Question MEE 2 – July 2025 – Selected Answer 1

(1) The first issue is whether the exchange of emails formed a contract.
Common law contracts are formed when there is (a) an offer, (b) an acceptance, and (c) valid consideration. An offer must contain the essential terms of the contract, which includes (i) a promise, commitment, or undertaking; and (ii) manifesting a willingness to be bound by the terms of the contract and conferring a power of acceptance in the offeree. An acceptance my an offeree must generally be before the offer is revoked, and is a clear, unequivocal statement or expression manifesting a willingness to be bound to the offer's terms. Under the common law, the acceptance must mirror the terms of the offer or else it is a counteroffer and rejection. Consideration is a bargained-for exchange of promises of legal value, constituting a benefit to the promisor and detriment to the promisee. Contracts for services must generally include the types of services performed, and the pricing term for the services.

Here, Debbie's first email is not an offer, but merely an inquiry because she does not contain the essential terms of a services contract (i.e., describes the work and the pricing term), she merely asks "What would you charge?" Pete's response is a quote, stating he could be there around 4 p.m. and he normally charges $300 for a normal-sized driveway, which also does not constitute a valid offer. Debbie responds that she will pay a premium price of $500 on the condition that Pete show up and clear the snow out of her driveway by 5 p.m. This constitutes an offer because it manifest's Debbie's willingness to pay Pete for his services, contains a promise to pay, and confers the power of accepting the offer on Pete. However, Pete does not unequivocally accept because his response is "I will do my best, but I can't make any promises." This is not a clear statement of acceptance manifesting and intent to be bound. However, it does call on Pete's performance as sufficient to constitute acceptance.

Therefore, the emails are insufficient to constitute a formed contract.

(2) The second issue is if Pete stating "I accept your offer to clear your driveway" formed a contract.
As stated, common law contracts must be formed by (a) offer, (b) acceptance, and (c) consideration. However, the contracts may be revoked at any point before acceptance. Revocation is when the offeror either expressly retracts their offer, manifesting an intent to not be bound to the terms, or the revocation may be effective when the offeree receives reliable information that the offeror's conduct is inconsistent with an intent to be bound to the terms of the contract. Typically, revocation is effective when received by the offeree, or when they become aware of the recovation before

performance begins. Under the common law, contacts for services are generally irrevocable once performance has begun.

Here, Pete worked hard to get to Debbie's house, passing up an opportunity for $400. When he arrived, he noticed that Debbie's driveway had already been cleared. When Pete arrived at Debbie's front door, he stated "I'm Pete, I accept your offer to clear your driveway. I'll get started right away." However, Debbie stated, "Sorry, someone came by and offered to do the job for $300, so I paid him to do it. As you can see, it's already done." Pete's verbal acceptance only occurred *after* he noticed that Debbie's driveway had already been cleared, which would put Pete on notice that his services are no longer required. Meaning, Debbie's cleared driveway would have instilled in Pete that Debbie likely has no intention of being bound to her original offer.

Therefore, Pete's verbal acceptance of the original contract does not constitute formation of the original contract because he was on notice that his services were no longer needed and that Debbie would not have any intent to be bound to the original terms of the offer.

(3) The third issue is if Pete has a claim based on his reliance of Debbie's statement that she would pay a premium price of $500 if he cleared the snow from her driveway by 5 P.M.

Reliance damages may be awarded, even if a contract is not formed, when a party (a) makes a statement of material fact, (b) intended to invite reliance by the other party, (c) which does induce justifiable reliance by the other party, (d) to their detriment. The standard damages award in common law services contracts is expectation damages, however, reliance damages may be awarded where a party has sacrificed or lost other opportunities in reliance on the expressions of the offering party.

