

**CONTRACTS I**  
**(Law 502-0002)**  
**Professor Christopher T. Hines**  
**Fall Term 2011**

**Office:** Swen Parson Hall, Room 194A  
**Office Hours:** Tuesday, 2:00 PM – 4:00 PM, or by appointment  
**Telephone:** (815) 753-9489  
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**Lectures:** 10:00 AM – 10:50 AM, Monday and Wednesday  
9:00 AM – 9:50 AM, Tuesday  
**Location:** Swen Parson Hall, Room 188  
**Final Exam:** December 9, 2011, 1:00 PM – 4:30 PM

**Course Materials:** Barnett, Randy E., *Contracts: Cases and Doctrine*, Fourth Edition, Aspen Publishers (ISBN 978-0-7355-6346-9) [CASEBOOK]

Barnett, Randy E., *The Oxford Introductions to U.S. Law: Contracts*, Oxford University Press (ISBN 978-0-19-974018-5) [RECOMMENDED]

Farnsworth, E. Allan, *Contracts*, Fourth Edition, Aspen Publishers (ISBN 0-7355-2642-7) [RECOMMENDED]

Farnsworth, E. Allan, et al., *Selections for Contracts*, 2010 Edition, Foundation Press (ISBN 978-1-59941-707-3) [SELECTIONS]

**Attendance:** Students are expected to regularly and punctually attend all classes. At the beginning of each class, students will sign an attendance sheet. This will be the only record of class attendance. Students will sit in assigned seats as noted in a seating chart to be distributed on the day of the second lecture.

Additionally, note well that students are subject to the College of Law attendance policy set forth in the Student Handbook, which provides in relevant part: *Regular and punctual attendance is required in all classes. Faculty members shall impose sanctions on any student or students who miss more than 20 percent of the classes in any given course. Such sanctions may include, but are not limited to, grade reductions, exclusion from the final exam with an automatic grade of “F,” or withdrawal from the course with a grade of “W.”* Therefore, students who are absent for more than eight (8) classes for any reason will be subject to sanction, in such manner as to be determined in my discretion.

**Participation:** Student participation in classroom discussion is an essential element of the learning process, and is, as a consequence, strongly encouraged. I will call upon students to participate in class discussion by means of a random process. If a student is not prepared for a given lecture, he/she will write a note to me prior to the start of the lecture to such effect. However, a student who consistently “passes” on class participation will receive an unfavorable participation score.

After the final examination grades are reported to the Registrar on an anonymous basis, I reserve the right to make single incremental adjustments (e.g., “B” to “B+”) based on consistent excellence in class performance when, in my opinion, the final examination grade does not fully reflect performance over a full semester. No adjustments are given out of a failing grade or into a full “A.”

**Grading:** Subject to the participation score as previously noted, the final grade for each student will be solely determined by a three-hour (together with a 30-minute grace period, for a total of three and a half hours) in-class examination, consisting of three essays.

The examination will be “limited” open book – i.e., students may bring to the examination the course materials, their own personal notes, any handouts as may be distributed in lecture, and an outline that they have personally drafted. Any other materials, including without limitation any commercial outlines, will be forbidden in the examination room. Students are welcome to take the final examination either by means of an electronic application (e.g., ExamSoft) or by hand. In either case, students are strongly encouraged to draft their answers in a focused and disciplined manner, and with the aim of developing a clear and coherent argument in response to the questions presented.

As a means of providing feedback to students in advance of the final examination, a non-graded mid-term examination exercise will be distributed at the end of lecture on Monday, October 10, 2011. This non-graded mid-term examination exercise will consist of one examination question from a prior Contracts I final examination. During lecture on Wednesday, October 12, 2011, as part of class discussion we will review the examination question and a model student answer from such prior Contracts I examination. Although participation in the non-graded mid-term examination exercise will be completely voluntary, students are strongly encouraged to complete this assignment as a means of

preparing for the final examination.

**Availability:**

As a matter of general policy, I will be pleased to meet with students enrolled in the course to further discuss the materials covered as well as any other matters of interest (that is to say, “other law school stuff” as broadly as you may define) during office hours or by appointment. Regarding appointments, please note that the process is quite simple – just send me an email, let me know what you would like to talk about, and suggest some times you would like to meet. Admittedly, it may take a couple of days for me to respond to your email, but I generally try to respond rather quickly to requests from my students. Further, if your study group has a number of questions, we could even go grab a cup of coffee and continue the conversation. So, just my simple way of saying, “Please get in touch if you need to talk about stuff.”

