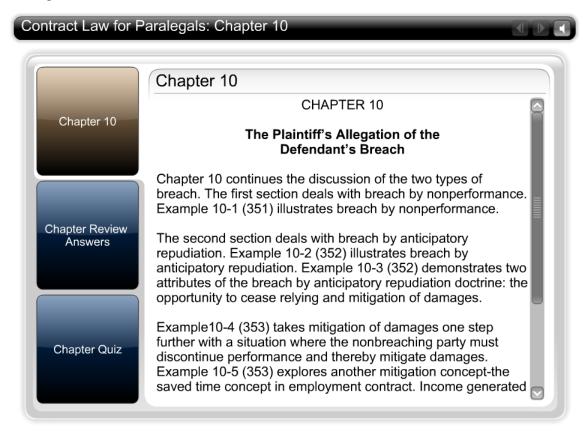
### **Contract Law for Paralegals: Chapter 10**

## Chapter 10



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#### CHAPTER 10

# The Plaintiff's Allegation of the Defendant's Breach

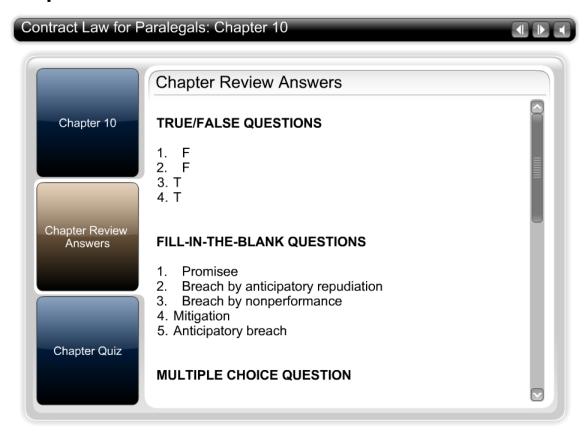
Chapter 10 continues the discussion of the two types of breach. The first section deals with breach by nonperformance. Example 10-1 (351) illustrates breach by nonperformance.

The second section deals with breach by anticipatory repudiation. Example 10-2 (352) illustrates breach by anticipatory repudiation. Example 10-3 (352) demonstrates two attributes of the breach by anticipatory repudiation doctrine: the opportunity to cease relying and mitigation of damages.

Example 10-4 (353) takes mitigation of damages one step further with a situation where the nonbreaching party must discontinue performance and thereby

mitigate damages. Example 10-5 (353) explores another mitigation concept-the saved time concept in employment contract. Income generated or that should have been generated with the time the nonbreaching employee would have devoted to the employer had the employer not breached, will reduce the former employee's damages.

## **Chapter Review Answers**



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#### TRUE/FALSE QUESTIONS

- 1. F
- 2. F
- 3. T
- 4. T

#### FILL-IN-THE-BLANK QUESTIONS

- 1. Promisee
- 2. Breach by anticipatory repudiation
- 3. Breach by nonperformance
- 4. Mitigation
- 5. Anticipatory breach

#### **MULTIPLE CHOICE QUESTION**

1. b & c

#### SHORT ANSWER QUESTIONS

1. A breach by anticipatory repudiation is a breach that occurs before the date performance is due.

The promisor notifies the promisee that a future performance will not occur.

A breach by nonperformance is a breach that occurs when the promisor does not perform at

the time when the performance was due.

2. Anticipatory repudiation should be recognized as a breach so the promisee could rely on the promisor's

repudiation and make other plans rather than wait for the due date to come around so a

determination could be made whether the promisor will not perform. By not waiting, the

promisee may mitigate his or her losses. For example, an employee could find other work. A seller

could sell his or her goods or services to another. In any case, the promisee could cease the

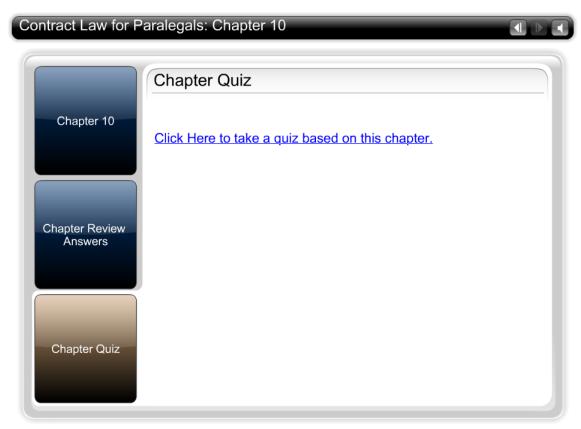
process of preparing to perform.

3. Breach by anticipatory repudiation should not apply in situations where the only duty remaining

to be performed is the promisor's duty to pay money. Since the promisee will not be performing,

the promisee will not need to make a decision whether or not to perform.

## **Chapter Quiz**



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Click Here to take a quiz based on this chapter.