

When Good Contracts Go **Bad** ...



Each of the following terms deals with an issue that might cause disputes over a contract. Briefly explain what each of these terms means.

Legality

Duress

Undue Influence

Innocent Unilateral Mistake

Intentional (Induced) Unilateral Mistake

Bilateral (Mutual) Mistake of Fact

Bilateral (Mutual) Mistake of Law

Misrepresentation

Fraud

(over)

When Good Contracts Go ...

VALID, VOID & VOIDABLE CONTRACTS

Use the terms on the other side of this sheet to complete the chart below.

REMEMBER:

- If a party was hurt, forced, or tricked into a contract, it is voidable. Same with parties who are underage.
- If somebody forgets to read a contract or if they are ignorant of the law, then the contract is still valid (it was their mistake).
- If both parties make a mistake about an important fact, then it is void (because they never really agreed on something).
- If the parties contract for something against the law, then it is also void.

Valid	Void	Voidable
1. <i>All 5 elements of the contract have been satisfied.</i>	1.	1.
2.	2.	2.
3.		3.
		4.
		5.