Here, Debbie originally offered Pete a $500 premium if he could clear her driveway by 5 p.m. Pete worked extra hard and fast that day to finish clearing snow for his regular customers. Moreover, to ensure he got to Debbie's house by 5 p.m., he passed up another opportunity to clear a parking lot for $400. He was able to get through all of his regular customers by 3:30 and drive to Debbie's house to clear her driveway. That is, Debbie's used a statement offering an attractive business offer which she intended to induce Pete's reliance, which Pete did so justifiably rely in turning down another opportunity for $400, to Pete's detriment which is he lost on the opportunity to clear Debbie's driveway and the parking lot.

Therefore, Pete has a viable reliance claim against Debbie.

(4) The fourth issue is if Pete does have a viable reliance claim, how much can he recover.

Reliance damages are awarded to the detrimentally-relying party based on the value of the opportunity they sacrificed based on their reliance of the offering party's offer. Meaning, the relying party is able to recover any costs expended, or opportunities lost in relying on the offer. Reliance damages seek to put the relying party in the position they would have been in had they not detrimentally relied on the offeror's offer.

Here, Pete relied on Debbie's offer of $500, to sacrifice another business offer of $400 to clear the parking lot. That is, Pete likely would have received $400 had he not passed up the parking lot opportunity in reliance on Debbie's $500 offer.

Therefore, Pete may be able to recover the $400 from Debbie based on a reliance claim.

Question MEE 2 – July 2025 – Selected Answer 2

1. Exchange of Emails

The issue is whether there was a valid offer and acceptance to constitute a contract.

In contract law, services contracts are governed by common law principles. Contracts must have an offer, acceptance, and consideration. An offer is a sufficiently clear statement from the offeror that they are willing to enter a contract under specific terms, while an acceptance is an assent to those terms. Under the common law, the mirror image rule applies, so the terms of the acceptance must perfectly match the terms of the offer. Consideration is anything bargained-for of legal value, and a mere peppercorn suffices.

Here, Pete lives in the northern U.S. and earns his living in the winter months by clearing snow from driveways and parking lots. One morning, following a particularly heavy snowfall, Debbie contacted Pete and asked him to come to her residence and clear the snow from her driveway. Debbie was not a regular customer of Pete's, so there is no history of prior dealing between the parties to provide external guidance on interpreting whether a contract was formed. Because the potential contract would have been for Pete's snow-clearing services, it is governed by the common law.

When Debbie wrote via email, "Hi, Pete. Can you come to my house and clear the snow from my driveway? . . . What would you charge?" this constituted an invitation to offer because the offer was not sufficiently definite to be mutually assented to--it

omitted the important detail of price. By asking Pete what he would charge, Debbie was inviting Pete to make an offer for his services.

When Pete responded, "I'm pretty busy today clearing snow for all my regular customers. I'm not sure I could get to you at all today, but if things go well, I could be there around 4 p.m. I charge $300 for a normal-size driveway," this likely constituted an offer for Debbie to accept his services. Pete did not specify the precise time he could be at Debbie's house, but he did provide his normal rate, and Debbie could have responded with an acceptance of that rate and a negotiation on the time.

When Debbie responded, "If you can get the snow cleared from by driveway before 5 p.m., I'll pay a premium price of $500," this likely constituted a counteroffer with a condition precedent. A counteroffer under the common law serves as a rejection and new offer because it violates the mirror image rule. Under this new offer, the consideration of Debbie's $500 for Pete's services would be subject to a condition precedent that Pete completes his work before 5 p.m. If a condition precedent is not met, then the duty for the other party to perform never arises.

Pete then responded, "I will do my best, but I can't make any promises." This email was not unequivocal acceptance of Debbie's offer, so this email does not satisfy the contracts requirement of mutual assent in contract formation. Consideration may be mutual promises, such as a promise to perform and a promise to pay. However, here, Pete explicitly disclaimed any such promises, and thus did not accept her offer.

In conclusion, the exchange of emails did not form a contract.

2. Pete's Statement to Debbie

The issue is whether Pete accepted Debbie's offer in a reasonable time.

