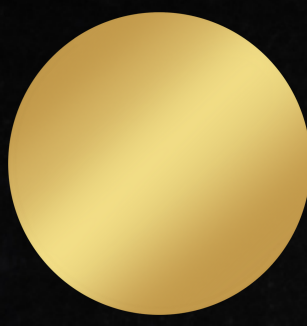


INB 2503
Week 4



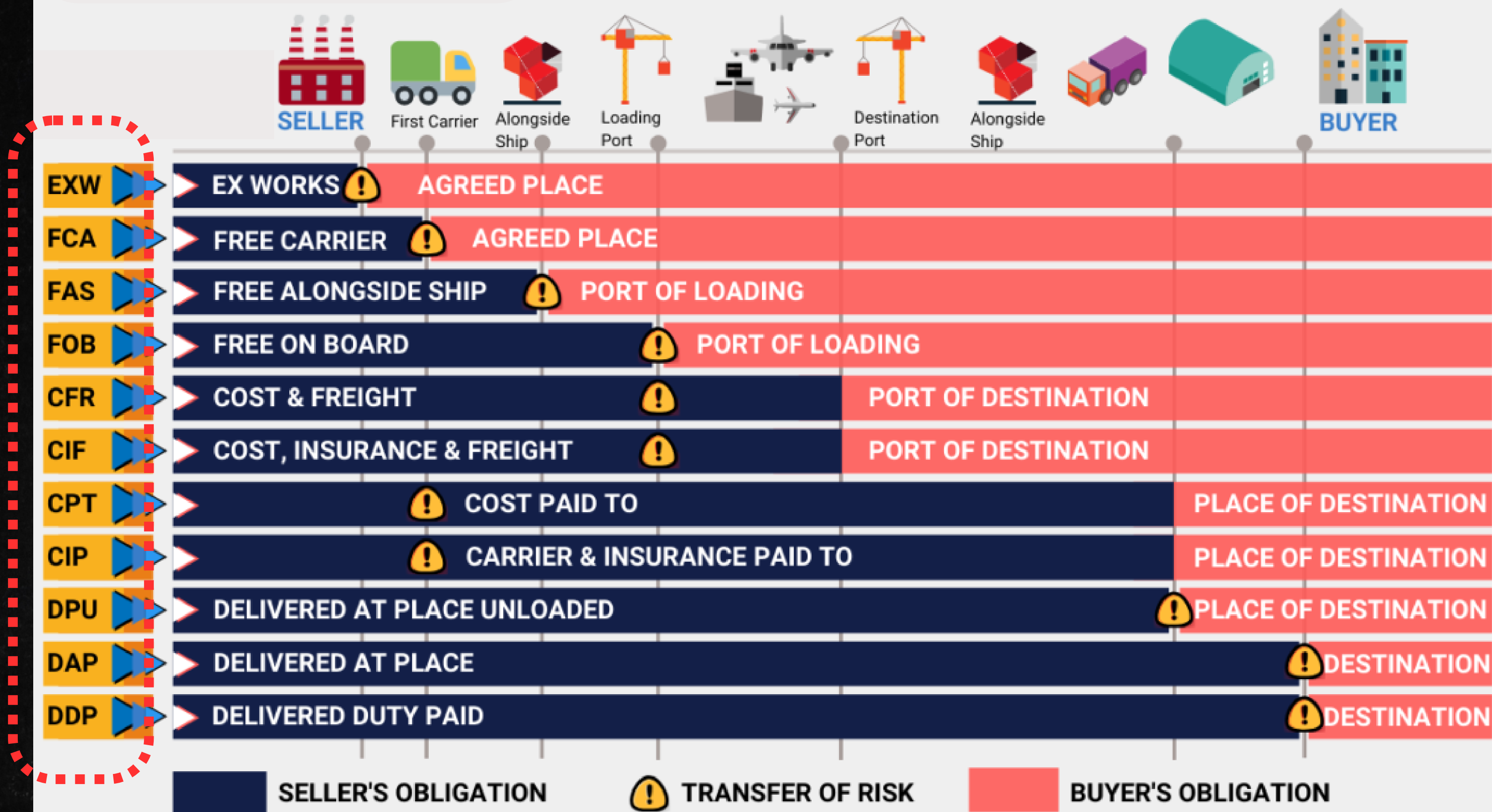
Legal / Contract Vocabulary



- Request for Quotation
- Request for Information
- Request for Proposal



Buyer



previous discussions, negotiations, and agreements between the City and the Institution with respect to the contemplated transfer.

