### IDJI 6.02.2 -- Capacity to contract – corporation

INSTRUCTION NO. \_\_\_\_

 In this case, (name of party) alleges that (name of party) was not competent to enter into the contract. In order to be competent to contract, a corporation or other business entity must exist and be authorized to enter into the agreement by action of its officers or directors.

Comment:

 This instruction is intended to cover only the general case. Separate or additional instructions will be necessary where the alleged contract is entered into by promoters prior to incorporation, or by individuals acting for a defunct corporation. Further instructions may also be necessary where it is alleged that the corporation ratified or adopted the action of its employee or agent after the fact.