The Understanding Video Lecture Series™

Parol Evidence

Parol Evidence & Interpretation

Parol Evidence Rule: Evidence of a prior oral or written agreement may not be admitted to either:

- *contradict* a partially or completely "integrated" writing; or

- *supplement* a "completely integrated" writing

Partial v Complete Integration

- Partial Integration
  - Writing that's intended to be final, but does not include all details of agreement
    - *Can't contradict*
- Complete Integration
  - Writing that's not only intended to be final, but includes all details of agreement
    - *Can't supplement*

How to Analyze?

- 2-step analysis:
  1. Did the parties intend the contract to be their final expression?
  2. Did they intend it to contain ALL of the K's terms?
- Note #1: *Post-Contract* negotiations aren't covered by the Parol Evidence Rule.
- Note #2: Contracts entered into by fraud, mistake, etc. aren't covered by the Parol Evidence Rule either.

Complete v Partial, how to tell?

- Look at the type of agreement – would you expect this to be all that there is?
  - What normally happens with this type of agreement? For example, an agreement to buy a bookshelf off of craigslist might look very different from an agreement to purchase a house
- Look at the party's intent
  - Is there an integration or merger clause?

Let's try a hypo

Tim was looking to buy a new computer, and emailed back and forth extensively with Delo Corp. about their various models and options. Tim finally agreed, in email, to pay $1,200 for a particular desktop, and requested that it contained an extended on site warranty. Delo Corp agreed to this in the email.

Delo Corp's last email stated that the agreement would be reduced to a formalized writing. A formalized agreement was then sent to Tim, who signed and returned it. However, Tim failed to notice that the agreement did not contain the extended onsite warranty, and only mentioned the desktop for $1,200. Will Tim be able to claim that the warranty is part of the contract?

Let's Analyze

- Is this a partial or complete integration?
- If it's partial, it can come in, as there is no contradiction
- If it's complete, it may not come in.