

CONTRACTS SYLLABUS

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Spring 2020
T/Th/F: 10:30-11:40

Office: 455B
Office Hours: No formal hours;
feel free to drop by any time

REQUIRED TEXTS

Knapp and Crystal, **Problems in Contract Law: Cases and Materials**, (Little Brown, 9th ed.).

Knapp and Crystal, **Rules of Contract Law**, (Little Brown).

NOT REQUIRED (BUT POTENTIALLY USEFUL) TEXTS

Chirelstein, **Concepts and Case Analysis in the Law of Contracts**. This book provides an informal overview of some of the cases and concepts we'll be discussing. A copy will be on reserve in the library for your use.

Farnsworth, **Contracts**, (Little Brown). This is a treatise on contracts, offering a narrative summary of the major topics. Treatises can be helpful to gain an overview of a subject area. Other treatises include Calamari & Perillo and Murray. If you choose to consult a treatise (and you are under no obligation to do so), you should use the book that is the most clear to you.

GRADING

Your grade for this course will be based on one final examination. There may be additional problems assigned during the semester which will not be graded but which will be considered part of your overall class participation. Class attendance (which is mandatory) and participation may (at my sole discretion) effect your final grade in either direction (i.e., outstanding class participation may boost your grade; poor participation and/or attendance may lower your grade). If you miss more than 20% of scheduled classes, I reserve the right to bar you from taking the final exam. If you know that you must miss a class for any reason, you must let me know before that class is held. If you cannot let me know before, please inform me afterwards.

ASSIGNMENTS

Assignments will be announced in class. There are no dates listed on the syllabus because class coverage depends on what happens in the classroom—if we need to spend more time on some issues and less on others we will do so. If you wish to read ahead, you should follow the syllabus. The assignments listed are gross estimates of what will be covered; at times it may be necessary to add or delete material. We may not cover all of the material on the syllabus, but it at least allows you to see where we're going. If you miss class and are uncertain of the next assignment, find out from a classmate.

The pages listed in the assignments refer to pages in Knapp and Crystal and are required reading. For each assignment, read and study the pages designated, together with any relevant section of the Uniform Commercial Code (including the comments) and/or the Restatement Second of Contracts referred to in the text. These materials are contained in the supplement Rules of Contract Law. Where appropriate, the assignment also contains references to Chirelstein. These sections are not required reading but may help illuminate your understanding of the cases and concepts. There are problems and review questions contained in each chapter of the casebook. We will be doing some of the problems as a class (as noted in the assignments below). The remainder of those materials are for your review. I am happy to discuss them with you during office hours.

Chapter 1: Introduction

1-18: An Introduction to the Study of Contract Law

Chapter 2: The Basis of Legal Obligation: Mutual Assent and Consideration

A. Intention to Be Bound

1. The Objective Theory of Contract

35-46 (Ray, Lucy v. Zehmer, Leonard v. Pepsi)
Chirelstein

2. Offer and Acceptance-- Bilateral Contracts

46-60 (Lonergan, Izadi, Normile, Comment on Remedies)

3. Offer and Acceptance--Unilateral Contracts

60-76 (Cook, Sateriale)

4. Postponed Bargaining: The "Agreement to Agree"

77-86, 93-99 (Walker, notes following Quake, Comment: The Penzoil/Texaco Case, Problem 2-2)

B. Consideration

1. Defining Consideration

101-115 (Hamer, Comment on History of Consideration, Pennsy)

Applying the Doctrine

115-139 (Dougherty, Comment: The Lawyer's Role, Dohrmann, Plowman, Comment on The Power of Agents to Bind Their Principals)

160-161 (Comment on CISG)

2. Qualified Acceptance: The "Battle of the Forms"

159-178 (Princess Cruises, Brown Machine, problems to be distributed)

D. Electronic and "Layered" Contracting

195-221 (DeFontes, Long, Problem 2-7)

Chapter 3: Liability in the Absence of Bargained-for Exchange: Reliance on Gratuitous Promises, Unaccepted Offers and the Principal of Restitution

A. Protection of Promisee Reliance: The Doctrine of Promissory Estoppel

1. Promises Within the Family

225-236 (Kirksey, Harvey)

2. Promises in a Commercial Context

247-265 (Katz, Aceves, Comment: The Status and Future of Promissory Estoppel)

B. Liability In the Absence of Acceptance: Option Contracts, Offeror Reliance and Statutory Limitations on Revocation

1. Option Contract

265-274 (Barryman)

2. Statutory Limits on the Power of Revocation

294-296 (Problem 3-3)

C. Liability For Benefits Received: The Principle of Restitution

1. Restitution in Absence of a Promise

296-315 (Credit Bureau, Commerce Partnership)

2. Promissory Restitution

327-341 (Mills, Webb, Problem 3-4)

Chapter 5 (note that this is out of sequence): The Meaning of the Agreement: Principles of Interpretation

A. Principles of Interpretation

395-427 (Joyner, Comment, Frigalment, C & J Fertilizer)
Chirelstein

Chapter 4 (also out of sequence): The Statute of Frauds

345-377, 380-390 (NOTE: This material will be covered mainly by lecture, you should read and understand all the materials in the assigned pages as preparation for class discussion).

Chapter 7: Avoiding Enforcement

A. Minority and Mental Incapacity

571-591 (Dodson, Sparrow)

B. Duress and Undue Influence

591-610 (Totem Marine, Odorizzi)

C. Misrepresentation & Nondisclosure

592-618 (Syester, Hill, Comment on Lawyers' Professional Ethics)

D. Unconscionability

610-634 (Williams, Comment on Historical Development)

E. Chapter Review

714-715 (Problem 7-4)

Chapter 8: Justification for Nonperformance: Mistake, Changed Circumstances, and Contractual Modifications

A. Mistake

719-741 (Lenawee County and BMW Financial)

B. Changed Circumstances: Impossibility, Impracticability, and Frustration

741-768 (Hemlock, Mel Frank Tool)

C. Modification

771-789 (Problem 8-4, Alaska Packers', Kelsey-Hayes)

Chapter 9: Consequences of Nonperformance: Material Breach, Anticipatory Repudiation (note that we will not cover express conditions)

B. Material Breach

829-849 (Jacob & Youngs, Inc., Comment on Constructive Conditions, Sackett) Chirelstein

C. Anticipatory Repudiation

849-868 (Truman L. Flatt & Sons, Hornell, Problem 9-2)

Chapter 10: Expectation Damages: Principles and Limitations

A. Computing the Value of Expectation Damages

873-895 (Crabby's, Handicapped Children's Education Board) Chirelstein

B. Restrictions on the Recovery of Expectation Damages: Foreseeability, Certainty, and Causation

902-908 (Hadley) Chirelstein

C. Restrictions on the Recovery of Expectation Damages: Mitigation of Damages

921-941 (Rockingham County, Maness, Parker case in note five)
Chirelstein

D. Nonrecoverable Damages: Items Commonly Excluded from Plaintiff's Damages for Breach of Contract

948-973 (Zapata Hermanos, Erlich, Comment on Recovery of Punitive Damages for Bad Faith Breach of Contract, Problem 10-1)

ADDITIONAL MATERIALS MAY BE ASSIGNED IF TIME PERMITS

If you have a disability/medical issue protected under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act and need to request accommodations, please visit the Disability Services Program website at www.du.edu/disability/dsp. You may also call 303.871.2372, or visit in person on the 4th floor of Ruffato Hall, 1999 E. Evans Ave. <http://www.du.edu/studentlife/disability-services/faculty-staff/index.html>