

# Contract Fact Analysis

Week 2 Assignment

Arianna “Ari” Gonzalez

January 13, 2021

# Question 1:

## Scenario A

Rihanna and Chris Brown entered into a written contract in which Chris Brown agreed to sell his collection of knives to Rhianna for \$5,000, payable in 2 installments (\$2500 when she picked up the knives and \$2500 payable one month later). Rihanna picked up the knives and paid Brown the first \$2500.

A couple nights later, Rihanna and Beyonce were out partying together at a club. Rihanna, recognizing that Beyonce had polished off 6 vodka tonics, told Beyonce that she wanted to assign her duties under her contract with Brown to her. Beyonce yelled, “absolutely!”, and promptly fell off her chair.

Despite numerous attempts, Brown is unable to get Beyonce to pay the second payment. Brown sues Rihanna who claims that she is not liable, because she had transferred her duty too Beyonce.

# Scenario A

## Analysis

Rihanna and Chris Brown entered into a written contract in which Chris Brown agreed to sell his collection of knives to Rhianna for \$5,000, payable in 2 installments (\$2500 when she picked up the knives and \$2500 payable one month later). Rihanna picked up the knives and paid Brown the first \$2500.

A couple nights later, Rihanna and Beyonce were out partying together at a club. Rihanna, recognizing that Beyonce had polished off 6 vodka tonics, told Beyonce that she wanted to assign her duties under her contract with Brown to her. Beyonce yelled, “absolutely!”, and promptly fell off her chair.

The fact that Beyonce was intoxicated would effect the legitimacy of her as a party within a contract.

Despite numerous attempts, Brown is unable to get Beyonce to pay the second payment. Brown sues Rihanna who claims that she is not liable, because she had transferred her duty too Beyonce.

# Scenario A

## Analysis Continued: Rihanna's Case

- Rihanna's argument would be that Beyonce got intoxicated on her own accord, therefore she is responsible for her decisions that night, including being assigned Rihanna's duties in her contract with Chris Brown.

# Scenario A

## Analysis Continued: Chris Brown's Case

- Chris Brown's argument would be that Rihanna had clearly taken advantage of Beyonce the night she transferred her duties to her. Beyonce was in an incoherent state and probably did not even understand what was being proposed to her. It's possible she doesn't remember the conversation at all. But, Rihanna knew the whole time, and the entire situation was an effort to shift a responsibility Rihanna simply did not want.

# Scenario A:

## Analysis: Conclusion

- I believe that Chris Brown would win this case, mainly because the argument that Rihanna took advantage of Beyonce is very strong and that is the best way to get a judge to change the duties back to the original holder.

# Question 1:

## Scenario B

Same initial facts as above but instead.....A couple of nights after Rihanna and Brown enter into the contract, they wind up at the same bar with Beyonce. Brown, in an attempt to make peace with Rihanna, buys both ladies their first round and they all sit around chatting. The knife contract comes up and Beyonce mentions she's interested in some, if not all, of the knives. On a cocktail napkin, Beyonce writes the following: I, Beyonce, agree to pay the remaining \$2500 owed by Rihanna to Chris for the knives by next Friday. Brown and Beyonce sign it. Next Friday comes and goes and Brown does not get paid. He sues Beyonce.

# Scenario B

## Analysis

Same initial facts as above but instead.....A couple of nights after Rihanna and Brown enter into the contract, they wind up at the same bar with Beyonce. Brown, in an attempt to make peace with Rihanna, buys both ladies their first round and they all sit around chatting. The knife contract comes up and Beyonce mentions she's interested in some, if not all, of the knives. On a cocktail napkin, Beyonce writes the following: I, Beyonce, agree to pay the remaining \$2500 owed by Rihanna to Chris for the knives by next Friday. Brown and Beyonce sign it. Next Friday comes and goes and Brown does not get paid. He sues Beyonce.

The fact that this is in writing in general further solidifies the agreement



# Scenario B

## Analysis Continued: Chris Brown's Case

- Chris Brown would argue that since he has, in writing, an agreement that Beyonce would pay a sum of \$2,500, originally owed by Rihanna, in exchange for the knives, that should be enforced by the courts.

