

# [Unconscionable contract](https://assignbuster.com/unconscionable-contract/)

UNCONSCIONABLE CONTRACT [School] Number] November 24, The contract signed by Amy is unconscionable. This is pursuant to the Uniform Commercial Code (UCC) Sec. 2-302(1) which provides that: “ If the court as a matter of law finds a contract or any clause of the contract to have been unconscionable, or any clause of the contract to have been unconscionable at the time it was made, the court may refuse to enforce the contract, or it may enforce the remainder of the contract without the unconscionable clause, or it may so limit the application of any unconscionable clause as to avoid any unconscionable result”. A clause is ‘ substantively unconscionable’ if it is unduly “ unfair and one sided, which usually involve excessive price, or an unfair modification of the buyer’s or seller’s remedies” (Emanuel, 2006). The rationale behind the doctrine of unconscionability is to circumvent the enforcement of unfair contracts. In the case at bar, Amy, who was a college student, was led to believe by the salesman that the home theater system, Alpo Model XL2, costs $3, 000, when in truth and in fact, the actual standard cost of the theater system is only $1, 000. The price given by the salesman was two times higher than the prevailing standard cash market price of the item bought by the buyer. Hence, the “ rent-to-own” contract signed by Amy is considered unconscionable. Under the law, Amy has the remedy to demand the return of the excess $2, 000 since the contract price is unconscionable, excessive and unfair on her part. Here, the salesman acted in bad faith at the time of the signing of the “ rent-to-own” contract. Therefore, in order to cure the damage caused to the buyer, Amy can go to court and have the contract declared as unconscionable and oppressive, since there was a violation on the part of the salesman to fulfill his obligation in good faith in accordance with their contract. She can legally demand the refund of excess payment of $2, 000. “ It is the judge who has the power to declare whether or not a contract is unconscionable, and not the jury” (Emanuel, 2006). References Emanuel, S. L. (2006). Contracts. Emanuel Law Outlines. New York, USA: Aspen Publishers. Uniform Commercial Code (UCC) Sec. 2-302(1)