

QUESTIONS ON INCAPACITY TO CONTRACT & LAC FORMAT



LAW:

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- *Introduction: Vitiating Factors. Invalid, void (Restitution) & voidable (Rescission) contract. Incapacity & Misrepresentation.*
- *Rule: Party to a contract must have capacity to contract. Incapacity of minor (below 18 in most cases) to enter into a contract. Such contract is void. The exceptions to the rule in which contract is binding on minor: contract for necessities, beneficial contracts, voidable and ratifiable contracts.*

APPLICATION:

- *Identify the **minor** i.e. below 18 years of age.*
- *No capacity to contract. Contract is **void**. General rule.*
- *Analyse the facts to determine **any exceptions** which may apply*
- *Contract for **necessaries** based on minor's station in life and requirements. Identify the "necessaries" from the facts. **Cite case law relevant** to the facts Nash v Inman, Peters v Fleming.*
- ***Beneficial** contract. Identify the contract i.e. contracts of service, employment, training, education, etc. Discuss the terms in the contract and analyse whether the **terms are reasonable and beneficial** to the minor i.e. earn money. **Cite case laws relevant to** the facts Chaplin v Leslie Frewin Publishers Ltd, De Francesco v Barnum.*

CONCLUSION:

- *Conclude whether contract is **void** and unenforceable due to incapacity of the minor (general rule) or **valid** and binding (exception to the rule).*