When an offer for a contract is presented, it must be accepted within a reasonable time under the circumstances of the contract. Offers are typically freely revocable before acceptance. An offer that the offeree believes is still open is revoked when the offeree learns that someone else has completed the work or fulfilled the task of the original offer, such as when the offeree of a car sale learns that the offeror has sold to someone else.

Here, after the email exchange, Pete worked extra hard and fast to finish clearing snow for his regular customers. To further ensure that he got to Debbie's house in time to get her driveway cleared by 5 p.m., he passed up an opportunity to clear a parking lot for $400 and was able to finish all his work for regular customers by 3:30,

which left him plenty of time to get to Debbie's house and clear her driveway. When he arrived at Debbie's house at 4 p.m., he saw that the driveway had already been cleared.

Because Pete saw that the driveway had already been cleared, he was on notice that Debbie's offer to him had been revoked, and it was too late to accept the offer. It is also questionable, even if this weren't the case, whether 4 p.m. is a reasonable time to accept an offer that has a condition precedent that it must be completed by 5 p.m. After being on notice that the offer was revoked by someone else's performance, Pete left his truck, went to Debbie's door, and said, "I'm Pete. I accept your offer to clear your driveway. I'll get started right away." Debbie then said, "Sorry, someone came by and offered to do the job for $300, so I paid him to do it. As you can see, it's already done." Debbie's response was correct; Pete could see that the work was already done, so after that point, he could not accept the offer that Debbie revoked by giving it to another person. It is irrelevant that Debbie paid $300 instead of the $500 she had discussed with Pete; Pete accepted after the work was done, so his acceptance was not valid and there was no contract at this point.

In conclusion, when Pete traveled to Debbie's house and said to her, "I accept your offer to clear your driveway," that did not form a contract.

3. Pete's Reliance Claim

The issue is whether Pete can claim detrimental reliance based on Debbie's statement.

Even if there is no valid contract formed, quasi-contract damages may reward a party that detrimentally relied on another party's assertions. Detrimental reliance damages are typically available when the party that was unjustly enriched made a statement intended to be relied upon, was in fact relied upon, and ultimately damaged the other party.

Here, Debbie's statement that she would pay a premium price of $500 if Pete cleared the snow from her driveway by 5 p.m. may constitute a statement that was intended to be relied upon by Pete. Debbie made this statement after Pete stated that he was busy all day, and that he could be there around 4 p.m. if at all due to his schedule. Further, after her statement, Pete responded that he would do his best to make it to Debbie's, so Debbie should have known that Pete would alter his schedule in accordance with her offer to pay the premium.

Pete did in fact rely upon this statement, and he worked extra hard and fast to finish his work for regular customers that day, and he also passed up an opportunity to clear

a parking lot for $400. Thus, because Pete changed his schedule and workload to his detriment based on Debbie's statement, Pete can likely claim detrimental reliance.

In conclusion, assuming that no contract was formed, Pete likely does have a claim based on his reliance on Debbie's statement that she would pay a premium price of $500 if he cleared the snow from her driveway by 5 p.m.

4. Pete's Reliance Recovery

The issue is what damages are available for detrimental reliance.

Detrimental reliance damages are calculated by the costs incurred by the party who detrimentally relied, and they typically have nothing to do with the purported contract because this is a quasi-contract remedy in equity. Damages must be sufficiently definite and calculable to be awarded.

Here, Pete worked extra hard and fast in reliance on Debbie's statement, and he passed up an opportunity to clear a parking lot for $400. It is unclear what cost, if any, Pete incurred by quickening his pace of work that day, but his loss of a $400 job is a definite amount that he would have had but-for the reliance on Debbie's statement.

In conclusion, assuming that Pete has a valid claim against Debbie based on his reliance on Debbie's statement, he could recover the $400 for the lost parking lot job and any damages, if existent, he can prove he incurred from speeding up his workday.

