
TABLE OF CONTENTS

<i>Preface</i>		<i>xxiii</i>
<i>Caveat Lector</i>		<i>xxiv</i>
<i>Acknowledgments</i>		<i>xxv</i>
Chapter 1	Introduction	1
Section A.	What is “Restitution,” Anyway?	1
Section B.	Some Legal History, and An Important Case	2
	(1) Restitution at Law: The Fictitious Promise	3
	(2) Restitution at Law: The Idea of Unjust Enrichment	4
	(3) Restitution in Equity	5
	(a) Constructive Trust	6
	(b) Equitable Lien	7
	(c) Following Property into Its Product	7
	(d) Subrogation	7
Section C.	A Little More Legal History	8
Chapter 2	Mistake	11
Section A.	Direct Payments	11
	Pilot Life Ins. Co. v. Cudd	11
	<i>Mistake or compromise?</i>	16
	<i>Riegel v. American Life Ins. Co.</i>	
	<i>Sears v. Grand Lodge AOUW</i>	
	<i>New York Life v. Chittenden & Eastmen</i>	

	<i>Grand Trunk Western R. Co. v. Lahiff</i>	
	<i>Tarrant v. Monson</i>	
	Farnsworth, <i>Restitution</i>	19
	Bank of Naperville v. Catalano	20
	<i>Bank error in your favor</i>	22
	<i>Price v. Neal</i>	
	<i>Employers Ins. of Wasau v. Titan Int'l</i>	
	Glover v. Metropolitan Life Ins. Co.	24
	<i>Ignorance of the law</i>	27
	R3RUE § 48 (Payment to defendant to which claimant has a better right)	27
	<i>Amoco Prod. Co. v. Smith</i>	
	R3RUE § 5 (Invalidating mistake)	28
	R3RUE § 6 (Payment of money not due)	29
Section B.	Indirect Payments	29
	Partipilo v. Hallman	29
	<i>Who is enriched?</i>	32
	<i>Sykeston Township v. Wells County</i>	
	<i>Upton-on-Severn RDC v. Powell</i>	
	<i>Mistaken discharge of obligation or lien</i>	33
	<i>Ex Parte Amsouth Mortgage Company, Inc.</i>	
	<i>Decatur Fed. Sav & Loan v. Gibson</i>	
	R3RUE § 8 (Mistaken discharge of obligation or lien)	35
	Farnsworth, <i>Restitution</i>	35
Section C.	Benefits Other Than Money	36
	Michigan Central Railroad v. State of Indiana	36
	Continental Forest Products v. Chandler Supply Co.	38
	<i>Measuring the benefit</i>	42
	R3RUE § 7 (Mistaken performance of another's obligation)	42
	R3RUE § 9 (Benefits other than money)	42
Section D.	Mistaken Improvements	44
	Somerville v. Jacobs	44
	<i>Forced exchange?</i>	47
	<i>Pearl Township v. Thorp</i>	
	<i>Lawson v. O'Kelley</i>	
	<i>Ochoa v. Rogers</i>	
	R3RUE § 10 (Mistaken improvements)	50
	Farnsworth, <i>Restitution</i>	51
Section E.	Mistaken Gifts	53
	Massicotte v. Matuzas	53
	<i>Gratuitous unjust enrichment</i>	55
	<i>Soberanes v. Soberanes</i>	
	<i>Hutson v. Hutson</i>	

