Business law assignment

Business, Management

AH Offer Deflation: An offer Is a definite promise to be bound on specific terms. If the offer is accepted then there will be an agreement provided two other requirements are satisfied; intention to create legal relations and consideration. An offer must therefore be distinguished from: – a) The mere supply of information; b) An invitation to enter into negotiations; or c) An invitation to make an offer. Shunting v Lynn 1831 Harvey v Face 1893 Big v Boyd Gibbons 1971 Fisher v Bell 1961 Patterned v Christened 1968 Acceptance can be made by conduct, orally and of course in writing.

For acceptance can be made by conduct see Caracal's case where the response to the challenge to use the smokeless constituted acceptance. Also see reward cases. An acceptance must be made by some positive act. Mere silence is not acceptance. Flophouse v Bindle 1862 Neal v Merger 1930 Great Northern Railway v Withal 1873 81 (A) Statutory limitations ACTA If the parties negotiate their contract from more or less equal positions of strength ND expertise, the courts or Parliament do not usually Interfere.

However, there has been strong criticism of exclusion clauses In contracts between sellers of goods and private citizens as consumers. In such cases, there may be great Inequality (B) a) Infants or minors: This chapter deals mainly with contracts made by MINORS as Drunkards and lunatics: A drunkard or lunatic lacks the necessary intent to contract. His contract are avoidable but, like a minor, he must pay a reasonable price for necessaries sold and delivered. (S. 2 Sale of Goods Act 1979). C) Companies and reparations: Firstly, corporations are artificial persons and cannot make personal contracts.

Corporations’ capacity to make contracts are limited by the instrument which created them, e. G. The memorandum of association of a limited company. These instruments specify the purposes for which the corporation is formed. Any contract made outside these purposes is ultra virus and void. (Re Jon Barefoot 1953) (a)Len the course of drafting their agreements, parties quite properly seek to define their obligations. This may take the form of an explicit clause stating that they will not e liable for certain losses or that their liability will be limited.

Exclusion clauses are also known as disclaimers or exemption clauses. An exclusion clause, therefore, is a term inserted into a contract whereby one of the parties seeks to exclude his liability in the event of certain contingencies. If such a clause is to be valid, it must: – a) Be integrated into the contract ; and b) Cover the loss or damage which has occurred. Lagrange v Cura?? ao 1934 L sold a slot machine to G excluding his (g’s) rights under the sale of goods act 1893. G signed the contract without reading the clauses.