Question MEE 2 – July 2025 – Selected Answer 3

1. The first issue is whether or not the email exchange between Debbie and Pete formed a contract in which Pete could rely on.
Debbie and Pete did not form a contract in their email exchange. In order to have an enforceable contract there must be mutual assent, which consists of a valid offer and acceptance, valid consideration, and a lack of defenses that would prohibit the contract from being formed.
Common law is used for contracts of services. The contract being sought here is for Pete to shovel a driveway, which would qualify as a service, therefore common law rules will apply.
An offer is a specific promise to do or provide something, with specific and definite terms, to an intended recipient. The first email is an iquiry into Pete's avaliability. There are no clear and definite terms on when the performance would take place, or willingness to enter into a contract, or price. The next email from pete is also

providing information to the inquiry and does not constitute an offer. Pete uses general terms like " I'm not sure i could get to you at all today" and "normal size driveway", which lack definite and specific terms.
The next email constitutes an offer. When Debbie says "If you can get the snow cleared from my driveway before 5pm, i'll pay $500." That is clear and definite terms on price, location and time frame of performance.
However, the email chain itself does not form a contract becasue we do not have an acceptance or consideration provided in the email chain. An accpetance is a unequivocal assent to the offer's terms. In common law, the mirror image rule applies and an acceptance of this offer could be express or established through full performance of shoveling the driveway. Neither were present in the emails so the email itself did not form an enforceable contract.

2. The next issue is whether or not Debbie's offer had been revoked before Pete said "I accept your offer to clear your driveway."

Once we have an offer, we must see if there has been a termination of the offer for any reason. An offer can be terminated in four ways: by lapse of time, revocation, rejection and by operation of law.
Here, a revocation of the offer happens when Pete arrives at Debbie's house and sees that the driveway has already been cleared. Revocation can be given through notice by the offeror or by a third party. Here, Pete sees and identifies that the offer has already been revoked, because the driveway is already cleared. A revocation of an offer is effective upon receipt, so therefore the offer was revoked when Pete had notice the driveway was already cleared.
Even though Pete made an affirmative statement of assent to the offer terms, it was too late because the revocation terminated the offer. Without an offer, there is no valid contract between Debbie and Pete.

3. The next issue is whether or not Pete would have a claim based on his reliance of Debbie's statement that she would pay a price of $500 if he cleared the driveway by 5pm.

Here, no valid contract was formed between Pete and Debbie, but Pete may have a claim for promissory estoppel since he detrimentally relied on Debbie's promise and lost out on another job because of it. A claim for promissory estoppel requires that a clear promise be made, the offeree *reasonably* acted in reliance of that promise, and the offeree suffered harm from that promise not being completed. Here, a clear statement of "If you can get the snow cleared from my driveway before 5 pm, I'll pay a premium price of $500" indicates a clear promise. This gives Pete the information of what is expected, what is required of him, when it is required by, and how much he stands to make from completing the job. Pete also reasonably relied on this promise because Debbie told him she was "desperate" for the job to get done and she sought Pete out specifically to the job. There is a counterargument that Pete did not reasonably rely on the job because he himself used language like "I can't make any promises" but we

would consider his actions more in the reliance of the promise, instead of a response to an email. Lastly, Pete suffered harm from this promise not being completed because he lost out on the $500 he expected to make, but also the $400 job he did not complete because of driving to Debbie's house instead. Therefore, Pete would likely have a strong claim for promissory estoppel.

4. The last issue is how much Pete could recover if he had a valid reliance claim.

The default for contract damages is expectancy damages which but they non-breaching party back in the position had the contract been performed. However, those damages are only available if there was a valid contract. Here, there was not a valid contract, but there could be a claim for detrimental reliance on Debbie's promise. In this case, reliance damages would be used. The purpose of reliance damages is to put the relying party back into the position they were before the promise was made. In this case, Pete gave up a job that would have paid him $400, in order to go clear Debbie's driveway. Had it not been for Debbie's statement, Pete would have completed the $400 job. For that reason, Pete would be able to recover the $400 because he would have done that job had it not been for the promise that was made.