	<i>Mott v. Iossa</i>	
	<i>Lady Hood of Avalon v. Mackinnon</i>	
	<i>Larisa’s Home Care, LLC v. Nichols-Shields</i>	
Chapter 3	Defective Consent	59
Section A.	Fraud and Misrepresentation	59
	Earl v. Saks & Co.	59
	<i>Harmless fraud?</i>	65
	<i>Gray v. Baker</i>	
	<i>Seneca Wire & Mfg Co. v. A.B. Leach & Co.</i>	
	Porreco v. Porreco	66
	<i>Cubic zirconium</i>	71
	Houston v. Mentelos	72
	“Void or voidable” and the bona fide purchaser	75
	R3RUE § 13 (Fraud and misrepresentation)	77
	Farnsworth, <i>Restitution</i>	77
Section B.	Duress	79
	Rubinstein v. Rubinstein	79
	<i>An elusive category</i>	83
	<i>Fairbanks v. Snow</i>	
	<i>Wilbur v. Blanchard</i>	
	<i>Murphy v. Brilliant Co.</i>	
	“Voluntary payment” and duress by civil litigation	85
	<i>Shockley v. Wickliffe</i>	85
	Texas Association of Counties v. Matagorda County	87
	“Voluntary payment” and reservation of rights	92
	<i>Still v. Equitable Life Assurance Soc’y</i>	
	R3RUE § 35 (Performance of disputed obligation)	95
Section C.	Undue Influence	96
	Eldridge v. May	96
	<i>The undue influence amalgam</i>	100
	<i>Roberts-Douglas v. Meares</i>	
Section D.	Incapacity	102
	Pettit v. Liston	102
	<i>Shield or sword?</i>	105
	<i>Zouch v. Parsons</i>	
	<i>Johnson v. Northwestern Mut. Life Ins. Co.</i>	
Chapter 4	Transfers Under Legal Compulsion	107
Section A.	Judgment Subsequently Reversed	107
	Miga v. Jensen	107
	<i>Voluntary payment yet again</i>	111
Section B.	Restitution of Tax Payments	111
	Brookside Memorials, Inc. v. Barre City	111

	<i>Notes on restitution of tax payments</i>	114
	<i>George Moore Ice Cream Co. v. Rose</i>	
	<i>Wayne County Produce Co. v. Duffy-Mott Co.</i>	116
	“ <i>Passing on</i> ”	117
	<i>Roxborough v. Rothmans of Pall Mall Australia Ltd</i>	
	<i>Armory v. Delamirie</i>	
	<i>Decorative Carpets, Inc. v. State Board of</i> <i>Equalization</i>	
Chapter 5	Unrequested Intervention: Conferrings	121
	Introductory Note	121
	R3RUE § 2 (Limiting principles)	121
	<i>Taylor v. Laird</i>	
	<i>Indiana Lumbermens Mut. Ins. Co. v.</i> <i>Reinsurance Results, Inc.</i>	
	<i>Liggett & Myers Tobacco Co. v. Meyer</i>	
Section A.	Emergencies	124
	<i>Cotnam v. Wisdom</i>	124
	<i>Preservation of life and health</i>	128
	<i>Confold Pacific, Inc. v. Polaris Indus., Inc.</i>	
	<i>Meriter Hospital, Inc. v. Lester</i>	
	<i>Webb v. McGowin</i>	
	<i>Quantum meruit and the “common counts”</i>	129
	<i>Martin v. Campanaro</i>	
	<i>Preservation of property</i>	131
	<i>Chase v. Corcoran</i>	
	<i>Glenn v. Savage</i>	
	<i>Farnsworth, Restitution</i>	133
Section B.	Performance of Another’s Duty	135
	<i>Greenspan v. Slate</i>	135
	<i>Is defendant under a duty?</i>	138
	<i>Gulley v. Gulley</i>	
	<i>Sommers v. Putnam County Bd of Educ.</i>	
	<i>Hurdis Realty, Inc. v. Town of N. Providence</i>	
	<i>Jersey Shore Medical Center v. Estate of Baum</i>	
	<i>Medical Center Hospital of Vermont v. Lorrain</i>	
	<i>St. Barnabas Medical Center v. County of Essex</i>	
	<i>City of New York v. Keene Corp.</i>	
Section C.	Indemnity and Contribution	143
	<i>Yellow Cab of D.C., Inc. v. Dreslin</i>	143
	<i>Obligations between joint obligors</i>	144
	R3RUE § 23 (Performance of a joint obligation (indemnity and contribution))	144
	<i>Western Steamship Lines, Inc. v. San Pedro</i> <i>Peninsula Hospital</i>	