3.8 **Termination of this Memorandum.** This Memorandum shall become void and terminate on 12/31/2023, unless sooner terminated as provided herein.

3.9 **Intellectual Property/Inventions.** The Institution's ownership and/or rights in the Transfer Agreement described in the Memorandum will terminate with a specific MOU. Property upon transfer or other disposition of such MOU/Property will be assigned, purchased, licensed, purchased, sold, or otherwise acquired by the Institution.

IN WITNESS WHEREOF, each of the parties has caused this Memorandum to be executed by their respective duly authorized officers on the day and year first written above.

THE CITY OF PROVIDENCE



Approved as to form and content



BRUNY UNIVERSITY



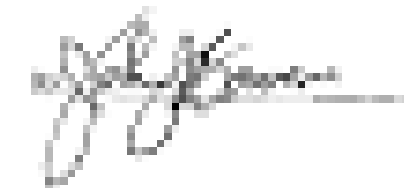
PROVIDENCE, RHODE ISLAND



BRUNY UNIVERSITY SCHOOL OF BUSINESS



BRUNY UNIVERSITY SCHOOL OF BUSINESS



MoU

Contract

MoA

A contract



- Signed up for a mobile phone
- Booked a hotel room
- Accepted a job offer

A contract is any formal agreement between people or businesses. Whenever we make a contract we are creating a **legal relationship**.

A written or spoken agreement, especially one concerning employment, sales, or tenancy, that is **intended to be enforceable by law**

Example.

Under John's employment **contract** he gets three weeks of vacation every year.

Intent

Intent refers to the determination of parties to act or perform in a particular manner.

With out intent on both sides there can be no contract


While John wanted to make some sort of deal happen but Ron had no **intent**.

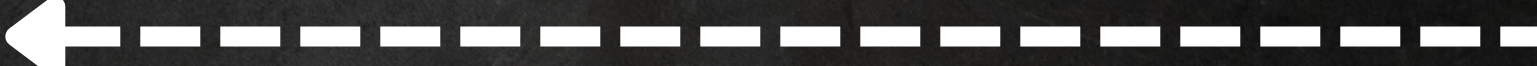
Offer/ to make an offer: A contract needs to show that there is a proposal or promise made between the parties named on the paper. This will outline what is being exchanged and how.

Example

- What product or service is being exchanged.
- How and when will it be exchanged?
- The costs of this exchange.
- Who is responsible for what in this transaction?
- What will happen if someone doesn't fulfill their obligations?

Offer/ to make an offer,
when you propose a possible contract to a person or business you are making an offer, that offer may be **accepted rejected** or amended and sent back as a counteroffer.

 Accept

OFFER ←   A Counter Offer

 Reject

(n.)

- The company's lawyers sent **the offer** to the competitors legal team.

(V.)

- The victims were **offered** money as compensation for their injuries.

- Contract **acceptance** refers to the act of one party agreeing to the terms proposed by another party as presented in an **offer**.
- **Acceptance** happens when both sides agree on a contract. Once the **offer** is formally accepted the agreement, contract becomes legal.

Consideration

Every contract must include something of value for both sides, this benefit or item of value is called consideration and felt that the deal.

No contract were signed last meeting because the **offer** didn't include enough **consideration** for his party.



Party / Parties to a contract

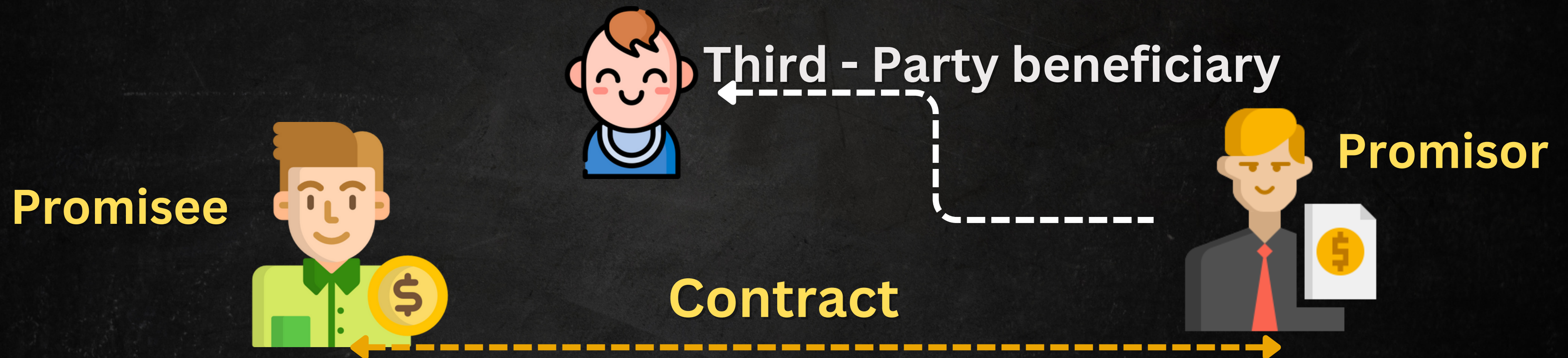
The party's in a contract are those who are agreeing to do something. Each party maybe a person a group of people a business or another type of organization.

