



**CONSTANTINE IX**

**ROYO Y IMPERAD**

**A.S. 280**

**APRIL, 2021**

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**No.5 of 2021**

**An Act relating to the Commerce and Business of the  
Empire**

*Assented to on the 4th of April, 2021*

SARHOLM, 2021



**SE IT ENACTED**, by the Office of the Prime Minister of the New Sarovian Empire and Her Colonies and Dominions, with the advice and consent of the Imperial Parliament thereof, as follows:

#### The Types of Contracts

1. A contract, in legal terms, is an agreement, backed up by proof and evidence, that is legally binding. Contracts are used mostly during business transactions or conversations, allowing both sides to come to an agreement that is guaranteed to be upheld. Contracts can always be refused or modified before they have been officially signed, however, should someone want to modify it after signing, they would have to take it to court, even if the agreement was mutual.

The first type of contract is a unilateral contract. This kind of contract is defined, in easier terms, as something that is signed in which the offeror guarantees payment after a specified act has taken place. For example, in most GFX cases, a unilateral contract will almost always be the case. Someone offers a job to make them a form of gfx to someone, and promises to pay once it is completed. However, if both parties agree to it, certain circumstances can nullify the payment requirement, such as an unsatisfactory product. This must be determined before the contract has been confirmed by both parties, whether through verbal or written agreement.

The second type of contract is a bilateral contract. This kind of contract serves similarly to a unilateral one, however, both parties agree to perform a certain task, rather than just one. The same laws of unilateral contracts apply here. Important details, such as reasons to void the contract, must be determined before an official agreement has been made.

The third kind of contract is called an implied contract. This kind of contract tends to be commonly disputed, as it is about proving something that may not necessarily be in writing. This type of contract arises on the basis of actions and behaviour which implies a mutual agreement. Proving this often relies on preponderance of the evidence, but also could be a burden of proof if the contract is of a high calibre. (High calibre contracts include, but aren't limited to, over 2000 saros are involved, a large request wasn't fulfilled, or a higher crime was also involved.)

#### Signing of Contracts

2. Contracts are legally binding, and may only be nullified if both parties agree in court (after it is signed.) No contract may be edited or amended after signature, unless mutually agreed upon by both parties. No individual is to be forced to sign a contract they have not been

allowed to see. No signature may be forged on any contract. Individuals may be allowed to sign on someone's behalf, but only with proof of their consent. (Failure to do so will result in a voided contract, and punishment). All information of a contract must be presented at the time of signing. Written contracts, or screenshots of acceptance of a contract are viable proof in a court of law.

#### Content of Contracts

3. Contracts must contain clear and concise information, and mention all important details of said contract. No contract may involve individuals who have no knowledge of their involvement, only under certain circumstances may this be allowed (Under court jurisdiction). No contract shall contain a proposition that violates Sarovian Law, or the Sarovian Constitution. Content and requirements of the contract must be followed, failure to do so may result in ramifications. Content of a contract may only be altered if mutually agreed to, or if deemed unjust by the court of law. Contracts containing more than one specific action must be clearly labelled, otherwise the contract is to be voided. No contract may be created to void a contract, only the court contains nullification/voiding power. Contracts may not involve foreign nations, unless authorised by the government and the court. Bilateral contracts must be clearly labelled, so both parties know what their responsibilities are. Required payments must be boldly defined and along with the time of payment. Implied contracts are under jurisdiction of the court of law, and the judge shall write a contract based on the evidence given.

#### Contractual Privacy

4. Contracts may be allowed to remain private, unless made by a public company, or if ordered to be discovered by the court. Any contract made public, without mutual consent of the parties, may remain in effect, but the party responsible will be under jurisdiction of the court for reparations. Private contracts are not exempt from discovery in court. Private contracts that raise concern for a party may be presented to the Minister of Justice, or a court judge. Contractual privacy is to be voided completely if the contract violates Sarovian Law or the Constitution.