	<i>City of New York v. Lead Industries Ass'n</i>	
	<i>Sommer v. Federal Signal Corp.</i>	
	Restatement (3d) Torts (Apportionment of Liability) § 16 (Comment c)	147
Section D.	Equitable Subrogation	147
	American Nat'l Bank & Trust Co. v. Weyerhaeuser Co.	147
	<i>Obligations between independent obligors</i>	152
	R3RUE § 24 (Performance of an independent obligation (equitable subrogation))	154
	State Farm Fire & Casualty Co. v. East Bay Municip. Utility Dist.	154
	Benton v. Gaudry	158
	Wilder Corp. of Delaware v. Thompson Drainage & Levee Dist.	160
	<i>Subrogation: "equitable" or "conventional"?</i>	164
	Farnsworth, <i>Restitution</i>	165
Section E.	Self-Interested Intervention	166
	Ulmer v. Farnsworth	166
	<i>Proximity</i>	168
	<i>Hollifield v. Monte Vista Biblical Gardens, Inc.</i>	
	R3RUE § 26 (Protection of claimant's property)	169
	<i>In re Montgomery's Estate</i>	
	Robinson v. Robinson	171
	<i>Disappointed expectations; equitable liens</i>	177
	R3RUE § 27 (Claimant's expectation of ownership)	178
	Cox v. Wooten Brothers Farms, Inc.	179
	<i>Self-serving claimants</i>	182
Section F.	Former Cohabitants	182
	Sharp v. Kosmalski	182
	Salzman v. Bachrach	185
	<i>Conditional Gifts?</i>	191
	Restatement of Restitution § 58 (1937) (Gifts made in reliance on a relation)	192
	<i>Lindh v. Surman</i>	
	Maglica v. Maglica	194
	<i>Measuring enrichment between cohabitants</i>	198
	<i>Meyer v. Meyer</i>	
	R3RUE § 28 (Unmarried cohabitants)	200
	Farnsworth, <i>Restitution</i>	201
Section G.	Common Fund	202
	Felton v. Finley	202
	<i>The original case of "common fund"</i>	207
	<i>Trustees v. Greenough</i>	
	Kerr v. Killian	207

	<i>Unrequested legal services</i>	210
	<i>Kamilewicz v. Bank of Boston Corp.</i>	
	<i>Wolff v. Ampacet Corp.</i>	
	Maynard v. Parker	212
	<i>Fees from subrogated insurers</i>	214
	Farnsworth, <i>Restitution</i>	216
Chapter 6	Failed Trades: Restitution and Contract	217
	Introductory Note	217
Section A.	Undoing or Correcting the Parties' Mistakes	219
	(1) Mutual Mistake	219
	<i>Yellow Diamonds, Fertile Cows</i>	219
	<i>Wood v. Boynton</i>	
	<i>Sherwood v. Walker</i>	
	Farhat v. Rassey	221
	<i>More mutual mistakes</i>	222
	<i>Griffith v. Brymer</i>	
	<i>Strickland v. Turner</i>	
	<i>Aldrich v. Travelers Ins. Co.</i>	
	<i>Cleghorn v. Zumwalt</i>	
	Simkin v. Blank	225
	<i>The vanishing brokerage account</i>	228
	(2) Unilateral Mistake	229
	M.F. Kemper Construction Co. v. City of Los Angeles	229
	<i>Known to the other party</i>	233
	<i>The Baseball Card Case</i>	
	<i>Amlie Strand Hardware Co. v. Moose</i>	
	(3) Reformation	235
	Mutual Life Ins. Co. of Baltimore v. Metzger	235
	<i>Notes on reformation</i>	237
	<i>Travelers Ins. Co. v. Bailey</i>	
	<i>Frederic E. Rose (London), Ltd. v. Wm. H.</i>	
	<i>Pim, Jr. & Co., Ltd</i>	
	<i>Prudential Ins. Co. of Amer. v. S.S. American</i>	
	<i>Lancer</i>	
Section B.	Restitution to a Performing Party with No Claim on the Contract	239
	(1) Unenforceable Contract	239
	Boone v. Coe	239
	Pelletier v. Johnson	242
	<i>Unenforceable for "informality"</i>	244
	<i>Towsley v. Moore</i>	
	(2) Illegal Contract	245
	Al-Ibrahim v. Edde	245