# Scenario B

## Analysis Continued: Beyonce's Case

- Beyonce could argue that the fact that Chris Brown bought her alcohol before she had signed the contract, makes the contract invalid. She could argue that because he bought it, she was pressured to drink, though she did not want to.

# Scenario B

## Analysis Continued: Conclusion

- I believe that again, Chris Brown would win this case. Firstly because the fact that Beyonce signed a physical agreement in the first place, bound her to those duties. Second, her argument that she did not get intoxicated on her own accord would likely not stand up in court.

# Question 2:

## Only Scenario

JayZ and TI decide to start a record label together. In anticipation of the label, they decide they need a recording studio in Atlanta. They hire Billy Bob Carter Contracting Services to build it. After much negotiation, the parties agree in writing that the studio will be built in 2 phases. First, the building will be constructed. Second, all the required interior work needed for the sound equipment will be done. JayZ and TI insist that all the interior work be done using teak wood.

Billy Bob completes construction of the building. Before beginning construction of the interior, a beetle epidemic plagues teak trees and 95% of the trees in the US die. As a result, the only way to get teak is to import it from Australia at a price five times the amount it could have been bought here prior to the epidemic.


Billy Bob calls up JayZ and advises him that he will not do the interior because of the teak situation and demands payment for the work done. JayZ refuses. Instead, he hires Billy Bob's rival, Dougie Fresh, to finish the job. Dougie agrees to complete the work for ten times the amount that JayZ and TI had initially agreed to with Billy Bob.

Billy Bob sues JayZ and TI for payment for the work completed. They countersue him for the full amount they paid Dougie.

# Question 2

## Analysis

JayZ and TI decide to start a record label together. In anticipation of the label, they decide they need a recording studio in Atlanta. They hire Billy Bob Carter Contracting Services to build it. After much negotiation, the parties agree in writing that the studio will be built in 2 phases. First, the building will be constructed. Second, all the required interior work needed for the sound equipment will be done. JayZ and TI insist that all the interior work be done using teak wood.

 The fact this is all in writing helps to solidify it.

Billy Bob completes construction of the building. Before beginning construction of the interior, a beetle epidemic plagues teak trees and 95% of the trees in the US die. As a result, the only way to get teak is to import it from Australia at a price five times the amount it could have been bought here prior to the epidemic.

Billy Bob calls up JayZ and advises him that he will not do the interior because of the teak situation and demands payment for the work done. JayZ refuses. Instead, he hires Billy Bob's rival, Dougie Fresh, to finish the job. Dougie agrees to complete the work for ten times the amount that JayZ and TI had initially agreed to with Billy Bob.

Billy Bob sues JayZ and TI for payment for the work completed. They countersue him for the full amount they paid Dougie.

# Question 2

## Analysis Continued: Jay Z and TI's Case

- Jay Z and TI would use the fact that they had the construction plans in writing to their advantage in this case. They can argue that Billy Bob should have simply gotten the teak wood imported, as they did not care about the price increase. They can solidify that by showing receipts of the fact that they paid 10x the perviously agreed upon amount, to a different construction company. Furthermore, they could claim that since Billy Bob did not finish the agreed upon job, he should not get payment.

# Question 2

## Analysis Continued: Billy Bob's Case

- Billy bob would argue that by him refraining from importing the teak wood he was simply acting in good faith and did not want to astronomically increase what he'd be charging his clients. He also argue that their was no clause in there written agreement, specifying the qualifications for payment.

# Question 2

## Analysis Continued: Conclusion

- I believe that Jay Z and TI would win this case due to the fact that they specified in writing the type of wood they wanted for the interior. That would not only show the importance of the component, but solidify the material as a part of the agreement itself. Furthermore, the fact that Jay Z and TI paid another contractor 10x what he was going to pay Billy Bob, shows that they would have payed the peccary amount to Billy Bob in order for him to import the teak wood.