

Contracts that are required to be in writing:

Contracts for a lease of more than 3 years

Contracts for the sale or disposition of land

The transfer of shares in a limited company

Bills of sale and promissory notes

Regulated consumer credit and consumer hire agreements

The assignment of the benefit of contractual rights (s136 Law of Property Act 1925);

Assignment of a number of intellectual property rights (ss90(3) and 222(3) Copyright Designs and Patents Act 1988); and

Contracts of guarantee

A guarantee can be created by an exchange of emails

Golden Ocean Group Ltd v Salgaocar Mining Industries PVT Ltd [2012]

Under section 4 of the Statute of Frauds 1677 a guarantee must be in writing and signed by the guarantor or a person authorised by the guarantor in order to be binding.

A recent Court of Appeal decision has provided that an exchange of emails between two parties, without any formal document being signed, can satisfy the requirements of section 4 of the Statute of Frauds.

In *Golden Ocean Group Ltd v Salgaocar Mining Industries PVT Ltd and Another* [2012] EWCA Civ 265, negotiations as to the terms of a guarantee were conducted via email over a four-week period, however no final form guarantee document was signed by either party. The High Court and the Court of Appeal held that despite there being no signed agreement, the sequence of the email negotiations between the parties could be put together to form a complete agreement which constituted a guarantee and complied with the Statute of Frauds, in that it was in writing and signed by the guarantor.

The requirement for a guarantee to be in writing

That there was no formal document signed by either party did not prevent the guarantee from being valid and enforceable, as Section 4 of the Statute of Frauds 1677 does not require an “agreement in writing” to be one single document or even a small number of documents.