a very precise meaning in a business English contract and refers specifically to licensed products, use and sale, and all technical data, production procedures, technical specifications, and other information not covered by the patent.

(2) The contract is established in case of acceptance of the offer.

(3)Party B accepts no more than 73% irrevocable L/C at sight payment, but not 100%. Meanwhile, the offer is subject to that in this contract.

These examples are legal terms that are often used in contracts to bind the parties to the contract. Both of these sentences have the word "offer", but they have different meanings, which indicate that professional terms have its special meaning under different conditions.

More examples are as follows:

Insurance	保险
Beneficiary	受益人
Letter of credit	信用证
Opening bank	开证行
Claim	条款

**Table 1.** Examples of special meanings of professional terms under different conditions (1)

These technical terms are established in the long-term trade process, and can be used in the international community, the accurate use of technical terms can reduce some unnecessary interpretation processes in the contract, and also can reduce the corresponding transaction process, to a certain extent, which improve the efficiency of transaction activities.

### 3.1.2. The Usage of Synonyms

Accuracy is a prominent feature of business English contracts, but many English and Chinese words have polysemy. In order to avoid causing differences in the meaning of words, the sentence expression is unclear, and both parties have misunderstanding to the contract, the business English contract is often used one or several pairs of synonyms for some key words in the draft, so as to reduce loopholes and disputes, and ensure that the content expression is accurate and not misinterpreted, which also reflects the sophistication and seriousness of the contract. For example:

This agreement is made on August 8, 2020 by and between Party A and Party B. (本合约由甲方和乙方于2003年6月21日达成。)

This Contract shall be subject to the terms or conditions in the packing of goods signed by both parties hereto.(本合同受签约双方所签订的货物包装条款的制约。)

Sentence if used alone "by", only shows that the contract is agreed by who, "between" alone only to limit the scope of the contract the parties. However, the meaning of "by and between" is clearer than used alone "by" or "between", which shows that whole process involved in contract negotiations and eventually signing is the Buyers and the Sellers, and no other parties concerned. Similarly, "terms" or "conditions" in the sentence have more implications if used alone, which can lead to ambiguous sentences in contexts. "Terms or conditions" are unique and without any semantic ambiguity.

The common reduplicated words are as follow:

power and authority(权威) rights and interests(利益) null and void(无效的) sign and issue(签 发) fulfill or perform(履行) as and when(当…什么的时候)

However, in addition to the synonyms with the same meaning mentioned above, many synonyms are used side by side to emphasize the different meanings between them. Hence, it is significant to make a point of these subtle differences in translation and difficult to find the appropriate words in Chinese. Such as:

The contract stipulates that all expenses, such as permit fee, arising from the "prosecution and execution" of the project shall be solely should red by the Contractor.

原译: 合同规定此项目施工过程中所产生的许可证费等一切费用全部由承包方承担。

改译: 合同规定项目执行、施工过程中所产生的许可证费等一切费用全部由承包方承担。

The prosecution and execution examples are differential synonyms. With permits, the Chinese word for permit fee. In principle, however, the permit procedure should usually be completed before the construction of the project. Otherwise, it will be regarded as an illegal operation. Therefore, these two synonyms are used side by side to emphasize their different meanings. The word "施工" in the original translation only refers to the project starts". prosecution and executions can be described as "执行" and "施工". More examples are as follows:

Tuble 2. Examples of special meanings of professional terms and	
Interpretation and construction	理解和解释
obligations and liabilities	责任与义务
Conflicts and disputes	冲突与纠纷

# **Table 2.** Examples of special meanings of professional terms under different conditions (2)

# 3.1.3. The Usage of Rigorous Words

Beyond that above-mentioned technical terms and synonyms, there are also some big words, modal verbs, vague words, archaic words and other important factors in the standard contract. Therefore, the following four aspects will be described.

Big words

For the purpose of reflecting the legal effect of contracts, formal written expressions are required. Thus, in international business English contracts, translators often use Latin derivatives rather than common English words with the same meaning. That is, formal words or literary words.

<b>Big Words in Business Contract</b>	Common Words in Daily Language
purchase	buy
employ	use
commence	begin
terminate	stop
consent	agreement
repatriate	send back
oblige	have the responsibility to do sth.

