



Tips Before Signing a Contract

A contract is a legally binding promise or agreement that is made between two or more people.

Read before you sign

Read through the entire contract, even the fine print, before signing. After you sign, if you do not hold up on your end of the bargain, the other party to the contract can take action against you. Make sure you understand the entire contract. Many contracts have clauses in them that specify how things are enforced. An arbitration clause may be included that states how disputes of the contract are handled. A clause can be written in the contract stating what legal fees may be enforced due to breach of the contract. There can be a clause in the contract that may waive your rights.

Make sure to get a copy of the signed contract.

Remember, by signing the contract you are agreeing to everything stated in that contract.

Terms to cancel

Make sure to know the terms to cancel. Most of the time if you cancel your contract you will lose your deposit. But your loss can be more depending on the minimum requirements of the contract. Remember if you sign a contract, you are responsible for the terms of that contract.

Do not rely on verbal promises

If the seller makes a verbal promise, make sure the written contract states the promise. If there is a dispute about a written contract or a verbal promise, the written contract prevails.

Never sign a blank contract

Never sign a contract where something can be added later. Once you sign, it is difficult to prove later that the paper was blank when signed. You would not sign a blank check, so do not sign a blank contract. Cross out any clause in a contract that does not apply or agree to



you. If you sign with these clauses in the contract, you are responsible for them.

Electronic signature

Many purchases with contracts now require you to provide an electronic signature. By electronically signing, you are agreeing to the contract terms. Before providing an electronic signature, make sure you agree to the contract. If reading the contract is hard on the electronic pad, ask for a written copy of the contract.

Helpful hints

Contracts are agreements that are legally binding on all parties to the agreement.

Make sure to understand the contract. Contracts with tricky terms can be used by tricky sellers. Seek legal or other advice if you do not understand any part of the contract.

Many contracts have provisions, often in fine print, that state representations other than those contained in the contract itself are not recognized.

Be wary of “guarantees”. Guarantees, unless specific, may be worthless.

Be sure the contract specifically covers everything you want and is at a price you agree to.

Read every line before you sign. This includes the fine print.

Take your time. Make sure the contract is really what you want. It is ok to change your mind before signing or agreeing to a contract.

Make sure to get a copy of the signed contract and keep it. You may need it later for reference, or to launch a complaint if you have a problem.

For more information or to file a complaint, visit our website or contact:

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