

Court imposed breach remedies (not discretionary)

expectation damages

↳ Court makes wronged party whole

| Bob | | | |
|---------|--------------------------|--------------------------|--------------|
| Amy / I | I | N | |
| | z_A, z_B | | |
| N | $x_A - (z_B - y_B), z_B$ | $z_A, x_B - (z_A - y_A)$ | $-z_B, -z_A$ |

When is I, I the NE?

$$\begin{aligned} z_A &> x_A - z_B + y_B \\ z_A + z_B &> x_A + y_B \end{aligned}$$

$$\begin{aligned} z_B &> x_B - z_A + y_A \\ z_B + z_A &> x_B + y_A \end{aligned}$$

Result: expectation damages

↳ I, I is equilibrium of the induced game if I, I is efficient

Often z is not known!
 x not known!