

Legal Concepts

Directions: Fill in the blank(s) with the most appropriate term or phrase to complete the sentence.

		Answers
1.	? is the legal transfer of contractual rights.	1
2.	A person who owes a duty under a contract is a(n) ?	2.
3.	? is the fulfillment of contractual promises.	3
4.	A(n) ? specifies an event that must not happen.	4.
5.	A failure to provide complete performance of a contract is $a(n)$?	5
6.	A material change in the terms of a written contract without the other party's consent is a(n)?	6.
7.	?is a termination of duties when all parties have performed as promised.	7
8.	A(n)? is a ready, willing, and able offer to perform an obligation.	8.
9.	? are those who, though not a party to the contract, were intended to directly benefit from it.	9
10.	The actual performance of a new contractual obligation is called $a(n)$ $\frac{2}{n}$	10

Legal Applications

- 11. Keisha Arthur hired a general contractor to build her new home who in turn delegated most of the work to four independent subcontractors. Is this a legal delegation of duties? Is the general contractor responsible for the subcontractors' work? Explain your answer.
- 12. Matt Schenkel hired Andrews Wall Anchor Service to repair a bulging wall in his basement. The contract stated that the job was to be finished "by April 1, at the latest." On March 20, Andrews notified Matt that they could not get the job done until May 1 due to the breakdown of several pieces of equipment. Is this a case of breach of contract, substantial performance, or anticipatory breach? What legal action should Matt take?

✓ LESSON 11—1 RETEACH

Directions: This game is called I Have—Who Has. Make two copies of the table below. Keep one copy and cut the other one into separate pieces. Shuffle the cards and give one to each player. Read the first definition to the players. The student who has that term will then orally read his or her card. The game continues until the student who has a term but no definition reads his or her card.

First definition: Who has a failure to provide complete performance of a contract?

I have breach	I have	I have legal	I have	I have
of contract.	substitution.	tender.	assignee.	obligor.
Who has the	Who has a	Who has a	Who has a	Who has
act of		party who	person who	
	payment of		*	agreement to
replacing a	money in	receives	owes a duty	change the
present	currency or	transferred	under a	obligation of
contract with	coins?	contractual	contract?	an original
a new		rights?		contract?
contract?		x		
7.1	T 1	т 1	T 1	T.1.
I have accord.	I have	I have	I have	I have
Who has a	cancellation.	novation.	assignment.	anticipatory
situation	Who has the act	Who has the	Who has a	breach.
where one	of releasing one	transfer of a	contract	Who has the
party commits	party by	contractual	situation	fulfillment
a major breach	accepting the	right?	where one	of
and the other	performance of a		party notifies	contractual
party's	substitute party?	and the same of	the other that	promises?
obligation is			he or she will	
discharged?			not perform?	
I have	I have	I have	I have death or	I have
performance.	satisfaction.	substantial	disability.	discharge.
Who has the	Who has a	performance.	Who has the	
performance	contract	Who has 2	termination of	
of a new	situation	conditions that	duties that	
obligation?	involving the	terminate a	ordinarily	*
	performance of	contract	occurs when	
	all duties but	requiring	the parties	
	one minor duty?	personal	performed as	
		services?	promised?	

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STUDENT CLASS	DATE	
CENSO	DILLE	

✓ LESSON 11—2 QUIZ

Legal Concepts

Directions: Place a T for True or an F for False in the Answers column to show whether each of the following statements is true or false.

		Answers
1.	A party injured by breach of contract must choose a specific remedy when suing.	1. <u></u>
2.	Both specific performance and compensatory damages can be recovered for the same breach of contract.	2
3.	A party who seeks equity must have "clean hands."	3
4.	An injured party usually must take reasonable steps to mitigate damages.	4
5.	A party can give up a contractual right through a waiver.	5
6.	Waivers can be implied from conduct or be specifically stated.	6
7.	Awards meant to punish and make an example of a defendant are called punitive damages.	7
8.	Three years is a common statute of limitations for a tort.	8
9.	The statute of limitations is the same for minors and those persons who have reached their majority.	9
10.	An injured party who recovers money or property is said to collect consequential damages.	10

Legal Applications

- 11. Spring Hill Academy is a private school that charges \$350 a month for tuition due on the 15th of each month or a late fee of \$25 will be charged. The Henslers' payments for the past six months were all at least one week late, but Spring Hill has not charged them the late fee. The school is now facing financial difficulties, and plans are being made to charge the late fee. Has Spring Hill waived the right to collect late fees on future payments from the Henslers? Explain your answer.
- 12. Sara McClosky contracted to buy a canary yellow 1967 Ford Mustang from Paul Lindstrom for \$7,000. Paul decided he wanted to keep the car and refused to sell it to Sara. What kind of remedy should Sara seek from the courts?

Chapter 11, Contractual Obligations and Their Enforcement

2-93

✓ LESSON 11—2 RETEACH

Directions: Write the numbers 1–20 on index cards in large print. On the other side of the card, write the definition or term that is shown by each number below. Tape the cards to a chalkboard in the pattern below with the numbers facing the students. Divide the students into four or five teams. Each team should choose a captain to answer for them. The team captain will choose any two numbers. Read the contents on the back of the cards out loud. If the two chosen cards form a correct match of a term and its definition, they are removed from the chalkboard and that team scores a point. If the cards do not make a correct match, the next team may take a turn. Note: Do not allow the students to have anything to write with during the game.

Card 1	Card 2	Card 3	Card 4
An agreement to	An award that	clean hands	punitive damages
give up a	grants the benefit		4.
contractual right	of the bargain		
Card 5	Card 6	Card 7	Card 8
consequential	The act of	A small amount	decree for specific
damages	minimizing one's	given when there	performance
	injury	is no actual injury	
Card 9	Card 10	Card 11	Card 12
restitution	An award that	waiver	The recovering of
	grants money for		money or property
	the foreseeable		by an injured party
	injuries caused by		
	the breach	n oc n	
Card 13	Card 14	Card 15	Card 16
An agreement in	liquidated	mitigate	A court order that
which a certain	damages		requires the
amount of money			defendant to do
will be paid if a			exactly what was
certain breach			promised in the
occurs	i		contract
Card 17	Card 18	Card 19	Card 20
compensatory	An award that is	The idea that the	nominal damages
damages	meant to punish	party seeking a	
	the defendant	specific	100
		performance	1 6 1 6 1
		remedy must be	
		blameless	