	<i>More illegal contracts</i>	248
	<i>The Highwayman’s Case</i>	
	<i>Chapman v. Haley</i>	
	<i>Keller v. Central Bank of Nigeria</i>	
	R3RUE § 32 (Illegality)	251
	Farnsworth, <i>Restitution</i>	252
	Lewy v. Crawford	252
	<i>Crocodile tears</i>	255
	<i>Johnston v. Russell</i>	
	<i>Watts v. Malatesta</i>	
(3)	Supervening Circumstances	257
	Cutter v. Powell	257
	<i>On or off the contract?</i>	259
	<i>Jacob & Youngs, Inc. v. Kent</i>	
	<i>Matter of Buccini v. Paterno Constr. Co.</i>	
	<i>Parker v. Arthur Murray, Inc.</i>	
	Angus v. Scully	262
	<i>Half of nothing?</i>	263
	<i>Hayes v. Gross</i>	
(4)	Plaintiff in Breach	264
	Vines v. Orchard Hills, Inc.	264
	<i>Restitution or forfeiture</i>	268
	<i>Quinlan v. St. John</i>	
	<i>Ruxley Electronics & Constr. Ltd. v. Forsyth</i>	
	R3RUE § 36 (Restitution to a party in default)	271
	Farnsworth, <i>Restitution</i>	271
Section C.	Alternative Remedies for Breach of an Enforceable Contract	272
(1)	Rescission and Restitution for Breach	272
	Mobil Oil Exploration & Producing Southeast, Inc. v. United States	272
	<i>Rescission as a remedy for breach of contract</i>	275
	<i>Bush v. Canfield</i>	
	<i>Bollenback v. Continental Casualty Co.</i>	
	<i>McCrae v. Lonsby</i>	
	Farnsworth, <i>Restitution</i>	279
(2)	Performance-Based Damages	280
	Boomer v. Muir	280
	Kehoe v. Rutherford	284
	<i>Losing contracts</i>	287
	Glendale Federal Bank v. United States	289
	<i>Restitution and reliance</i>	293
	<i>Landmark Land Co. v. FDIC</i>	
	<i>LaSalle Talman Bank v. United States</i>	
	<i>L. Albert & Son v. Armstrong Rubber Co.</i>	
	<i>Wellston Coal Co. v. Franklin Paper Co.</i>	

	R3RUE § 38 (Performance-based damages)	295
	Farnsworth, <i>Restitution</i>	297
Section D.	Profitable Breach of Contract	298
	Y.J.D. Restaurant Supply Co. v. Dib	298
	Attorney-General v. Blake	300
	“Opportunistic breach”	304
	<i>Snepp v. United States</i>	
	<i>Peevyhouse v. Garland Coal & Mining Co.</i>	
	<i>Acme Mills & Elevator Co. v. Johnson</i>	
Chapter 7	Restitution for Wrongs	307
	Farnsworth, <i>Restitution</i>	307
Section A.	Trespass and Conversion	308
	Edwards v. Lee’s Administrator	308
	<i>Profitable trespass</i>	313
	<i>Don v. Trojan Constr. Co.</i>	
	<i>Beck v. Northern Natural Gas Co.</i>	
	<i>Frank v. Metro-Goldwyn-Mayer, Inc.</i>	
	Olwell v. Nye & Nissen Co.	316
	<i>Conversion</i>	319
	<i>Watson, Laidlaw & Co. v. Potts,</i>	
	<i>Cassels & Williamson</i>	
	<i>Langton v. Waite</i>	
	<i>Corey v. Struve</i>	
	<i>Schlosser v. Welk</i>	
Section B.	Fraud and Misrepresentation	321
	Ward v. Taggart	321
	<i>Gains from misrepresentation</i>	324
	<i>Murkofsky v. Jerry</i>	
	<i>Scrushy v. Tucker</i>	
	<i>Janigan v. Taylor</i>	
	<i>Securities fraud “disgorgement”</i>	327
	<i>SEC v. Manor Nursing Centers, Inc.</i>	
	<i>SEC v. Macdonald</i>	
Section C.	Infringement and the Like	329
	Sheldon v. Metro-Goldwyn Pictures Corp.	329
	<i>Attributable to the underlying wrong</i>	334
	<i>Taylor v. Meirick</i>	
	R3RUE § 51(4), (5) (disgorgement)	336
	Farnsworth, <i>Restitution</i>	336
	O’Brien v. Pabst Sales Co.	337
	<i>Restitution and right of publicity</i>	341
Section D.	Fiduciary or Confidential Relation	342
	Keech v. Sandford	342
	Hamberg v. Barsky	342

