

# CONTRACTS I

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## I. INTRODUCTION

1-18

## II. INGREDIENTS OF CONTRACT FORMATION: MUTUAL ASSENT, OFFER & ACCEPTANCE, CERTAINTY OF TERMS & CONSIDERATION

### A. MUTUAL ASSENT

1. Intention to be Bound: Objective Theory of Contract 35-46  
*Ray v. William G. Eurice & Bros.*  
*Lucy v. Zehmer* TWEN

CALI Lesson: Mutual Assent

### B. OFFER & ACCEPTANCE

1. Offer and Acceptance in Bilateral Contracts 46-60  
*Loneragan v. Scolnick*  
*Normile v. Miller*  
*Cantu v. Central Education Agency* TWEN
2. Offer and Acceptance in Unilateral Contracts 60-66  
*Petterson v. Pattberg* TWEN  
*Cook v. Caldwell Banker*

CALI Lesson: Offer

CALI Lesson: Duration of Offers

CALI Lesson: Bilateral and Unilateral Contracts

CALI Lesson: Acceptance

CALI Lesson: The “Mailbox” Rule

3. Irrevocability of Offers in Bilateral Contracts
  - a) Option Contracts 265-266, 270-274
  - b) Detrimental Reliance (general introduction provided in class;  
full discussion under Chapter III)
  - c) The Firm Offer Rule (Art. 2) 294-296 (Prob. 3-3)

### CALI Lesson: Option Contracts and Firm Offers

#### 4. Contract Formation Under the Uniform Commercial Code

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|---|---------|
| a) Mutual Assent Under the UCC<br><i>Jannusch v. Naffziger</i>  | 147-154 |
| b) “Battle of the Forms”<br><i>Princess Cruises, Inc. v. General Electric Co.</i><br><i>Brown Machine, Inc. v. Hercules, Inc.</i><br><i>Paul Gottlieb &amp; Co. v. Alps South Corp.</i> | 163-193 |

### CALI Lesson: Battle of the Forms

### CALI Lesson: Formation of Contracts under UCC Article 2

#### C. CERTAINTY OF TERMS

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| 1. Uncertainty of Terms Generally<br><i>Baer v. Chase</i>                         | TWEN                |
| 2. Agreements to Agree<br><i>Walker v. Keith</i>                                  | 77-86               |
| 3. Formal Contract Contemplated<br><i>Quake Construction v. American Airlines</i> | 86-95 (Omit Note 6) |

### CALI Lesson: Indefiniteness

### CALI Lesson: Letters of Intent and Other Formal Preliminary Agreements

#### D. CONSIDERATION

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|--|--|
| 1. Introduction & Defining Consideration<br><i>Hamer v. Sidway</i><br><i>Pennsy Supply v. American Ash Recycling Corp.</i>   | 101-115  |
| 2. Applying the Consideration Doctrine<br><i>Dougherty v. Salt</i><br><i>Allegheny College v. National Chautauqua County Bank</i><br><i>Dohrman v. Swaney</i><br><i>De Los Santos v. Great Western Sugar Co.</i><br><i>Plowman v. Indian Refining</i><br><i>Fiege v. Boehm</i> | 115-127; 129-139<br><br>TWEN<br><br>TWEN<br><br>TWEN |

### CALI Lesson: Bargained-For Exchange

### CALI Lesson: Mutuality of Obligation

### CALI Lesson: Agreements Lacking Consideration (Gifts)

### CALI Lesson: Past Consideration & Moral Obligations

### CALI Lesson: Illusory Contracts, Satisfaction Clauses, Implied Obligations

### III. LIABILITY IN THE ABSENCE OF BARGAINED-FOR EXCHANGE

#### A. PROMISSORY ESTOPPEL

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| <i>Kirksey v. Kirksey</i>                                 |         |
| <i>Harvey v. Dow</i>                                      |         |
| <i>Wright v. Newman</i>                                   | TWEN    |
| 2. Charitable Subscriptions                               | 236-246 |
| <i>King v. Trustees of Boston University</i>              |         |
| 3. Promises Within the Commercial Context                 | 247-248 |
| a) Detrimental Reliance as a Substitute for Consideration | 248-255 |
| <i>Katz v. Danny Dare, Inc.</i>                           |         |
| <i>Shoemaker v. Commonwealth Bank</i>                     | TWEN    |
| b) Promises Made Irrevocable Because of Reliance          | 274-293 |
| <i>James Baird Co. v. Gimbel Bros., Inc.</i>              |         |
| <i>Drennan v. Star Paving Co.</i>                         |         |
| <i>Pop's Cones, Inc. v. Resorts Int'l</i>                 |         |

CALI Lesson: Promissory Estoppel (NOTE, Only 'Restatement 90 Reliance')

#### B. RESTITUTION

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|--|------------------|
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| <i>Nursing Care Services Inc. v. Dobos</i>   | TWEN             |
| <i>Bailey v. West</i>  | TWEN             |
| <i>Commerce Partnership 8098 v. Equity Contracting</i>   | 309-315          |
| <i>Watts v. Watts</i> (Note: read only Intro, Part I, V, VI)   | 315-327          |
| <i>Lewis v. Lewis</i> (read critically with a view to seeing where the court strayed from the doctrine of restitution) | TWEN             |
| 2. Promissory Restitution/Moral Obligation   | 327-340          |
| <i>Mills v. Wyman</i>  |                  |
| <i>Webb v. McGowin</i>   |                  |

CALI Lesson: Restitution

### IV. THE MEANING OF AGREEMENT: PRINCIPLES OF INTERPRETATION AND THE PAROL EVIDENCE RULE

#### A. THE PAROL EVIDENCE RULE

1.	Generally <i>Thompson v. Libby</i> <i>Myskina v. Conde Nast</i>	427-429 429-437 TWEN
2.	Exceptions to the Parol Evidence Rule <i>Sherrodd, Inc. v. Morrison-Knudsen</i> <i>Mitchell v. Lath</i> <i>Ritter v. Grady Auto Group</i>	451-460 TWEN TWEN
	CALI Lesson: The Parole Evidence Rule CALI Lesson: The Parole Evidence Rule Podcast	
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V.	SUPPLEMENTING THE AGREEMENT: IMPLIED TERMS, THE OBLIGATION OF GOOD FAITH AND WARRANTIES	
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	CALI Lesson: Implied Terms	
B.	THE IMPLIED OBLIGATION OF GOOD FAITH <i>Seidenberg v. Summit Bank</i> <i>Indiana-American Water Company v. Town of Seelyville</i> <i>Morin Building Products v. Baystone Construction, Inc.</i> <i>Locke v. Warner Bros.</i>	492-523 TWEN
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C. WARRANTIES

546-557

*Bayliner Marine Corp. v. Crow*

CALI Lesson: Warranties for Sale of Goods UCC 2-313

CALI Lesson: Warranties

**NOTE:** Parts of the course are presented in a different order than presented in the book; this is deliberate and intended to facilitate better comprehension of the material. Note that this syllabus is subject to modification at the Professor's discretion.