



Contracts Act

Civil Law Title 1
7th of December, 2023

AN ACT TO reform the systems of the Nation to ensure a fair, enforceable and easy to understand, easy to apply system of contracts and agreements for the people, the government and the organisations therein.

The Parliament of the Republic of Rosava, representing its people, with the will of the President of the Republic of Rosava representing the same, and the Chancellor of the Office, enacts the following in its full text for the betterment of the nation;

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§ 1. Definitions

Unless Context Requires Otherwise;

- (1) The 'Department of Economy' refers to the sub-organisation under the Executive Branch of the government tasked with managing the economy, commerce and finance of the nation.
- (2) The 'Party' or plural 'Parties' refers to the legal entities pertaining as a part of a contract.
- (3) The 'Performance' refers to any action, or an abstention from an action by any party of a contract as part of what is outlined within the contract.
- (4) The 'Promise' refers to any acceptance of a requirement to undertake a performance.

§ 2. Contracts Created Prior to This Act

- (1) All contracts signed prior to the enactment of this act are hereby served by this act. Henceforth, all the contracts under the Republic including the prior ones are to be examined with the standard set within this document.
- (2) If there is a case where a contractual obligation is no longer classified as one due to the passing of this act but was signed prior to the passing of this law, such cases are to be examined with the standard set by the now rescinded precedents. No such exemption is to be granted to a contract cemented after the passing of this document.

§ 3. Limitation of Provisions

- (1) The provisions hereby presented as law within this document shall not apply to the following circumstances;
 - (a) Wills, or any form of post-mortem promise or similar,
 - (b) In-Court arbitration, agreement or similar where such agreement is made under either the direct command, will or the consent of the court within the court procedures or capacity, with the results enforced by the court,
 - (c) Any law, by-law, executive order or similar.

§ 4. Contract

- (1) A contract, agreement or a bond, is a form of agreement between two or more legally recognised entities of the Nation, where all parties have made a clear and willing promise to adhere to the contents of a contract on a legal term.
- (2) Contracts are legally enforceable and must be adhered to. All parties of an agreement are entitled to the just and good-faith enforcement of the provisions of an agreement, or a compensation for a lack thereof.

§ 5. Elements of Contract

- (1) For a contract to be valid, the following are required to be valid elements;
 - (a) Offer, being the offer of a party now titled 'Promisor', is any set of promises that the 'Promisor' agrees to undertake, and any set of promises that the 'Promisor' requests the 'Promisee' to undertake in return. Neither set of promises are valid until all elements are satisfied.
 - (b) Acceptance, being the acceptance of the Offer by the 'Promisee'. An acceptance must be explicit, and a coincidental performance of the 'Promisee' does not constitute acceptance.
 - (c) Legal Intent, being the intent of all parties involved to be entering into a legally binding contract. The presumption is that the intention to create legal relations is present, the burden of proof is on the party seeking to deny it.

§ 6. Unilateral Contract

- (1) A unilateral contract is where a 'Promisor' creates a contract where the acceptance of a contract is done through a performance.
- (2) As the 'Promisee' has already completed a performance as part of their acceptance, following the legal binding of the agreement starting with the performance of the 'Promisee', the only party responsible for further performance is the 'Promisor.'
- (3) The Performance required of the 'Promisee' for the valid Acceptance is to be made clear in the Offer.

§ 7. Termination of Offer & Counter-Offer

- (1) An offer may be retracted by the original 'promisor'. Upon retraction, an agreement may no longer be created through acceptance.
- (2) When an offer is made, it may not be altered. It must be rejected/retracted and a new offer must be made in its place, either by the original 'promisor' or by an alternative 'promisee', titled a 'counter-offer'. When accepted, an offer must be accepted unaltered and whole.

§ 8. Misrepresentation

- (1) Misrepresentation is the including of incorrect facts within an offer.
- (2) Upon acceptance and creation of an agreement, if;
 - (a) The 'promisor' has intentionally created the misrepresentation, the 'promisee' is entitled to all damages and a punitive damage no more than 750 Rosavian Pounds.
 - (b) The 'promisor' has unintentionally created the misrepresentation without proper due diligence, the 'promisee' is entitled to the right to terminate the contract only at the notice of a court, at the confirmation of a judge, within a reasonable timeframe after the verdict.

- (3) The burden of proof for intent falls upon the 'promisee', while the burden of proof for due diligence falls upon the 'promisor'.

§ 9. Inability to Offer or Accept

- (1) Any entity or persons is considered unable or unfit for engaging in contracts - or a specific contract under provision §8.1C - in the following circumstances, and any contracts offered or accepted during these circumstances are null and void;
- (a) State of intoxication, or chemical or biological influence.
 - (b) Unwanted coercion through unlawful, or matters unrelated to the business relationship.
 - (c) Being misled, misinformed or under informed about the contents of an offer or the fact of acceptance. No offer or acceptance may be made without the full knowledge of necessary information regarding them being provided by the other party.
 - (d) Under duress.