

**4.10 BILATERAL CONTRACTS**

**G. CONTRACT TO BE MEMORIALIZED IN WRITING**  
(Approved 5/98)

The defendant contends that the parties negotiated to the point that the agreement would become final only if and when the parties signed a formal contract document.

The plaintiff contends that a final agreement was reached.

Therefore, the plaintiff has the burden to prove that the parties intended that their agreement would be final without the signing of a formal contract document.<sup>1</sup>

Parties may orally, by informal memorandum or by both agree upon all of the essential terms of the contract and effectively bind themselves to that contract if that is their intention. This is so even though they may contemplate the execution of a later formal document to memorialize their undertaking. The ultimate question is what did the parties intend. It is the plaintiff's burden to prove that the parties reached a final agreement.

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<sup>1</sup>*Comerata v. Chaumont, Inc.*, 52 N.J. Super. 299, 305 (App. Div. 1958). See also *Morales v. Santiago*, 217 N.J. Super. 496, 502 (App. Div. 1987); *Berg Agency v. Sleep World-Willingboro, Inc.*, 136 N.J. Super. 369, 373-374 (App. Div. 1975); *Lahue v. Pio Costa*, 263 N.J. Super. 575, 595-596 (App. Div. 1993); *Bistricher v. Bistricher*, 231 N.J. Super. 143, 148-149 (Ch. Div. 1989).