

Contracts: Introduction to Contracts

Development of Law of Contracts

- Governed primarily by State common law
 - Restatement of Law of Contracts
- Uniform Commercial Code-Art. 2
 - Governs sale of goods (tangible personal property) or transfer of ownership between seller to buyer
- Types of Contracts outside Code
 - Employment, insurance, real estate, patents and copyrights
 - Governed by common law

Definition of Contract

- Restatement defines as “a promise or set of promises for the breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty.”

Essentials of a Contract

- Mutual Assent
 - Offer and Acceptance
- Consideration
- Legality of Object
- Legal Capacity

Classifications of Contracts

- Express vs. Implied
- Bilateral vs. Unilateral
- Valid, Void, Voidable, and Unenforceable Contracts
- Executed and Executory

Promissory Estoppel

- Definition
 - A promise that is enforceable despite not meeting all the requirements of a contract
- Elements
 - Promise
 - Promisor reasonable expects promisee to take action or forbearance
 - Promisee takes action or forbearance (justifiably relies).

Quasi Contracts

- Definition
 - An obligation imposed by law to avoid injustice
 - Also called implied in law contract
- Elements
 - Benefit
 - Knowledge of benefit
 - Acceptance of benefit
 - Party who accepts benefit must pay
