

HELP CHARLIE K!

You're a contract lawyer who has a friend named Charlie K (he's one of those people without a real last name ... just an initial (like Kenny G or Master P)). Charlie K is a busy guy. He's always making contracts in his busy life. Unfortunately, he's often (but not always) too busy to complete his obligations under these contracts. Charlie asks for your help in sorting out his contracts. Help him ... please!



1. Charlie K agreed to write a 500-page book about his busy and interesting life. He turns in a finished copy of his book that is 498 pages. Is there a breach? What kind? Is the contract discharged? Why?
2. Charlie K entered into a contract to do a movie with a very important start date of July 1st. He wasn't feeling well on June 30, so he called the producer and told him that he wouldn't be there on the start date. What kind of breach is this? What does that mean?
3. Luckily for Charlie K, when he called in sick (see #2 above) the movie producer told him not to worry about it. What kind of remedy for Charlie's breach is this?
4. Charlie K was feeling bad about being sick, and suggested to the producer that a friend, Freddy A, take his place in the movie. The producer agreed. Are Charlie K's contractual obligations discharged? Why?
5. Freddy A gets into a terrible car accident the next day and loses both his legs. Unfortunately, he is supposed to play a marathon runner in the movie. Are Freddy A's contractual obligations discharged? Why?
6. Because of Freddy A's accident, your friend Charlie K is offered the job again and he agrees (he's feeling better now). The new contract for the movie only pays Charlie K \$1,000,000 for the movie (instead of the \$2,000,000 that he was offered under his old contract). Instead of negotiating the amount, Charlie K just erases the "1" and changes it to a "2". What did he just do (what's it called)? Does this discharge the obligations under the contract?
7. In # 6 above, is the contract still enforceable? Can the producer seek remedies for what Charlie K did? If so, what remedies?
8. Charlie K decides to get out of the movie business and start a music career. After signing with one record label, he decides to change to another label because the studio is closer to home. Did he breach the contract? If so, what are the record label's possible remedies?
9. Could Charlie K transfer his duties under the recording contract above to another musician? Why or why not? What would this be called?
10. Could Charlie K transfer his rights under the contract to get paid? What would this be called?



UNDERSTANDING REMEDIES

Write an example of a breach of contract that would result in each of the following types of remedies being available to the non-breaching party. Be prepared to share with the class. You may work in pairs on this assignment – just make sure to write BOTH names on the sheet. **25 Words Each!!!**

Rescission and Restitution (*canceling the contract and returning whatever was received; intended to place parties in the same legal position they were in before the contract*)

Specific Performance (*a court order commanding the breaching party to perform what was promised in contract; MUST include the 4 elements: money damages inadequate, subject matter unique, ability to supervise, clean hands*)

Damages (*the payment of money to compensate for injury ; be specific about which of the 5 types of damages are available*)

Injunction (*court may prohibit someone from benefiting from the breach; usually used for employment Ks ... can't force someone to work, but can stop them from working for others*)

Waiver (*a party may voluntarily give up a contractual right ... by "waiving" it*)