**Table 3.** The formal words or literary words

### Archaic words

Archaic words are uncommonly used in spoken language, however, they are the most remarkable feature of contract language. In international business English contracts, using archaic words correctly is very significant to the accuracy and conciseness of writing. Such as: The parties hereto shall, at first, settle any dispute arising from the contract through friendly consultation. (合同双方首先要经过友好协商,处理因合同而引起的争议。)

"Hereto" in this sentence means the examples discussed above, namely, "to this contract". Such words used in sentences makes the contract text more rigorous and laconic, reflecting the formal and grave stylistic features of it. Some common archaic words are as follow:

Archaic words	Modern meanings
hereto	of this
hereinbefore	in a proceeding part of this contact
therewith	with that or it
thereunder	under that
whereby	by what, by which
wherein	in what, in which

Table 4. Some comm	on archaic words
Table 1. Joint Comm	on archaic worus

### Modal verb

For the sake of clarifying some rights and obligations, lots of modal verbs are constantly employed in business English contracts, but they need to be used with caution because they have unique meanings in different contexts. Among them, "shall" and "may" are used frequently. Such as:

(1) All the employee of HT Company shall follow the regulations provided in the Employee Handbook.

HT公司的全部员工应遵守员工手册中的规章制度。

Among them, shall means "should, must", with a strong tone, highlighting the positive and unambiguous meaning. There is no future tense here, which may lead to ambiguities if the translation is not handled properly.

**(2)** The bank may attach additional requirements to any waiver or amendment as a condition. 银行可在任何弃权书或修正案中添加额外要求作为条件。

"May" is often used in a contract to mean "right", "power" or "privilege".

Fuzzy language

We always emphasize the accuracy and rigorousness of international business contract language, but as a result of fuzziness and uncertainty in understanding the objective things, not in all cases can we define and describe things with accurate language. For the sake of achieving the specific pragmatic functions and intention, we need to have a condition that restricts the use of fuzzy language, which is often used in order to put ourselves in an advantageous position and protect our interests from losses. It should be noted that fuzzy language refers to the characteristic language with uncertain extension and indefinite meaning. Compared with precise language, fuzzy language has greater generalization and flexibility. The pragmatic functions of fuzzy language are analyzed from the following aspects.

(1) When the facts cannot be expressed in precise language, the use of fuzzy language can make the business contract more objective and accurate, which can not only avoid lengthy language expression, but also protect contract interests and prevent loopholes. Such as:

HT Company agrees to help TQ Company to invite and recruit Chinese engineers, technician and other personnel and TQ Company agrees to assist HT Company in recruiting expatriates.(HT 公司同意帮助TQ公司招聘中国的工程师、技术人员和其他人员,TQ公司同 意帮助AB公司解决外聘人员的招聘。)

Here, the "other personnel" is a fuzzy language. After listing the main personnel in lists (e.g., engineer, technician, experts), the use of fuzzy language - other personnel will make the provisions of this clause had certain generality and expand the scope of personnel to be recruited by party B, which make the meaning more rigorous.

(2) Fuzzy language can enhance the flexibility and generalization of business English contracts in the legal context. This kind of vague language in the contract can convey rich information, avoid being in a passive position by saying too much, and leave buffering space for both parties to facilitate the smooth performance of the contract, such as:

In the event of any actual or anticipated loss or damage, the Carrier and Receiver shall give all reasonable facilities to each other or inspecting and tallying the goods.

遇有任何实际的或预料会发生的灭失或损害,承运人和收货人应当为检验和清点货物互相提 供一切合理的便利。

The "any actual apprehended loss or damage" does not specify the specific type of loss or damage. Here the fuzzy language expression method has a better effect on the clear boundary of the problem than the precise words, with a high degree of generality and flexibility of the receiver.

### 3.2. **Sentence Feature of International Business Contract**

Firstly, the content of the contract is the provisions on the rights and obligations between the parties concerned. Therefore, from the syntactic perspective, business English contracts use a large number of declarative sentences, not exclamatory sentences or interrogative sentences. Meanwhile, the contract document has legal effect, hence, there are a lot of conditions and restrictions to the establishment of many legal concepts, with the result that central words are also be restricted, and usually the attribute will be longer or use several parenthesis. In this way, the possibility of being misinterpreted and misunderstood is minimized. In addition, the use of English sentences is generally a complete sentence, that is, it will have a complete subject and predicate, instead of using elliptical sentences.

