

70. — Consent of one of the parties is defective if obtained by a fraud committed by the other party, provided that the fraud be such that without it the first party would not have given his consent.

*ILLUSTRATION.*—Five thousand tons of ice are made annually at A's ice factory. A falsely represents to B that the annual output of the factory is ten thousand tons, and thereby induces B to buy the factory. B would not have bought the factory if he had known that the output was five thousand tons only. B's consent to the contract of sale is defective.

71. — Section 70 applies if the consent of one of the parties is obtained by a fraud committed by a person not a party to the contract, provided that the other party to the contract knew of the fraud at the time when the contract was made, or would have known of it if he had exercised such care as may be expected from a person of ordinary prudence.

*ILLUSTRATION.* — Five thousand tons of ice are made annually at A's ice factory. C falsely represents to B that the annual output is ten thousand tons, and thereby induces B to buy the factory. B would not have bought the factory if he had known that the output was five thousand tons only. A knew of the fraud committed by C. B's consent to the contract of sale is defective.

72. — Consent of one of the parties is defective if obtained by the duress of the other party or of any other person.

70.—Consent of one of the parties is defective if obtained by a fraud committed by the other party, provided that the fraud be such that without it the first party would not have given his consent.

*ILLUSTRATION.*—Five thousand tons of ice are made annually at A's ice factory. A falsely represents to B that the annual output of the factory is ten thousand tons, and thereby induces B to buy the factory. B would not have bought the factory if he had known that the output was five thousand tons only. B's consent to the contract of sale is defective.

71.—Section 70 applies if the consent of one of the parties is obtained by a fraud committed by a person not a party to the contract, provided that the other party to the contract knew of the fraud at the time when the contract was made, or would have known of it if he had exercised such care as may be expected from a person of ordinary prudence.

*ILLUSTRATION.*—Five thousand tons of ice are made annually at A's ice factory. C falsely represents to B that the annual output is ten thousand tons, and thereby induces B to buy the factory. B would not have bought the factory if he had known that the output was five thousand tons only. A knew of the fraud committed by C. B's consent to the contract of sale is defective.

72.—Consent of one of the parties is defective if obtained by the duress of the other party or of any other person.