## Types of Promises

Unconditional vs. Conditional

# Unconditional Promise (always legally gratuitous)

• "I will drive you to L.A."

Speaker is obligated immediately

# Conditional Promises (often gratuitous)

- "I will drive you to L.A. tomorrow, if <u>it</u> rains" (fortuitous outside event)
   Promise goes into effect immediately, but speaker obligated to perform only after the occurrence of the condition
- I will drive you to L.A. tomorrow, if <u>I</u> don't have to work.
- "I will drive you to L.A. tomorrow, if you come to my house by 9 am."
  The law refers to these as promises with a
- <u>'condition precedent'</u>

### Promise with Consideration

- A conditional promise that proposes a <u>valid exchange</u> (legally enforceable)
- "I will drive you to L.A. tomorrow, if <u>you</u> wash and wax my car this afternoon."

Promisor's commitment takes effect immediately Promisor's obligation to perform takes effect <u>only after</u> promisee completes the act requested by promisor

#### Beware of the condition precedent!

- "I will drive you to L.A. tomorrow, if you come to my house by 9 am."
   (gratuitous promise with a condition precedent without consideration)
- "I will drive you to L.A. tomorrow, if <u>you</u> wash and wax my car this afternoon." (a promise with consideration; its condition precedent proposes a valid exchange)

#### Valid Consideration

**Felicity Conditions** 





#### **Futurity Condition**

• Act or performance is to take place in the future <u>Situation</u>: Employee plans to retire in one month

Boss: "I will give you a bonus if you stay here for another 3 months." (valid)

Boss: "I will give you a bonus for having performed well the last 3 months." (violation of futurity condition = 'past consideration')

#### **Benefit Condition**

- The performance by the other party is truly desired
- <u>Situation</u>: Father to daughter
- Father: "I will give you a new sports car if you go to the university I graduated from." (valid)
- Father: "I will give you a new sports car in return for twenty-five dollars."
- (violation of benefit condition = 'sham consideration')

#### **Benefit Condition**

- The performance by the other party is truly desired AND BARGAINED FOR
- You to acquaintance: "I will put you up in my guest room if you pay me \$75/night." (valid)
- "I will put you up in my guest room if you come to San Diego."
   (violation of benefit condition = 'gratuitous promise with a condition precedent')

#### **Non-Expectancy Condition**

- One is already obligated to do the requested act
- Situation: Both of us are taking calculus
- "I will pay you \$50 if you help me study for the calculus exam." (valid)
- "I will pay you \$50 if you take your calculus exam." (violation of non-expectancy condition = 'pre-existing duty')

#### **Ability Condition**

One must actively do something to bring about the performance requested

- Situation: Son isn't sure about going to law school
- Mother: "I will pay your tuition next quarter if you apply and are accepted to law school." (valid)
- <u>Situation</u>: Son has applied to law school and is waiting to hear whether he has been admitted
- "I will pay your tuition next quarter if you are accepted to law school." (violation of ability condition = 'fortuitous occurrence'

Legal Reason vs. Speech Act Analysis for Non-consideration	
Legal nonconsideration	Violation of speech act condition
Past consideration	Futurity
Sham consideration	Benefit
Gratuitous promise	Benefit
Pre-existing duty	Non-expectancy
Fortuitous occurrence	Ability



### **Final Note**

- For purposes of <u>consideration</u>, you can ignore (because they apply to a promisor):
- State-of-mind condition of the sincerity rule (a violation would be a breach of contract)
- Essential condition

   (a violation entails no meeting of the minds; hence, no contract)