3)

**Quasi Contract**

Quasi contract is a contract that created without formalities of a contract law such as offer, acceptance and consideration and one party conferred a benefit from other party. The court may declare it a quasi contract if it will unjustly enrich the other party.

Here, although there is no formal contract was formed between Mary and Wilma because there is no offer acceptance and consideration Mary conferred a benefit from the bargain of $200,000 since Wanda relied on her misrepresentation.

Thus there is a quasi contract.

**Rescission**

A court may rescind a contract if a party engaged in fraudulent conduct to induce the other party and misrepresented a material fact to induce the party and the party is reasonable relied on the misrepresentation.

Here, Mary (M) misrepresented a material fact because he knowingly lied that Wanda's (W) deceased husband was the father of Mary's 12 old child Sam. W in fact induced by M's lie because she reasonably relied on the statement and gave her 200000$.

Thus, the court may rescind the contract.

**1. Autographed Baseball**

**Replevin**

A personal property that taken wrongfully from a party may request return of the property. If it is granted the court will order a sheriff to obtain possession and return it to the party. If the property changed form it is not viable.

Here, since M obtained a check from W it changed a form to a baseball.

Thus, replevin is not possible.

**Constructive Trust**

It is a legal function that provides a party a trust on the property that acquired wrongfully and to avoid unjust enrichment of the wrongful party And money damages are not viable. This function is used when property's value is increased. If the property is not available anymore the court may trace it.

Here, M as discussed above obtained the check wrongfully and used the check to purchase the baseball. W will argue that although it changed a form i may be traceable to it's current form. It's likely that it is traceable because M only had $500 in her account and wrote $1000 check after

she received it from W. M will argue that since she had $500 in the account she used that money and rest is from the W's check and thus it should be divided half in value. However, W will argue that since it was wrongfully obtained she should obtain the baseball.

*Lowest intermediate Balance*

In commingled account court will look at the lowest intermediate balance. According to this rule it is considered that the first money comes is spent first or the party had sufficient amount the spend.

Here, as discussed above M had 500$ in her account and it is likely that she used that money first and the other half was used form the W's check.

Thus, court may order for constructive trust on the ball.

**Laches**

A party who waits unreasonably long to bring a suit is precluded from the bringing a suit.

Here, M will argue that although W learned that M lied on December 2024 she waited 6 months to bring a claim. However it will likely fail because 6 month is not unreasonably long especially for a fraud cases.

Thus, defense will fail.

**2. The Condominium**

**Constructive Trust**

It is a legal function that provides a party a trust on the property that acquired wrongfully and to avoid unjust enrichment of the wrongful party. This function is used when property's value is increased. If the property is not available anymore the court may trace it.

Here, M is unjustly enriched because as established above she misrepresented material fact to obtain the money from W. Here since condominium is purchased with money that wrongfully obtained check and changed form court should trace it to its current form. Court may easily trace it to it's current form because M did not have such money in her account when she cashed in her bank account and since she obtained a mortgage from the bank documents can be collected. Moreover, since the house was worth $400,000 when purchased, it increased in value and now worth $450,000.

Thus, W may request constructive trust on condominium.

**Laches**

A party who waits unreasonably long to bring a suit is precluded from the bringing a suit.

Here, M will argue that although W learned that M lied on December 2024 she waited 6 months

to bring a claim. However it will likely fail because 6 month is not unreasonably long especially for a fraud cases.

Thus, defense will fail.

**3. The Stock**

**Replevin**

A personal property that taken wrongfully from a party may request return of the property. If it is granted the court will order a sheriff to obtain possession and return it to the party. If the property changed form or it is sold to a bona fide purchaser in value it is not viable.

Here, stocks are personal property although it is not tangible in nature it can be considered personal property. Moreover, here when W gave the stocks it valued $50 per share and now it worth $100. However, since stocks are sold and used for the paying for year tuition for private school for Sam, it is not likely to retrieve it.

Thus, replevin is not possible.

**Equitable Lien**

It is a security interest on the property that acquired wrongfully and to avoid unjust enrichment of the wrongful party. This function is used when property's value is decreased And money damages are not viable. If the property is not available anymore the court may trace it.

Here, as discussed above the stock are likely sold to a BFP and completely exhausted. W may argue that deficiency judgement may be possible for the difference it will fail because the stocks are unavailable and changed the form and not possible to trace.

Thus, lien is not possible.

**Laches**

A party who waits unreasonably long to bring a suit is precluded from the bringing a suit.

Here, M will argue that although W learned that M lied on December 2024 she waited 6 months to bring a claim. However it will likely fail because 6 month is not unreasonably long especially for a fraud cases.

Thus, defense will fail.

**4. Stocks In Bank Account**

**Replevin**

A personal property that taken wrongfully from a party may request return of the property. If it is granted the court will order a sheriff to obtain possession and return it to the party. If the

property changed form or it is sold to a bona fide purchaser in value it is not viable.

Here, the check changed it's form and deposited to bank as a cash.

Thus, replevin is not possible.

**Equitable Lien**

It is a security interest on the property that acquired wrongfully and to avoid unjust enrichment of the wrongful party. This function is used when property's value is decreased. If the property is not available anymore the court may trace it.

Here, W will argue that when she gave the check, M's account's value was only $500 and she deposited before she spent most of the money and thus it changed it's form. Since the original value of the check was $150000 and not it worth only $35000 the value of the check is decreased. The court may easily track the money as discussed above M had 500$ in her account and it  is likely that she used that money first and she did not have any balance left for rest of purchases.

Thus, W may obtain equitable lien and sue for deficiency.

*Lowest intermediate Balance*

In commingled account court will look at the lowest intermediate balance. According to this rule it is considered that the first money comes is spent first or the party had sufficient amount the spend.

Here, after she spent $500, she did not have anything left.

Thus, she used the money form the check deposit.

**Laches**

A party who waits unreasonably long to bring a suit is precluded from the bringing a suit.

Here, M will argue that although W learned that M lied on December 2024 she waited 6 months to bring a claim. However it will likely fail because 6 month is not unreasonably long especially for a fraud cases.

Thus, defense will fail.

**END OF EXAM**