**Accommodations:**

In accordance with Section 504 of the Rehabilitation Act of 1973, the College of Law makes reasonable accommodations for qualified students with disabilities. If you have a disability and may require some type of instructional and/or examination accommodation, please contact Lenny Mandell, the Associate Dean of Students, or me early in the semester so that we can provide or facilitate in providing accommodations you may need. If you have not already done so, you will need to register with the Center for Access-Ability Resources (“CAAR”), the designated office on campus to provide services and administer examinations with accommodations for students with disabilities. The CAAR office is located on the 4<sup>th</sup> floor of the University Health Services building (815-753-1303). We will be happy to assist in enhancing your academic success in this course.

**Reading Assignments:**

All required reading assignments are to the course materials, which may be supplemented by handouts as distributed during lecture. Note that, subject to the pace of the discussions in lecture, reading assignments may change.

Class	Date	Casebook	Skim	Selections	Subject
1	8/15	3-15		1-4	Introduction to Contract Law
2	8/16	15-33			Introduction to Contract Law; Public Policy and the Limits of Contract
3	8/17	33-45	45-48		Public Policy and the Limits of Contract
4	8/22	48-60		5-13	Public Policy and the Limits of Contract
5	8/23	61-66		159	<b><u>Part I: Enforcement of Contracts</u></b> Damage Interests

Class	Date	Casebook	Skim	Selections	Subject
6	8/24	70-71 + problem on 71-72	66-70		Damage Interests
7	8/29	72-77			The Reliance Interest as an Alternative to the Expectation Interest
8	8/30	78-86		193-198, 221-223	Measuring the Expectation Interest: “Expectancy” vs. Contract Price/Market Differential
9	8/31	86-92			Measuring the Expectation Interest: “Expectancy” vs. Contract Price/Market Differential
10	9/6	93-97	97-104		Limitations on Damages: Foreseeability of Harm
11	9/7	104-112		164-170	Limitations on Damages: Foreseeability of Harm
12	9/12	112-118	118-22		Certainty of Harm
13	9/13	123-131		159-161, 170-173	Certainty of Harm
14	9/14	131-135	135-41		Avoidability of Harm
15	9/19	142-159			Avoidability of Harm
16	9/20	159-164			Contracting Around the Default Rules of Damages: Liquidated Damages vs. Penalty Clauses; Efficient Breach
17	9/21	165-174		173-176	Contracting Around the Default Rules of Damages: Liquidated Damages vs. Penalty Clauses; Efficient Breach
18	9/26	174-192			Punitive Damages & Arbitration
19	9/27	193-202			Specific Performance: Land
20	9/28	203-211			Specific Performance: Goods
21	10/3	211-214, 216-219	214-15, 220-22		Personal Service Cases
22	10/4	222-226, 232-237	226-32		Personal Service Cases
23	10/5	238-256			Specific Performance & Slavery: Inalienable Rights; Restitution as a Damage Interest & Cause of Action
24	10/10	256-271			Restitution as a Damage Interest & Cause of Action  <i>N.B. Mid-Term Examination Exercise Distributed at the End of Lecture</i>

Class	Date	Casebook	Skim	Selections	Subject
25	10/11	289-304, + problem on 294- 295	283-285		<b>Part II: Mutual Assent</b> The Objective Theory of Assent
26	10/12	305-308			Preliminary Negotiations & Contracts to Bargain  <i>N.B. Class Discussion and Self-Grading of the Mid-Term Examination Exercise</i>
27	10/17	308-322	323-328		Preliminary Negotiations & Contracts to Bargain
28	10/18	328-342			Revoking an Offer; Acceptance with Varying Terms; Mailbox Rule
29	10/19	342-345			Acceptance by Performance and “Unilateral” Contracts?
30	10/24	356-368	346-355	22-24	Acceptance by Performance and “Unilateral” Contracts?
31	10/25	368-386	390-393		Acceptance by Silence; E-commerce & Mutual Assent
32	10/26	395-397			What is the Objective Theory? Ambiguous & Vague Terms
33	10/31	407-420	398-406		What is the Objective Theory? Ambiguous & Vague Terms
34	11/1	420-433			Filling Gaps: Agreements to Agree
35	11/2	434-435 441-445	436-441		Illusory Promises
36	11/7	445-456			Form Contracts or “Contracts of Adhesion”?
37	11/8	456-473		232-234	What Terms Were Agreed To? “Battle of the Forms”
38	11/9	473-483			Later Arriving Terms & Enforcing Form Contracts
39	11/14	483-493		87-88	Later Arriving Terms & Enforcing Form Contracts; Written Agreements: the Parol Evidence Rule;
40	11/15	493-502	507-509		Written Agreements: the Parol Evidence Rule; Mistake in Integration (skim)
41	11/16	509-519		228-230	The Statute of Frauds & the Ethics of Lawyering
42	11/21	520-526, 530-538	526-530		The Statute of Frauds & the Ethics of Lawyering
43	11/22				<b>Final Examination Review Session</b>