

INTRODUCTION to CONTRACTS (Under Common Law)

by

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LAW OF CONTRACTS

- COMMON LAW – NON-SALES CONTRACTS
 - E.G., EMPLOYMENT, CONSTRUCTION, LAND SALES
- UNIFORM COMMERCIAL CODE – ART 2
 - SALES TRANSACTIONS
 - GOODS – TANGIBLE PERSONAL PROPERTY
- €* CISG – United Nations Convention on Contracts for the International Sale of Goods

ELEMENTS OF A CONTRACT

- MUTUAL ASSENT (Offer & Acceptance)
 - AGREEMENT, MEETING OF THE MINDS
- CONSIDERATION
 - PRICE BARGAINED FOR AND PAID FOR A PROMISE
- CAPACITY
 - COMPETENT PARTIES
- LAWFUL PURPOSE
 - CONTRACT OBJECTIVE CANNOT VIOLATE THE LAW OR PUBLIC POLICY
- FORM OF CONTRACT
 - STATUTE OF FRAUDS – WRITING IS REQUIRED FOR SOME CONTRACTS

BILATERAL/UNILATERAL CONTRACTS

- BILATERAL
 - PROMISE IS EXCHANGED FOR ANOTHER PROMISE
- UNILATERAL
 - PROMISE IS EXCHANGED FOR PERFORMANCE

EXPRESS AND IMPLIED CONTRACTS

- EXPRESS
 - CREATED BY WORDS, WRITTEN OR SPOKEN
- IMPLIED
 - INDICATION OF PRESENCE OF MUTUAL ASSENT
 - CREATED BY CONDUCT
 - Plaintiff furnish service or property.
 - Plaintiff expected to be paid, and defendant knew or should know that expect payment.
 - Defendant had chance to reject and did not.

What if no Contract?

- Still should check:
 - Promissory Estoppel
 - Or
 - Quasi-Contract

PROMISSORY ESTOPPEL

A PROMISE THAT THE PROMISOR SHOULD REASONABLY EXPECT TO CAUSE THE PROMISEE TO ACT OR FAIL TO ACT

THE PROMISEE RELIES ON THE PROMISE AND ACTS OR FAILS TO ACT

RELIANCE IS REASONABLE

RELIANCE IS DETRIMENTAL – INJUSTICE CAN ONLY BE AVOIDED BY ENFORCING THE PROMISE : Address concerns about Fairness!

QUASI CONTRACT

- OBLIGATION ENFORCEABLE BY LAW TO PREVENT UNJUST ENRICHMENT
- OBLIGATION TO PAY REASONABLE VALUE FOR THE BENEFIT RECEIVED

Elements for Quasi-Contract

- Benefit conferred on defendant by plaintiff
- Defendant's knowledge of benefit
- Acceptance / retention of benefit by defendant under circumstances where equity requires compensation: Address concerns about Fairness!