

Contract Basics

By Practical Law Canada, Law
Department

Get the basics on Contract Formation, from Practical Law Canada's new Law Department Training and Guidance Centre.



Contract Basics



While corporate law departments play a critical role in reviewing and drafting contracts on behalf of their employers, business employees typically take the lead in managing contracts related to ongoing sales, human resources, marketing and procurement activities.



That said, contract management is a collaborative effort with law departments having primary responsibility for educating their business colleagues on the legal impact of their business decisions.



The Contract Basics series provides a suite of training material to allow in-house counsel to train business employees who are either new to their roles or need to refresh their knowledge of contracts.



Contract Formation and Enforcement

This presentation provides a general overview of contract formation and enforcement in the supply and sale of goods and services under provincial sale of goods legislation. It also discusses the application of provincial electronic commerce legislation. It explains:

- How a contract may be unintentionally formed through the exchange of commercial documents and emails.
- The requirements for contract formation.
- Potential enforcement issues.
- Best practices when negotiating and executing a contract.



Understanding the Relationship Between Representations, Warranties, Covenants, Rights, and Conditions

This presentation provides a general overview of the use of representations, warranties, covenants, rights and conditions in commercial contracts. It explains:

- The meaning of these key contractual provisions.
- How they function to achieve the parties' intended goals.
- Best practices for protecting the interests of the company.

Accompanying this presentation is a handout for non-legal company employees on best practices when negotiating a simple commercial contract.



Amendments

This presentation provides a general overview of amendments to commercial contracts. It discusses:

- The legal requirements for a valid contract amendment.
- How a contract may be unintentionally amended, such as through the parties' words or conduct, and tips for avoiding unintentional amendments.
- How to determine if an amendment is necessary or if another solution is more appropriate to address the situation.
- Best practices for negotiating and executing a contract amendment when the parties desire to amend an agreement.

