

Extract from UCTA

16.3 Where (a) _____ subsection 1 (b) _____, a term of a contract is void and has no effect, the fact that a person agreed (c) _____, or was aware (d) _____, the term shall not (e) _____ itself be sufficient evidence that he knowingly and voluntarily assumed any risk.

● of

● to

● above

● under

● of

THE ELEMENTS OF A CONTRACT**Exercise 1**

Jack Winter went to his first lecture on contract law at the University of Chatsworth this morning. He learned something about how a contract is formed. Look at Jack's lecture notes below and give each paragraph a heading from the box.

● Intention to create a legal relationship

● Consideration
● Acceptance

● Offer

Lecture notes on contract

There are basic elements to every contract. In English law we usually need four essential things (elements) to make a legal contract. **In each country around the world the list of elements needed to make a contract will be different.** In English law there are four elements. If all four elements are present, a contract is formed. If one or more of them is missing then there is no valid contract.

The four elements of a contract

a _____

Generally in English law, there can be no contract unless this exists. It is the name given to what the parties exchange under the contract. It is usually money, goods or services.

b _____

It is something that a party says or writes to another person. It is a statement that suggests that they make a contract on very certain terms. The person who makes this statement wants it to be legally binding when the other party agrees to it.

c _____

The courts judge this objectively. The English case of *Smith v Hughes* (1871) tells us that the important thing is not a party's *real* purpose or aim but *how a reasonable person would look at the situation*. The precedent cases tell us that parties who are in business are usually considered to have this but that parties who make an agreement in a domestic or social situation usually do not.

d _____

It can be defined as, 'a final and clear agreement to terms that have been offered'.