### 3.2.1. The Usage of Declarative Sentences

English sentences are mainly divided into declarative sentences, imperative sentences, interrogative sentences, and exclamatory sentences which have different ideographic functions. Business contracts have obvious tendency to choose sentence types, and because contracts are deterministic and both parties have equal status, business contracts in English are usually written in declarative sentences. Declarative sentences are used to interpret and explain facts clearly, making language more objective and plain.

# 3.2.2. The Usage of Long Sentences

In order to make the terms of a contract accurate and clear, and eliminate possible ambiguities and misunderstandings, business English contracts usually use a great many of long sentences with complicated structures, including some insert clauses, adverbial clauses and attributive clauses to explain, underline and supplement. English contracts mainly focus on hypotaxis, pay attention to logical relations, and require sentences to be coherent. Therefore, this is one of the reasons for the complicated structure and long sentences of international business English contract language. Such as:

(1) That Party B, in consideration of agreement hereafter contained of Party A, contracts and agrees with Party A, that he shall be responsible for delivering 200,000 disposal masks of good quality and up to the standard to party A within 30 March 2020 from the date of signing the contract on March 1, 2020, and shall deliver the products on the following specified terms: 100,000 pieces by the fifteenth of March, another 50,000 pieces by twentieth of March, and the entire 200,000 pieces of disposal masks will be all delivered by the thirtieth of March.(考虑 到甲方的允诺,乙方特与甲方订立协议并同意:由乙方负责,于2020年3月1日签约日后到 2020年3月30日内向甲方运送质量良好、符合标准的200,000个一次性口罩,并按下列期限 分批交货。即:到3月15日止交货100,000个,3月20日另交货50,000个,至3月30日200,000 个一次性口罩全部交货完毕。)

In this long object clause, the main body of the sentence is "That Party B, ...contracts and agrees with Party A", and is followed by another object clause leads to that. After the analysis of the sentence structure, we can know that the sentence can be more hierarchical and clearer if the long modifier is appropriately divided into sections. Thus, the structural components of English sentences are relatively flexible, and word order should be laid stress on when translated into Chinese.

# **3.2.3. The Usage of Passive Voice Sentences**

Passive voice is extremely common in business English and widely used because it makes the contract more fair and objective. It is mainly used to emphasize the passive action or is used in the case of not knowing the subject of action. Most clauses in the contract relating to inspection, packing, shipment, payment, insurance and dispute settlement are written in the passive voice. The reason is that the contracts of two parties' rights and obligations in this sentence pattern can make the text more objective and clear. For example:

(1) Payment: To be settled by irrevocable and documentary L/C. (支付:以不可撤销跟单信用证付款。)

Packing, shipping and so on are prescriptive matters, often used passive structure to emphasize that these matters must be handled in accordance with the requirements, which also reflects the formality of the contract.

(2) This order must be completed within three weeks otherwise will have to cancel the order.(此订单必须在三周内完成,否则将不得不取消订单。)

The predicate preceding of this sentence uses a passive structure. It is not clear who will fulfill the order. Passive voice can dilute the information and only specify the deadline for the completion of the order and the consequences of not completing it.

# 4. Translation Principles of International Business Contract

International business contract is a kind of special applied style, which has the characteristics of accurate wording, formal, precise sentence, standard and fixed style structure. Hence, a qualified translator should have good specialized knowledge and language skills, as well as understand the essential translation principles. The most common translation standard in China is Yan fu's "Xin, Da, Ya". With development of translation, there are little principles changing, but it is always inseparable from these three core words.

# 4.1. The Principle of "Xin" (Faithfulness to the Original)

This is because the provisions on both parties' rights and obligations in the contract need to be very unequivocal. Once the word is improper and the meaning of the words and phrases is vague, the party of the contract will take the opportunity to escape responsibility, and thus contract disputes will arise. As a result, fidelity to the original text is the most basic requirement in translation. English contracts generally lay emphasis on literary skills, rhetoric, etc., but to the first point, "faithfulness and accuracy" is the most significant. Because if the translation is

not accurate, it will attract jokes from insiders or misunderstanding, causing the other side to be unhappy, or it will delay things, bring losses to the work, and even lead to serious consequences, business disputes. Therefore, in translation, we must attach importance to the "faithfulness", not only to be faithful to the meaning of the source text but also in terms of style, tone, format, authority, strictly follow the original. For example:

"承担法律和经济上的责任" can be translated into "To bear all legal and economic responsibilities arising therefrom". However, we need to pay attention to the fact that an international business English contract is an agreement signed by both parties for a certain economic purpose. In the contract, "undertaking economic responsibility" primarily concerns the duties and obligations related to economy that the party concerned should perform and undertake based on his specific duties. As a consequence, it would be more accurate to change "undertaking economic responsibility" into "financial responsibilities". Participle phrase "arising therefrom" attributive clause should be changed to "which may arise", which will make person know that undertaking responsibility is conditional.

