

CONTRACTS
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Contracts against Public Policy

Please read the materials in Section IV.F of the readings (Agreements unenforceable on the grounds of Public Policy). This topic will not be covered in class discussion, but will be included in the materials covered by the exam. In reading the cases, consider the following questions.

- In the *Baby “M”* case, what are the concerns of public policy that, according to the court, make the contract unenforceable? Can you think of counter-arguments?
- Is an illegal transaction void? Namely, can an illegal contract transfer assets from one party to another, or does illegality wipe out any such transfer?
- In *Homami v. Iranzadi*, would the outcome have been different if Iranzadi already paid back the full loan (\$250,000) plus interest (\$39,624), and then sued Homami for restitution of the interest payment on the basis that it was not specified in the contract?
- Does the *Hewitt* decision reinforce or weaken the institution of marriage? If we want to preserve this institution, would we prefer the *Hewitt* of the *Marvin* rule?