	Meinhard v. Salmon	344
	<i>Punctilio</i>	351
	<i>Beatty v. Guggenheim</i>	
	<i>Thorpe v. Cerbco</i>	
	Lum v. Clark	356
	<i>Fidelity in the agent</i>	357
	<i>Diamond v. Oreamuno</i>	
	<i>Reading v. Attorney-General</i>	
Section E.	Other Torts	358
	Marmo v. Tyson Fresh Meats, Inc.	358
	<i>Wrongful interference, wrongful economy</i>	361
	R3RUE § 44(1) (Interference with other protected interests)	362
	<i>Federal Sugar Refining Co. v. U.S. Sugar</i> <i>Equalization Board</i>	
Section F.	Diversion of Property Rights at Death	363
	Neiman v. Hurff	363
	<i>Murdering heirs, remaindermen, insurance</i> <i>beneficiaries</i>	366
	<i>Estate of Foleno v. Estate of Foleno</i>	
	Pope v. Garrett	368
	<i>Non-homicidal interference</i>	370
	<i>Brazil v. Silva</i>	
	<i>In re Estate of Mollard</i>	
	Farnsworth, <i>Restitution</i>	372
Chapter 8	Remedies	375
Section A.	Restitution in Money: The Measure of Enrichment	375
(1)	Innocent Recipients	375
	Vickery v. Ritchie	375
	<i>Unrequested benefits; splitting losses</i>	376
	<i>Campbell v. Tennessee Valley Authority</i>	
	<i>Madrid v. Spears</i>	
	<i>Ingram v. Little</i>	
	Fabian v. Wasatch Orchard Co.	379
	<i>Requested benefits</i>	381
	<i>Gregory v. Lee</i>	
	R3RUE § 49 (Restitution in money; measures of enrichment)	382
	R3RUE § 50 (Innocent recipient)	383
(2)	Enrichment By Misconduct	383
	De Camp v. Bullard	383
	<i>Taking without asking</i>	385
	<i>America Online, Inc. v. National Health Care</i> <i>Discount, Inc.</i>	

	R3RUE § 51 (Enrichment by misconduct; disgorgement; accounting)	387
	Farnsworth, <i>Restitution</i>	387
	E.E. Bolles Wooden Ware Co. v. United States	388
	<i>Innocent converters v. thieves</i>	391
	<i>Silbury & Calkins v. McCoon & Sherman</i>	
Section B.	Asset-Based Restitution; Following Property into Its Product	392
	(1) Constructive Trust	392
	Kent v. Klein	392
	Newton v. Porter	395
	<i>What is a constructive trust?</i>	398
	Farnsworth, <i>Restitution</i>	401
	Church of Jesus Christ of Latter-Day Saints v. Jolley	402
	Provencher v. Berman	403
	<i>No identification—no lien</i>	406
	<i>Fur & Wool Trading Co. v. Fox, Inc.</i>	
	<i>Francis v. Evans</i>	
	R3RUE § 58, Comment <i>b</i> (rationale of tracing rules)	408
	(2) Equitable Lien	409
	Gladowski v. Felczak	409
	Cox v. Waudby	411
	<i>Equitable lien and exempt property</i>	414
	Farnsworth, <i>Restitution</i>	415
	(3) Subrogation	416
	Equity Savings & Loan Association v. Chicago Title Insurance Co.	416
	<i>Tracing into discharge of a lien</i>	417
	Farnsworth, <i>Restitution</i>	417
	(4) More Problems of Following or Tracing	418
	Brodie v. Barnes	418
	<i>Limits to profitable recovery</i>	420
	Simonds v. Simonds	422
	<i>Wife 1 v. Wife 2</i>	426
	People v. \$35,315.00 United States Currency	427
	<i>Everything stems from something</i>	430
	<i>United States v. Betancourt</i>	
	<i>United States v. \$465,789.31 Seized From</i> <i>Term Life Insurance</i>	
	<i>Ruffin v. Ruffin</i>	
Section C.	Commingled Fund	432
	In re Hallett's Estate (Knatchbull v. Hallett)	432
	<i>Notes on commingled funds</i>	433
	<i>Primeau v. Grandfield</i>	