#### 4.2. The Principle of "Da" (Expressiveness)

"Da" means that the translation conforms to modern grammar and idiom, and the expression of each sentence is smooth. On the basis of guaranteeing the "Xin", the translator must also translate clearly and smoothly so that the readers and listeners can read smoothly and sound pleasant without feeling too awkward or difficult to understand. However, the terms of international business English contracts are often complicated, so in addition to being easy to understand, the translation of the original text should also make clear the regulations of the whole text, carefully consider the restriction and logical relationship between the terms and the sentence structure of the target language, not restricted by the sentence structure and syntactic structure of the original text.

#### **4.3**. The Principle of "Ya" (Embellishment)

Although international business contracts stress on the translation of correct words, grammar, semantic clarity, but in fact, these aspects can be seen as the embodiment of "Ya". "Ya" does not mean that it must be decorated with gorgeous words or expressed in some unique sentences. On the contrary, the normative contract requires the wording to be polite, sincere and courteous, and the translation should pay attention to cultural transfer and reproduce the polite tone of the original text so as to meet the aesthetic requirements of translation.

# 5. Suggestion on Translating International Business Contract

In addition to understanding the classification of contracts, the language characteristics of contracts, and some basic translation principles, we also need to attach importance to some other details, such as the cultural habits of English, knowledge of international business English contracts, etc.

(1) Understanding English culture and expression habits

No matter what language people use, they will choose the way they are accustomed to express themselves. Therefore, in international business contracts, it is necessary to pay attention to understand English cultural customs and expression habits, otherwise some Chinglish expressions will appear, which will make people laugh or distort the meaning and destroy the cooperation between the two parties. For example, in English, the first name is placed before the last name while in Chinese it is the opposite. Also, there are lots of tenses in English, and sometimes they are used together, so it is complicated. However, Chinese verbs have no tenses at all. Sentence structure in English is also more sophisticated. When expressing address, English is "from small to large" while Chinese is "from large to small".

(2) Being familiar with professional knowledge of business English

Compared to ordinary, it is more difficult and complicated to translate international business contract. Not only should the translators have a deep understanding of both languages, but also be very familiar with business knowledge. A business contract can be designed in many aspects, such as an international trade contract, in addition to knowledge on international trading, it may also relate to accounting, insurance, law, international exchange, international commercial law and so on. In order to accurately translate international business English contracts, one must first read books related to international trade, and of course be familiar with relevant national laws and regulations, etc. Hence, translation of international business English contracts requires a certain language foundation and English expression ability as well as professional knowledge in the field of business.

(3) Ensuring the completeness of the contract

As soon as the translator has finished translating, he or she should carefully proofread the text to prevent any omission. At this time, the translator is still impressed by the general content of the contract, and may make mistakes in writing or typing during the process of translation. The translation of a contract is of great importance, legal and economic disputes will be generated once there are any small mistakes, which may cause huge loss of interests to the parties. International business English contracts are for the benefit of both parties. It is so crucial to check whether there are mistranslations or omissions in the contract that translators should attentively consider whether the translation is accurate thereby enhancing the content of the translation.

# 6. Conclusion

In the wake of continuous intensification of economic integration, China is in line with the world in all directions. The process of economic globalization will inevitably lead to more opportunities for foreign exchanges. International business contracts, as a significant part of international business communication, act a pivotal part. For the sake of having a successful business negotiation, the first step is translating the contract by rule and line. In the process of translating business contracts, translators should fully consider the similarities and differences of the linguistic features of international business contracts, follow the basic translation principles and apply appropriate translation strategies.

This paper refers to the theories and related contents of international business contracts of many senior scholars. It tries to summarize the language characteristics and some significant translation principles of business contract in details. I hope it can help readers and relevant scholars in translating business contracts, having deeper understanding of the language logic in international contracts, and promoting the development of China's international trade.

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