

Free case study about contract law

[Art & Culture](#), [Artists](#)



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Q42.

A. It is very unlikely that Carol will succeed with her breach of contract case. For such a case to succeed, she should prove that there existed a contract between her and Sandy to lawn the yard, which was not the case. Typically, for a contract to be valid, it must meet four basics: offer, acceptance, mutual assent and consideration. All these were lacking in the issue. It was her mistake that she took the wrong details and worked on a different yard. In a contract, one party must propose to sell a certain service or product to the second party. This was not the case. In fact, offer only existed between Carol and Steve. Because of lack of offer, she cannot allege that there existed a contract between her and Sandy. It was because of her mistake that she ended up worked on Sandy's yard. The moral obligation does not apply in this case. Thus, Sandy stands to lose the case.

B. A quasi contract refers to a contract that is fictional for the purposes of equity. It forms legal substitutes as to bring equity among two parties. In practice, such contracts play a role in ensuring that aggrieved parties get justice for their performance. This type of contract implies that even though

a contract is not formed in actuality, some actions point out that one should exist. In the case, Carol is better suited to succeed with the quasi-contract claims. This will bring about equity between the two parties and ensure she does not suffer for the role she played. On the other hand, it would mean Sandy does not benefit from what she did not pay for. However, it should be noted that quasi-contracts purely depend on acts that are voluntary. Quasi contracts do not define how much one should be compensated for damages. However, taking into mind that the field she worked on was of a similar size to that of Steve, it would be fair for her to receive equal compensation. This is the only way through which she can get equity and justice.

Q 53

A. For any contract to be valid and enforceable there should be acceptance. This refers to the act or promise from the offeree that indicates his willingness to be bound by the contractual terms. Without this, a there is no contract that can be enforced in a court of law. In this case, Steve should first make an express communication to the effect that he is willing to be bound by the contractual terms, without which it would be invalid.

B. Steve is in a good position to invoke section 45 of the Restatement (second) of contracts so as to block any attempt by John to Revoke the contract. The section requires that whenever the offeree begins or tenders the invited performance, the offeror cannot revoke it.

C. Section 86 of the Restatement (Second) of contracts gives the offeree who is aggrieved an opportunity to form a contract with the offeror upon proving that he has already worked or initiated mechanisms on how to work on a particular task. This is so in order to ensure that a party gets justice for the

role they have played. Steve can utilize this.

D. Steve can argue from the angle of the social contract theory. This theory utilizes the moral perspective to give the aggrieved parties a remedy. By purchasing the necessary tools for working on the garage, it would be unfair for John to revoke the contract.

E. The moral obligation theory is the best way Steve should go through the issue. It acts as a remedy for the aggrieved party to ensure that the substantial efforts they have done in order to fulfill a contract do not go unappreciated. Although it is not always provided for, it is the best way through which such issues can be addressed.

Q 15

A. Going by the facts of the case, there is a contract between Genco and Subco. In preparing for the final bid to the project owner, Genco relied on the provisions of Subco. Subco is, therefore, estopped from arguing that there was no contract between the two. This position was justified in the case of *Drennan v. Star Paving Company*. In this case, Star Paving had submitted a bid to Drennan, which Drennan used to secure a contract. Star Paving then argued that it had underestimated the cost and as such, it was not willing to be bound by the contract. The issue to be discussed was whether it was justifiable and reasonable for Star Paving to cancel the contract. The court ruled in favor of Drennan, meaning there was a contract. This is a similar case.

B. In essence, there should be a contract between Genco and Subco. The terms of a contract should be based on the specifications of the offer from the offeror. In this case, Subco was the offeror, and his terms should prevail.

One should note that Genco's first move was an invitation to treat, upon which Subco made an offer for Genco to accept. According to Subco's terms which were accepted by Genco, Genco would have to pay \$200000 in four progress payments of \$50000. The terms also required that each payment be made after the work in question was completed to a certain extent which would be considered appropriate. In this case, the terms that should be followed with regards to the timing of the payments should be consistent with Subco's offer.

Q 56

A. Consideration is one of the main aspects that must be proved in order for a contract between parties to be considered valid and binding. In practice, consideration refers to a thing of value to the parties of the contract which induces them to have an agreement and to exchange mutual performance. It ought not to be instant; a mere promise to make a payment on delivery of the subject matter is sufficient. In the case between Joe and Artist, there is consideration which is sufficient to suggest that the two parties are in a contract. The agreement between the two was that Joe would give artist \$800 upon delivering a portrait of him. As such, Artist's defense to the effect that there was no consideration will not be successful.

B. Artist would succeed in his argument that there was no settlement contract formed. Ignoring all the previous agreements about the portrait and concentrating on the conversation, it is clear that the conversation was made out of impulse. Within this conversation, elements of a contract are not catered for. A valid contract should have some aspect of consideration. In any case, what Artist made was an agreement that was not binding,

meaning it would not be enforceable in a court of law. The oral statement by Artist to give Joe \$100 was not enforceable and did not constitute a contract. As such, Artist's defense would be successful.