

CONTRACTS AND AGREEMENTS – PRESENTER'S NOTES

What is a Contract or an Agreement?

Many answers were given by the participants in response to the above question

A contract or an agreement means the same thing. It refers to any agreement either verbal or written made between two (2) parties or more than two parties.

For instance, when a person signs an agreement with another party, that agreement becomes legally binding on both parties. It is for this reason that before anyone signs any agreement; one needs to fully understand the terms and conditions of that agreement before signing it.

Agreements are normally drafted by lawyers. As such, they use legal terms in such agreements. It is always safe to ask a lawyer to interpret any terms and conditions in any agreement before you sign the agreement. Because once agreement is signed, it binds the parties to that agreement.

This applies to logging agreements as well. Many times landowners sign agreements that they do not understand the terms and conditions of that agreement. Most times they realise later that they had signed an agreement that had deprived them of some of the benefits that they should have received from the company or the other party.

What would happen if the other party breaches that agreement?

Any agreement that one signs, that person needs to have a copy of that agreement. Because that agreement is a legal document and it legally binds the parties to that agreement. Thus, whoever is a party to an agreement need to understand that agreement. So that he or she will know what are his or her legal obligations under that agreement.

Any party who signs an agreement but does not abide by that agreement, had breached that agreement. The other party can sue that party who had breached that agreement. So when a company and the land owners had an agreement, they must respect that agreement by fulfilling their legal obligations under that agreement.

To sue someone for a breach of contract or an agreement, you need to have evidence to ascertain that the other party had truly breached that agreement. And as a result of that breach, you had suffered damages or incurred loss. Thus, you should be compensated by the other party for breaching the agreement.