

Business law text and cases

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**ASSIGN
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Promise to do something that one has no PRIOR legal duty to do.

A performance of an action that one is not obligated to do * Refraining from an action that one has a legal right to do (forbearance) Rescission- the opposite of forming a contract, and bring the parties to the positions they occupied before the contract was made Past consideration- no consideration or a promise to give another something of value in return for goods or services rendered and delivered in the past Accord and satisfaction- the settlement of a debt by paying less than the amount demanded in exchange for extinguishing the debt Liquidated debt- one whose amount was fixed, agreed on, settled, or determined.

Release- a contract in which one party forfeits the right to pursue a legal claim against the other party Covenant not to sue- party who had a cause of action at the time of making it, and by which he agrees not to sue the party liable to such action Exceptions to the Consideration Requirement * Promises that induce reliance under the doctrine of promissory estoppels * Promises to pay debts that are barred by a statute of limitations * Promises to make charitable contributions Promissory estoppels- a person who has reasonably relied on the promise of another may be able to obtain some measure of recovery.

Requirements to make a claim 1. Must be a clear and definite promise 2. The promissory should have expected that the promisee would rely on the promise 3.

Promisee reasonably relied on the promise by acting or refraining from some act 4. Promisee reliance was definite and resulted in harm or damage 5.

Enforcement of the promise is necessary to avoid lack of fairness Chapter 13

Minors

Age of majority- when a person is no longer a minor, for contractual purposes it is 18 years old Emancipation- occurs when a child's parent or legal guardian takes away the legal right to exercise control over the child

Disappearance- The act by which a person who has entered into a voidable contract; as, for example, an infant, does disavow such contract, and declares he will not abide by it. Necessaries- include whatever is reasonably needed to maintain the minor's standard of living Ratification- the act of accepting and giving legal force to an obligation that previously was not enforceable.

Contracts Contrary to Statute * Statutes are set forth rules specifying which terms and clauses may be included in contracts and which are prohibited. 1 .

Contracts to commit a crime 2. Usury – lender who makes a loan at an interest above the lawful maximum Gambling 4. Online gambling 3. 5.

Licensing statutes Unconscionable- unreasonable or grossly unfair Chapter 14 (Mistakes Fraud, and Voluntary Consent) Mistakes of Fact Bilateral- mistake is made by both of the contracting parties Unilateral- mistake is made by only one of the contracting parties

Mistakes of Value Typical fraudulent misrepresentation consists of the following elements: misrepresentation of a material fact must occur attempt to deceive There must be an The innocent party must Justifiably rely on the misrepresentation A party additionally must have been harmed as a result of misrepresentation Intent to Deceive Sciences- guilty knowledge, signifies <https://assignbuster.com/business-law-text-and-cases/>

that there was an intent to deceive Innocent misrepresentation- NOT FRAUD,
(ex.

Measurement of land is wrong by person selling it) when an innocent misrepresentation occurs, the aggrieved party can rescind the contract but usually cannot seek damages.

Negligent misrepresentation- when a party makes a misrepresentation through carelessness, believing the statement is true. In almost all states, such negligent misrepresentation is equal to Fraud. Injury to the Innocent Party To recover damages caused by fraud, however, proof of harm is universally required. Adhesion contracts- a contract (often a signed form) so imbalanced in favor of one party over the other that there is a strong implication it was not freely bargained