Assignment 1: Partnership Agreement

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 July 22, 2015

One should always do their best to keep their side of the promise. Oral contracts and handshake deals are often a difficult case to resolve, but as long as one can prove it in court, an oral contract can be as good as a written one. If there is no witness to an orally stricken contract and a dispute arises the terms of an oral contract can be much difficult to prove as compared to a written contract. Some types of contracts have to be in written essentially and cannot be enforceable if oral. These contracts are listed below:

* Marriage contracts
* Sales of goods above a certain value. ( the limit varies by state)
* Transfer of land ownership
* Contracts which cannot be fulfilled within a year of the time the contract is made.
* Assuming the position of an executor of a bill.
* Becoming a surety for some other party’s debt. (Clarke, 2014)

Although oral contracts are easy to form, there are situations where it would be detrimental to agree to an oral contract. Oral contracts should be formed only when they relate to simple agreements that can be easily memorized. There should always be a third party there when finalizing an oral agreement. This creates a person

 “A contract are said to be 'within the statute' if its provisions are such that its operation and enforceability depend upon compliance with the requirements of the statute; it is said to be 'not within the statute' if its operation and enforceability do not depend on such compliance.  According to this usage, a contract may be 'within the statute' even though it is completely in writing and duly signed and delivered, so that the requirements of the statute are fully satisfied." (Corbin on Contracts § 276)

In this case one could prove the existence of the terms of an oral contract, by "a preponderance of the evidence". In other words the most of the evidence should exist on one’s side to prove that the contract terms exists. If the other party is not willing to find fault and reconcile, the following five elements should be considered before deciding to file a lawsuit for fraud:

* There must be a false representation of fact.
* The party making the representation must know it is false.
* The false representation must be made with the intent that it be relied upon.
* The innocent party must reasonably rely upon the false representation.
* The innocent party must actually suffer some monetary loss.

Oral contracts are considered enforceable when there is some sort of legal remedy that can be offered to fix the breach of contract when either of the two parties have breached the contract.

Not all oral contract are not entirely oral and there are certain written proofs associated with the oral contract. So, in case one of the partners has violated the agreement, any related document can be used to prove that the agreement has been in place. Another methods that where briefly discussed earlier, would be to use the witness testimony. If two people a make an oral agreement and someone else is present at the moment as a witness then he can be used as evidence witness to prove that the contract exists.

References:

Clarke, P. (2014). Oral Contracts. In *Legal Match*. Retrieved February 1, 2015, from

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