

Warranties as contracts

Law



Warranty as a Contract

Contract is defined as the performance of an agreement between two parties who have decided to lay down certain conditions with respect to the way they shall perform the agreement. An agreement is a legally tenable document which propitiates that the parties shall do what is written in the agreement. It is an agreement to do something in return for a consideration. Contracts can be divided into warranties and conditions. In this assignment we are looking at warranties as contracts:

Let us first define warranties as contracts as the following:

“ Warranties¹ are minor terms of a contract which are not central to the existence of the contract. If a warranty is breached the innocent party may claim damages but cannot end the contract” ²

Gaining an understanding from the above mentioned definition, a warranty is a contract for which the terms of the breach of the contract do not tantamount to the cancellation of the contract.

It is pertinent to understand that warranty is a condition which is collateral to the existing status of the contract. A contract can still do without the prevailing condition of the warranty. Let us have an example to further understand the point. When an individual buys a product, he has a warranty attached to it. However, due to some action on behalf of the consumer, it might lead to the defeat of the warranty. What we mean by this statement is that if the consumer uses the product in a fashion not demarcated by the manufacturer, then that might lead to the breach of the warranty.

However, it is very crucial to understand at this juncture that this said loss of warranty will not tantamount to the breach of the sale contract which the parties entered into. Having bought an Apple iPhone, if an individual jail

<https://assignbuster.com/warranties-as-contracts/>

breaks it, then he tantamount to the loss of the warranty of the product. But, at the same time, it would not result in the entire breach of the contract. The sale contract still exists and the manufacturer or the consumer cannot ask for the refund of the money or to return back the product to the manufacturer.

“ An assurance, promise, or guaranty by one party that a particular statement of fact is true and may be relied upon by the other party.” 3

Warranty as a contract is an assurance that the product shall be fixed and repaired at any given time, however, there is a time stipulation to the said warranty and the consumer has to approach the manufacturer within that frame of time in order to get the product repaired along with the benefits which a warranty provides.

Conclusion:

To conclude, it is crucial to recap the basic definition of a warranty as defined earlier in this paper. A warranty is collateral which is essential to the functioning of the contract. It is collateral which is attached to the existing terms and conditions laid down in the contract. A warranty at the same time is also an important step in the basic functioning of the contract since it carves out the path where the contract may be performed with respect to the repair of goods.

Reference Page

TheFreeDictionary. com. N. p., n. d. Web. 15 July 2012. <http://legal-dictionary.thefreedictionary.com/warranty>

<http://www.e-lawresources.co.uk/Conditions,-warranties-and-innominate-terms.php>. Publisher is e-law source.

Bettini v Gye 1876 QBD 183

<https://assignbuster.com/warranties-as-contracts/>