Example

- A written contract must be signed by **both parties** to be legally enforceable.
- ‘ because the two **parties** couldn't agree on costs they fail to make a deal

A **promisor** refers to the party that makes the promise, while a **promisee** is a party that receives the promise.

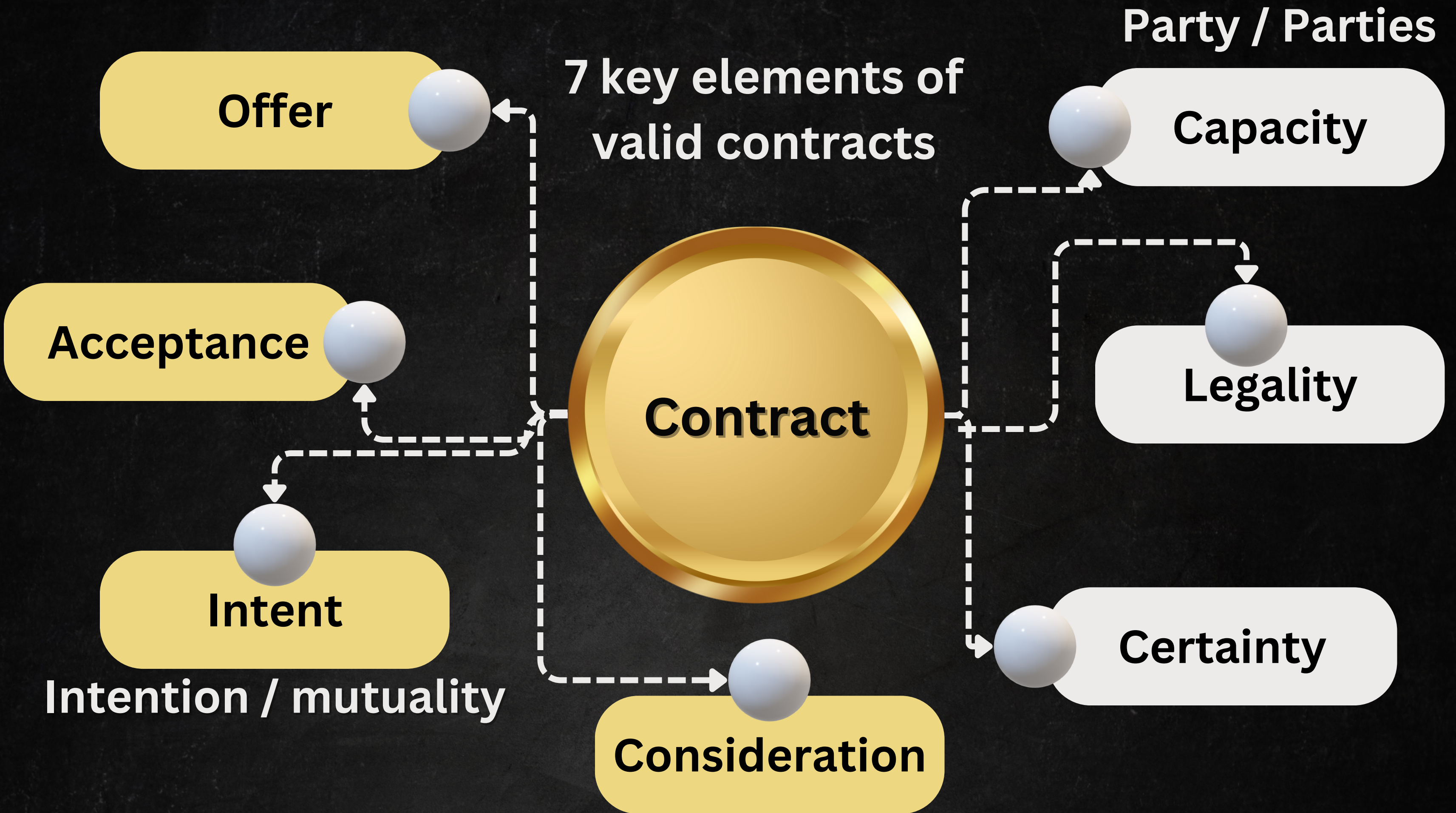
The other party set to benefit from a contract is referred to as a **third-party** beneficiary.



