



# Too young to sign?

When a minor can get into a contract

Capacity is one of the most essential elements in the formation of a valid contract. It ensures that parties entering into legal agreements do so with a full understanding of the rights, duties, and consequences that follow. In the eyes of the law, capacity is primarily determined either by mental soundness or by age—specifically, attaining the age of majority. This threshold marks the legal boundary between those who can be held accountable for contractual obligations and those who cannot.

As such, a child—defined in law as a person who has not yet reached the age of majority—is strictly ousted from contractual capacity. The rationale lies in the presumption that minors lack the requisite judgment and maturity to appreciate the binding nature of contractual arrangements. Consequently, the law steps in protectively, invalidating or restricting most contracts involving minors, save for a few exceptions as outlined in this Article.

Section 4 of the Sale of Goods Act deals with capacity to buy and sell goods. It confirms that a person's ability to enter into a sale contract is governed by the general law of contract, especially the law on capacity. This means that individuals who do not have the legal capacity to contract—such as minors, or those who are mentally incapacitated or drunk at the time of contracting—generally cannot be held to contracts for the sale of goods.

However, the law creates an important exception to this general rule.

### ✓ **Exception for Necessaries**

Section 4(1) states that if necessities are sold and delivered to:

- an infant or minor,
- a person of unsound mind,
- or a person who is drunk and therefore incompetent to contract,

then that person is liable to pay a reasonable price for those goods.

### **What Are "Necessaries"?**

Section 4(2) explains that "necessaries" mean:

- Goods suitable to the condition in life of the buyer (e.g., their social status, occupation, or lifestyle),
- and to the buyer's actual requirements at the time of the sale and delivery.

This means that not all essential goods are necessarily "necessaries" in every case—a good must both suit the person's station in life and be something they actually needed at the time.

### **Legal Effect**

- The contract is not fully enforceable like a normal contract, but the seller can recover the reasonable value (not the full contract price) of the goods.
- This is a form of quasi-contractual liability which is based on fairness, not consent.

### **Lessons from case laws**

#### • **Nash v. Inman [1908] 2 KB 1**

In Nash v. Inman 2 KB 1, the Court of Appeal held that a contract for goods supplied to a minor was not enforceable as a contract for necessities because the minor already possessed a sufficient supply of the goods in question.

The case clarified that for goods to be considered "necessaries" for a minor, they must not only be suitable to the minor's social standing but also be actually needed by the minor at the time of supply.

Background:

Nash, a tailor, sued Inman, a Cambridge undergraduate, for the price of clothes supplied, including 12 fancy waistcoats.

Inman, being a minor, pleaded infancy (lack of contractual capacity due to minority) as a defense. The trial judge found that Inman was indeed a minor and that he already had a sufficient supply of clothes at the time the goods were supplied.

### **Court's Decision:**

The Court of Appeal upheld the trial judge's decision, stating that the **clothes were not necessities because Inman already had an adequate supply**. The court emphasized that for goods to be considered necessities for a minor, they must be suitable to the minor's social standing AND actually needed by the minor at the time of the contract.

### **• Chaplin v. Leslie Frewin (Publishers) Ltd [1966] Ch. 71**

In Chaplin v. Leslie Frewin (Publishers) Ltd, the English Chancery Division was confronted with the question of whether a contract entered into by a minor for the publication of his autobiography could be enforced.

The plaintiff, Chaplin, was a minor at the time he entered into the agreement with the publishing company. Under the contract, he was to write his life story, which the defendant publisher would then edit and publish. As the project progressed, Chaplin attempted to repudiate the agreement on the grounds

that he was a minor and therefore lacked the capacity to be bound by such a contract.

The court, however, took a different view. It held that although minors generally lack contractual capacity, certain contracts are enforceable against them if they are, on the whole, for their benefit and are reasonable in their terms.

The publishing contract was found to be beneficial to Chaplin, as it not only had the potential to enhance his reputation and public standing but also provided him with financial and professional advantages. The court emphasized that this was not an ordinary commercial contract but one that promoted Chaplin's career and public persona in a constructive way hence could be declared as his necessity. Since the contract was neither unfair nor exploitative, and was clearly in the minor's interest, it was deemed valid and enforceable.

### **Conclusion**

Despite the fact that a minor cannot enter into a contract, where a contract is for the benefit of the minor and is of a necessity, particularly in the fields of basic needs, education, employment, or professional advancement, it may be enforced despite the minor's age.