

Introduction to Contracts

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Contracts

- ▶ What are they?
- ▶ Why do we have them?
- ▶ What are common examples?

Required Elements of Contracts: The Agreement

- ▶ Consists of the **Offer** and **Acceptance**
- ▶ Must Be Serious
- ▶ Must be Communicated
- ▶ Terms must be accepted
- ▶ Offeror - person/party making the offer
- ▶ Offeree - person / party who can accept the offer



Required Elements of Contracts: Genuine Assent

- ▶ Contract cannot contain
 - Deceit
 - Trickery
 - No Undue Pressure
 - No Important Mistakes

Required Elements of Contracts: Legality

- ▶ The people/parties in the contract must agree to something LEGAL



Required Elements of Contracts: Consideration

- ▶ Parties must exchange something of value
- ▶ Examples
 - Goods
 - Services
 - Property



Required Elements of Contracts: Capacity

- ▶ Persons/parties in a contract must have legal capacity
 - Of the Age of Majority
 - Mental Capacity

Required Elements of Contracts: Writing

- ▶ Most contracts do NOT need to be in writing
- ▶ Exceptions
 - Real Estate
 - Leases/Rentals
 - Marriage Licenses
 - Explicit Employment Contracts
 - Bills of exchange and promissory notes
 - Checks
 - Life Insurance policies
 - Assignment of copyright
 - Contracts for marine insurance

Conditions of the Offer

- ▶ Complete and Clear
- ▶ Implied Terms
- ▶ Advertisements
- ▶ Communicated to Offeree

Assignment: Contract Interview