Each **party** to the contract must have the **legal capacity** to enter into the agreement.

This indicates that they must be of legal age and have the mental capacity to understand the terms of the contract.

If one **party** does not have the **capacity** to enter into the contract, the legal document may be void.



7 key elements of valid contracts

- **Consideration:** What's in it For You and the Other Parties?
- **Legality:** What Laws Will Apply?
- **Capacity:** Are the Parties Fit to Enter an Agreement?
- **Offer:** What Is Being Proposed?
- **Intention:** Are the Parties Interested in Partnering Together?
- **Certainty:** Is the Contract Clear?
- **Acceptance:** Does Everyone Agree?

Representation / to make a Representation

Refer to action when you make a statement of fact in a contract or in negotiating a contract, that you are making a representation.

**A statement made by one of two contracting parties to the other, before or at the time of making the contract, in regard to some fact, circumstance, or state of facts pertinent to the contract,
which is influential in bringing about the agreement.**

Repudiation

- If one party does not fulfill its obligations under a contract the result is **repudiation** of the contract.
- **Repudiation** occurs when one party refuses to honor a contract with another party.
- The easiest example of repudiation is where the repudiating party states they are unwilling or unable to perform their obligations.
- Often the party doing the **repudiation** cannot perform its obligations outlined in the contract due to financial difficulties.

Contract frustration

In certain situations, the repudiating party may be unable to perform its obligations because it is impossible.

'Contract frustration' is when an unforeseen event, or series of events due to neither party's fault, has made performing the party's obligations under the contract impossible.

- **Frustration of a contract** happens when the contract cannot be fulfilled for reasons beyond anyone's control
- **Frustration is not the fault of either party** frustration of the contract came about when it was found to violate trade agreements

Dispute / to settle a dispute

when contracted parties **can't agree** they have a dispute **finding a solution** to their **disagreement** is referred to as settling the dispute, which they may do in or out of court.

Example

it took the u.s. and Canada years to settle their **dispute** over tobacco taxes

Arbitration / to arbitrate

contracted parties that have a disagreement will usually try to reach a solution out of court through arbitration



- Wanting to avoid a costly legal battle the two companies agreed to **arbitrate**.
- Many insurance companies make customers **arbitrate** disputes instead of filing lawsuits.
- An outside organization (A third Party) got brought in to **arbitrate** the escalating conflict.

Damages / to award Damages

If the contracted parties can't settle their dispute through arbitration they may go to court.

In this case a judge may award damages (usually in the form of money) to the party that is able to prove their claim.

There are two types of damages that may be awarded: compensatory and punitive damages.

- **Compensatory damages** are intended to compensate for actual losses,
- while **punitive damages** aim to punish the defendant

Example

The judge **awarded damages** to the complainant after a lengthy court case

- I met with the buyer in my lawyer's office to sign the
- we wanted to settle the out of court to save money
- I decided to refuse the because the price wasn't right
- a contract becomes legal immediately after
- we celebrated when the judge decided to

intent to make **an offer** and **consideration** for both sides agreement on the specific elements of a contract leads to **acceptance** at which point the **contract** is legally binding to both parties.

The **parties** must have made truthful **representations** in the course of their negotiations a contract may also be threatened when one party **does not fulfill** its obligations which can lead to **repudiation**.

There is also a situation called **frustration** when a contract cannot be fulfilled for **unseen reasons**

When two parties under contract **cannot agree** they may try to **settle** their **dispute** through a process of **arbitration**

if this **doesn't work** one party may attempt to sue the other in court hoping to be **awarded damages**

QUESTIONS ?

DISCUSSION