

Law of Contract

Objectives

- Contract Definition
- Types of contracts
 - Written contracts.
 - Verbal contracts.
 - Standard form contracts.
 - Period contracts.
- Purpose of contract law
- Importance of Contract Law
 - What are the principles of contract law?
- Signing a contract

Law of Contract

Contract Definition

An agreement between private parties creating mutual obligations enforceable by law.

The basic elements required for the agreement to be a legally enforceable contract are:

- 1-mutual assent,
- 2-expressed by a valid offer and acceptance;
- 3-adequate consideration;
- 4- capacity;
- 5- legality.

Law of Contract

Types of contracts

- Written contracts.
- Verbal contracts.
- Standard form contracts.
- Period contracts.

Law of Contract

Types of contracts

written contract

-Is an agreement made on a printed document that has been signed by both the lender and the borrower.

Is legally binding more than oral contracts.



Law of Contract

Types of contracts

Verbal contract

is a valid contract, barring some exceptions such as agreements for the sale of land or for the sale of goods.



Law of Contract

Types of contracts

The differences between a verbal contract and a written contract

are normally highlighted by the ease in which a claimant will be able to prove what the terms of the contract are or were.

Law of Contract

Types of contracts

Standard Form Contracts

- Are agreements that employ standardized, non-negotiated provisions, usually in preprinted forms.
- These are sometimes referred to as “boilerplate contracts,” “contract take it or leave it” contracts.



ake it or

Law of Contract

Types of contracts

Period Contract

-A Contract for Indefinite Duration, or “Indefinite Duration Contract”, is a contract that doesn't set a time period for the life of the contract.

-They usually cover agreements that involve the regular, cyclical sale or transfer of goods and services.

Law of Contract

Purpose of contract law

- To enforce the agreement of the parties.
- For there to be a contract, substantial agreement must exist and the parties must have freely intended to be legally bound.
- In interpreting contracts, courts are primarily trying to carry out the intent of the parties.

Law of Contract

Importance of Contract Law

- Contract law serves as your protection in every legal agreement you make in life.
- Contract law makes these agreements "enforceable", which usually means that it gives the party the power to compensate and obtain money damages caused by the other party due to a breach of contract.

Law of Contract

What are the principles of contract law?

The essential principles of English contract law, however, remained stable and familiar, as an offer for certain terms, mirrored by an **acceptance**, supported by consideration, and free from duress, undue influence or misrepresentation, would **generally** be enforceable.

Law of Contract

Is it illegal to break a contract?

- Breaking a private contract between two parties is not forbidden by law or statute - anyone can do it and it is up to the aggrieved party to pursue damages in a civil court for a private wrong.
- So if you break a contract it is not illegal, it is a breach of contract.

Law of Contract

Can a person be forced to sign a contract?

- To be considered a contract, one party should give something to another person in exchange for a promise.
- If one party is threatened and forced to sign a contract, the agreement is considered void.
- According to a federal law, a contract signed under duress is not subjected to breach of contract laws.

Law of Contract

Is a contract valid without signature?

-Generally, to be valid and enforceable, a contract must be signed by all parties.

-But recently, the Eighth Appellate District Court enforced the arbitration provision of a contract that was signed by only one party, demonstrating that a valid contract may form even if all parties have not signed the document

Law of Contract

Do both parties need to sign a contract?

-Generally, to be valid and enforceable, a contract must be signed by all parties.

-But recently, the Eighth Appellate District Court enforced the arbitration provision of a contract that was signed by only one party, demonstrating that a valid contract may form even if all parties have not signed the document

Law of Contract

Is a contract valid if it is not signed by both parties?

-Generally, to be valid and enforceable, a contract must be signed by all parties.

-But recently, the Eighth Appellate District Court enforced the arbitration provision of a contract that was signed by only one party, demonstrating that a valid contract may form even if all parties have not signed the document.

Law of Contract

What happens if you sign a contract without reading it?

-If you've signed a contract, you can't escape it. ... “when a document containing contractual terms is signed, then, in the absence of fraud or misrepresentation, the party signing it is bound, and it is wholly immaterial whether he has read the document or not.”