

CHAPTER

14

Assignment, Delegation, and
Breach of Contract

Legal Terms

In the Answer column, write the identifying letter of the term in Column I that best matches each phrase in Column II.

Column I	Column II	Answer
a. damages	1. Transfer of a right to someone.	1. _____
b. anticipatory breach	2. Transfer of duties to someone.	2. _____
c. assignment	3. Violation of an agreement before the time of performance.	3. _____
d. breach of contract	4. Court order requiring the other party to do what he or she agreed to do.	4. _____
e. delegation	5. Payment recovered in court by a person who has suffered an injury.	5. _____
f. mitigation of damages	6. Agreement whereby an original party to a contract is replaced by a new party.	6. _____
g. novation	7. Condition that exists between parties to a contract.	7. _____
h. privity of contract	8. Third person who is not a party to a contract but who benefits from that contract.	8. _____
i. specific performance	9. Failure of one of the parties to do what he or she agreed to do.	9. _____
j. third party beneficiary	10. Obligation of the injured party to a contract to protect the other party from any unnecessary loss.	10. _____

Key Points in Your Reading

Mark true statements True. If a statement is false, change the underlined word or phrase to make it true.

	Answer
1. Usually, it is necessary to be in <u>privity of contract</u> in order to have standing to bring suit for breach of contract.	1. _____
2. A <u>third party beneficiary</u> may enforce a contract when it is made specifically for that person's benefit.	2. _____
3. If a party who owes money is shown an assignment, he or she is legally bound to pay the <u>assignor</u> to discharge the debt.	3. _____
4. An assignor can assign the rights he or she has in a contract and <u>nothing more</u> .	4. _____
5. Duties may be delegated when the contract calls for the exercise of <u>personal skill</u> and judgment.	5. _____
6. Contracts may contain an agreement that the contract may not be <u>assigned</u> .	6. _____
7. One party to a contract does not need the permission of the other party to <u>assign his or her right</u> to a third person.	7. _____
8. The principle of anticipatory breach applies to promises to <u>pay money</u> at some future date.	8. _____
9. If no damages have been suffered, a winner in a lawsuit can recover <u>punitive damages</u> .	9. _____
10. It is not usually possible to sue for specific performance of an agreement to buy or sell <u>real estate</u> .	10. _____