

Contract Vocabulary 2

Contract Vocabulary 2:
Contract Breach and Remedies
in Common Law

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Thank you!



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What words are related to contract breach and remedies for breach?



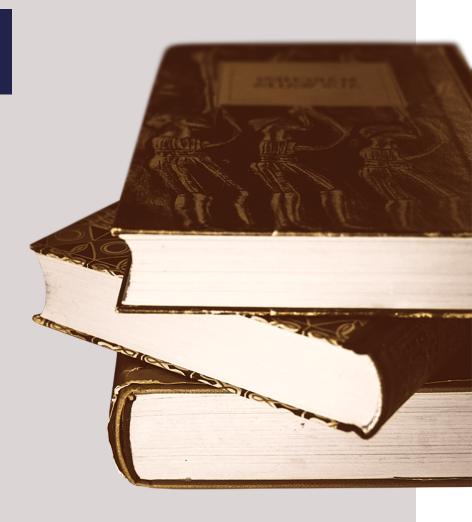
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CONTRACTS IN RUSSIA

• Breach?

• Remedies?



BREACH OF CONTRACT 1

A party who entered a contract fails to perform its promised obligations.

Material Breach



Minor/Immaterial Breach



BREACH OF CONTRACT 2

Anticipatory breach: party repudiates prior to performance

Actual breach: party refuses to perform the contract when obligated



BREACH OF CONTRACT SCENERIO

Must there be damages in a case of anticipatory breach?

Yes, because one party did not perform its obligations.

No, never.

It depends whether the other party has started performing its obligations.



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DAMAGES: THE COURTS AT WORK

Expectation Damages

- a) put the non-breaching party in as good of a position as if the contract was successfully performed
- b) equals the difference between what was given and promised, plus consequential/incidential costs.

DAMAGES SCENERIO 1

Hawkins' hand was scarred. He went to Dr. McGee to fix it. McGee promised "a one hundred percent good hand." McGee used skin from Hawkins' chest to repair the scar. The hand did not heal and grew thick hair on it.

Key Fact: A tort claim was dismissed by the court.

DAMAGES SCENERIO 1

What type of damages should Hawkins get in this case?

Value of the hand that was promised

Punitive Damages

A new operation to fix the hand

Pain and Suffering

All of the above

A new hand

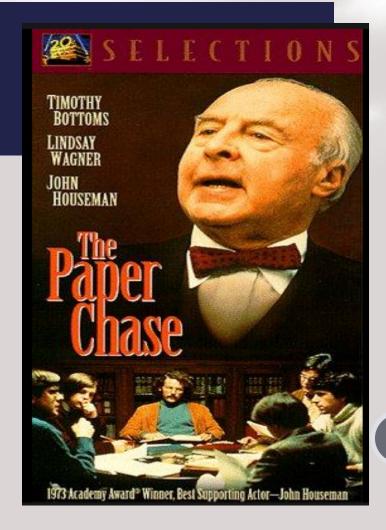


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Hawkins v. McGee, 84 N.H. 114, 146 A. 641 (1929).

'THE HAIRY HAND' CASE IN THE PAPER CHASE





REMEDIES TO BREACH 1: COMPENSATORY DAMAGES

general damages (direct and inevitable)



 consequential damages (resulting)



reliance damages (expecting)



BREACH SCENERIO 1

A wooden shaft operating Hadley's mill broke, so he sent it for repair. Baxendale delivered the shaft to the repair company, but NOT on time, causing Hadley to lose business. Hadley sued for the profits lost after the expected delivery date.

Key Facts: The mill could not operate without this shaft.

Baxendale did not know that the mill could not operate without the shaft.

BREACH SCENERIO 1

Should Hadley recover the lost profits after the delivery date?

Yes, because Baxendale was the cause of the lost profits.

Yes, even if Baxendale did not know that the mill could not operate without the shaft.

No, because Baxendale did not know that the mill could not operate without the shaft.

No, because Baxendale was not responsible for breaking the shaft.

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REMEDIES TO BREACH 2

• specific performance



• liquidated damages



What was your most memorable word from this session?

Write your answer here.

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contract

A contract is an agreement between parties,





Thank you for your participation! Next Session - March 6, 2024

Property Vocabulary 1: A Rental Agreement



