

Fraud

* Definition: → fraud involves intentionally deceiving another party to gain an unfair or unlawful advantage.

* Intent: → The party making the false statement does so knowingly and with the intention to deceive or defraud.

* Knowledge of falsehood: → The person knows the statement is untrue or has reckless disregard for its truth.

* Effect on victim: → The victim relies on the false representation and suffers harm or loss as a result.

Misrepresentation

* Definition: → misrepresentation involves making a false statement that includes another party to enter a contract, but the falsehood may not be intentional.

* Intent: → it can be innocent (unintentional) or negligent (careless).

* Knowledge of falsehood: → the person knows the statement is untrue or has reckless disregard, party making the statement may not know it is false.

* Effect on victim: → The victim relies on the false statement and is misled, suffering a loss or entering a disadvantageous contract.

Fraud

* Legal consequence :-

- considered a criminal offense in many cases.
- The aggrieved party can seek rescission of the contract and claim damages, including punitive damages in some jurisdictions.

* EXAMPLE:- Selling a car while knowingly concealing that it has a defective engine.

Misrepresentation

* Legal consequence :-

- if innocent, the aggrieved party may seek rescission of the contract but not damage.
- if negligent, the aggrieved party may seek both rescission and damage.

* EXAMPLE:- Selling a house while unknowingly claiming it has a large land area than it actually does.

Am:-> 5. Difference between void and