#### Loans

5. Loans are a good way in many ways, to gain money for purchases of things you do not have money to obtain at the moment. However, loans are not as simple as this idea that an individual needs money, so then a business or a company simply gives it to them. A Proof of Loan or a Lending Agreement Contract are to be signed, with the terms clearly labelled to the agreement. Collateral, or what the loan company would be getting should the client not be willing to pay, should be clearly labelled in the contract or agreement. The Government will enforce collateral, but will not return funds. Loan Companies could potentially make a large amount of money, but also take a high risk as well. Loan companies need to make sure potential clients are trustworthy, and are mostly non-regulated by the government. Collateral is a vital part of a loan, and will be enforced by the government. What that collateral is can be

determined by the loan company, but in terms of money, that is their own. The government will not be responsible, nor permitted to return money to loan companies should they refuse to pay, but the collateral (which should be labelled clearly in the contract or lending agreement) will be enforced by the government. Things that could be counted as collateral are usually payments that should be made to the recipient will then be made to the loan company instead, until that loan has been covered (interest included). As stated, when taking out a loan the collateral must be clearly defined so that the recipient understands what refusal to pay the loan would result in. If this has not been made clear at the time of signing the agreement, the recipient will be allowed to keep the money they obtained, and the collateral will be stricken from the contract.

#### Loan and Lending Laws

6. Loans are to be described in detail by amount, interest of the loan, and collateral should the loan not be paid. Once a loan contract is entered and the money has been given to the recipient, collateral is the only reparation for not paying the loan. Loan money must be used for and only for the reason it has been requested, should it not, the collateral shall be enforced. Interest listed in the contract or lending agreement may be set at any amount, but should be made clear to the recipient. Interest rates and payment amount may not be altered in any way after signature of the loan. Loans may not exceed the amount of money possessed by the loaning company. Loan contracts are to always be available to the court, as they are likely to be disputed. Collateral may not consist of anything that could be valued higher than expected end payment (loan + interest). Collateral shall be enforced by the government, unless deemed unfair collateral by the court. Under no circumstances shall the government be responsible for refunding a failed loan, unless under special jurisdiction by the court.

#### Types of Fraud

7. Fraud applies to the acts of embezzlement, identity theft and false requests, or forging of one's signature for financial gain. It shall be under the court's jurisdiction to distribute or withhold punishment for these crimes as the judge sees fit. Embezzlement is essentially the taking of money from a company or business, and placing it into one's own personal profit. For example, instead of distributing the money to the appropriate people of the company, you withhold some of that profit for yourself, despite having no part in the transaction. This includes refusing to pay royalties to a company master, or hiding a certain transaction from the company. The company can choose to file a case against the person, or they can choose to not press charges. Identity theft would involve someone portraying to be someone they are not, and a false request would essentially be asking for a specific financial action on behalf of someone, without that particular person's consent. Generally, this would be grounds of strong punishment against the perpetrator of such actions, as determined by the court. This would also include signature forging.

#### Fraud Laws

8. Embezzlement involves the taking of company profit that is not rightfully owned by the recipient. Embezzlement is to be reported at the time of its discovery. Falsely claiming embezzlement against an individual is considered a crime, and will fall under court jurisdiction. Embezzlement may only be punished if action is taken by the victim. Embezzlement against the Crown will be considered treason. Proof of loss in terms of profit is required to hear a case of embezzlement. Embezzlement cases may be settled outside of court, but must be reported to the court afterwards.

No Sarovian may portray themselves to be someone else for financial gain. Falsely requesting a financial or business action in someone else's name will be punished under jurisdiction of the court. Impersonating or forging the signature of a member of the House of Vasa will be considered treason against the empire. Only under certain rulings may money be taken from the treasury and given to victims of these kinds of crimes. Identity theft may also be settled outside of court, or may be removed should the victim decide to not file charges.

#### Lawsuits

9. A lawsuit will always be in relation to compensation for something that seemed unjust or unfair. While in some cases it may not, a lawsuit will almost always be compensation in the form of financial benefit. A lawsuit can arise for various reasons, things such as an employer fires someone on a discriminatory basis, someone slanders another, etc. In many cases, the point of submitting a lawsuit is realistically more on the grounds of personal benefit rather than damaging the opposing individual. This addition of lawsuits is also to help maintain numbers, and to help settle disputes between individuals rather than allow it to continue, and eventually result in complete removal from the empire.

In terms of filing a lawsuit, one must gather evidence to help their cause, come up with a reasonable request of compensation, and then present their case to the court. The judge this is presented to will then decide if the case is to be heard, or if it lacks standing and is to be immediately dismissed. Dismissal of a case can occur for several reasons, most commonly because the request of compensation is far too large or unreasonable. Once the lawsuit has been presented, including evidence and request of compensation, and the court approves it, the two opposing parties will then meet in court. Generally, these kinds of cases take a very short amount of time due to the lack of necessity for witness testimony and such. The judge will decide whether the compensation is to be paid, and the court is adjourned.

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Emperor of the Sarovian Commonwealth, represented  
by the Imperial Parliament and Ministry of  
Public Works and Government Services.*