	<i>In re Kountze Bros.</i>	
	In re JD Services, Inc.	437
	<i>Commingled funds of multiple victims</i>	443
	<i>Ruddle v. Moore</i>	
	<i>In re Walter J. Schmidt & Co.</i>	
	Cunningham v. Brown	446
	<i>Ponzi and after</i>	450
	United States v. Durham	452
	<i>Following property or comparative fault?</i>	455
	<i>United States v. Central Nat'l Bank of Cleveland</i>	
	<i>SEC v. Elliott</i>	
	R3RUE § 59(2), (4) (tracing into or through a commingled fund)	457
	Farnsworth, <i>Restitution</i>	458
Chapter 9	Defenses	461
Section A.	Change of Position	461
	Painewebber, Inc. v. Levy	461
	<i>How to change position</i>	463
	<i>Wachovia Bank of S.C. v. Thomasko</i>	
	<i>Bank of New York v. Thomas W. Simmons & Co.</i>	
	R3RUE § 52 (Responsibility for enrichment)	465
	R3RUE § 65 (Change of Position)	465
	Farnsworth, <i>Restitution</i>	466
Section B.	Bona Fide Purchase	467
	R3RUE § 66 (Bona fide purchaser)	467
	<i>Bona fide purchase: a crib sheet</i>	468
	<i>La Fon v. Grimes</i>	
	<i>Hottinger v. Jensen</i>	
	<i>BFP Review</i>	
Section C.	Creditor/Payees	473
	Wilson v. Newman	473
	<i>Change of position, antecedent debt, and</i> <i>“discharge for value”</i>	477
	<i>Banque Worms v. BankAmerica International</i>	
	<i>Buller v. Harrison</i>	
	<i>Contingent obligations</i>	482
	<i>Mohamed v. Kerr</i>	
	<i>In re Deepwater Horizon</i>	
	Farnsworth, <i>Restitution</i>	484
	Gaffner v. American Finance Co.	484
	<i>Victim v. victim; taxes; racehorses</i>	486
	<i>Walker v. Conant</i>	
	<i>Miller v. Race</i>	
	<i>Transamerica Insurance Co. v. Long</i>	
	<i>In re Calumet Farm, Inc.</i>	

Section D.	Equitable Disqualification (Unclean Hands)	489
	Norton v. Haggett	489
	Producers Lumber & Supply Co. v. Olney Building Co.	491
	<i>Unclean hands?</i>	497
Section E.	Limitation of Actions	498
	Federal Deposit Insurance Corp. v. Bank One, Waukesha	498
	“Waiver of tort”	502
	<i>Further notes on limitations and laches</i>	
	<i>Petrella v. Metro-Goldwyn-Mayer, Inc.</i>	
Section F.	“Payable in Point of Honor and Honesty”	506
	Moses v. Macferlan	506
	“Absence of enrichment” as an affirmative defense?	507
	<i>Atlantic Coast Line R. Co. v. State of Florida</i>	
	<i>Buel v. Boughton</i>	
Chapter 10	Priority	511
Section A.	Claimant v. Creditor in Insolvency	511
	In re Berry	511
	<i>Every honorable businessman?</i>	513
	<i>Owner v. tax collector</i>	514
	<i>Atlas, Inc. v. United States</i>	
	Osin v. Johnson	516
	<i>Common-law priority</i>	520
	<i>Harney v. First Nat’l Bank of Jersey City</i>	
	<i>Reed’s Appeal</i>	
	<i>Restitution in bankruptcy</i>	523
	Bankruptcy Code § 541 (Property of The Estate)	524
	Bankruptcy Code § 544 (Trustee As Lien Creditor)	525
	<i>Zartman v. First Nat’l Bank of Waterloo</i>	
	<i>Ryder v. Ryder</i>	
Section B.	Displacement by Statute: Bankruptcy Code	528
	XL/Datacomp, Inc. v. Wilson (In re Omegas Group, Inc.)	528
	In re Dow Corning Corp.	532
	<i>Anathema</i>	539
Section C.	Displacement by Statute: Uniform Commercial Code	540
	Introductory Note	540
	<i>Horn v. Cole</i>	
	French Lumber Co. v. Commercial Realty & Finance Co.	542

<i>Table of Contents</i>	xxi
Knox v. Phoenix Leasing Inc.	545
<i>Displacement by balancing</i>	550
<i>Feresi v. The Livery, LLC</i>	
In re Motors Liquidation Co.	554
<i>The dog that didn't bark</i>	559
<i>Table of Cases</i>	563
<i>Index</i>	567