



Contracts, Agreements and Conditions

it pays to read and understand the fine print

There aren't too many situations that don't involve contracts and agreements; and most are related to financial obligations. The more expensive deals such as the purchase of a property or business will probably necessitate employing a solicitor or attorney to handle the buyer's side of the transaction. Any competent legal advisor, especially those whose specialty is the field in question, will have done this many times and be conversant with the ins and outs. They are familiar with the wording of contracts and know what to look for with respect to clauses that might disadvantage their client if ignored or left unattended. So, whoever engages these professionals to conduct business on their behalf should be reasonably confident of a successful outcome. There are, however, a multitude of lesser transactions that ordinary folk tend to take on themselves; and they aren't always as careful before signing on the dotted line.

Depending on circumstances, when a person buys an item over the counter and is presented with a related agreement to sign, quite often they simply scribble their signature without even looking at what exactly they are putting their name to. There may be nothing to worry about, not when they have done business with the same store and sales assistant on numerous occasions before. And anyway, wading through a tome of long-winded conditions on the spot would delay the sale and could imply mistrust on the part of the customer. Therefore they accept that, as in the past, they will be dealt with fairly and ought to have no worries. However, in truth they should have checked the fine print to confirm there was nothing buried that might come back to bite if the goods prove faulty and need to be returned.

This would seem to suggest that businesses in general can be shifty, maybe even dishonest; but that wasn't my intention. The legalities of buying, leasing and renting are in place to guarantee that the rights of everyone involved are covered; and as such, any contracts and agreements should reflect this. It really is essential that both sides take the trouble to read and understand all of the conditions; and that they are applicable to the particular issue on hand. Should one or more words, sentences or clauses appear inappropriate they need to be discussed and perhaps amended prior to signing. It may seem strange that I mentioned "word"; but this is to do with the law, and in that regard, one wrong word in the wrong place can change the legal meaning of an entire section of the document.

I have already written about the pitfalls that can be experienced when going into a rental situation (Money Matters MM09 Starting Out; and briefly in the Checklist: CL05_Renting). Anyone contemplating entering into this kind of deal, whether it be individually or as one of a group; it might pay to have a read of both the above publications. Failing to understand

the obligations set out in the agreement could easily disadvantage the person whose signature appears on the contract. Legally, they have accepted all of the conditions with regard to the timely payment of rent; and are responsible for any damage to the property. There may also be additional clauses to do with the upkeep and watering of gardens. And, should it be decided to vacate the premises before the expiry of the lease; unless the letting agent can rent the property to another immediately, the current lessee is legally bound to continue paying rent for the duration of the lease; or until it is taken up by new tenant. Reading the aforementioned articles is a matter of choice; reading and understanding the details of the contract really is essential.

Whenever money changes hands, there are almost bound to be terms and conditions applicable that can turn a simple purchase into a mini-nightmare for the buyer; sometimes even the seller. It does pay to trawl through these tedious documents to avoid regretting the omission later. Have you ever bothered to read the instructions on something like a tube of glue or a can of paint? Often there are disclaimers protecting the manufacturer should the buyer use the product in a way that has been stated as inappropriate.

The message here is plain – ensure you know the details woven into any contract or agreement before accepting it - and don't ever forget the fine print!

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