

# *Estoppel*

## From **Jurisdiction**<sup>®</sup> Tutorial “Defenses”

In its most fundamental form, an estoppel defense arises where one party leads another to believe some set of facts, the second party reasonably relies on those facts, then the first party changes position and seeks to stand on a different set of facts. The courts say the first party is *estopped* to deny the initial facts, and the second party is justified in continuing to rely on the facts initially represented by the first party.



If a plaintiff leads a defendant to believe, for example, that the fee for a balloon ride is \$50, yet after the balloon sets down he tries to charge the defendant \$75, defendant has an estoppel defense ... *if he can prove the plaintiff unjustifiably changed position.*

The first party may estop himself by words or conduct.

Having set upon some particular course of action, for example, that leads another to reasonably believe a set of facts, the first party may not change his position if doing so would cause unjust damage to another. He is estopped.

Consider the grove owner who contracts with a truck driver to deliver grapefruit yet fails and refuses to provide the truck driver with grapefruit to deliver. The owner of the grove cannot successfully sue the truck driver for loss of customers who didn't get any grapefruit when it was he, himself, who prevented delivery. He is estopped.

The second party must *reasonably* rely on the words or acts of the first party.

To allow the first party to take a different position must threaten an unjust or inequitable burden on the second party.

When these elements exist, the affirmative defense of estoppel will lie to protect the second party from the consequence of relying on the acts or words of the first party who subsequently wishes to change his position by arguing some fact contrary to what was represented at the beginning.

Estoppel is related to the affirmative defense of *res judicata* (the thing has been ruled upon), wherein the parties are bound by a previous court decision as to certain facts

that one of the parties wishes to re-litigate. The party wishing another bite at the apple, so to speak, is estopped.<sup>1</sup>

Similarly, the affirmative defense of laches stands on estoppel principles, since the plaintiff is estopped to delay bringing his case.<sup>2</sup>

The defense of equitable estoppel stands to protect one who relies on some set of facts present or past that are communicated or demonstrated by acts or words of another who (1) knows or ought to know the facts communicated or demonstrated are not true, (2) intentionally or negligently causes another to reasonably rely on those facts, and (3) subsequently seeks to assert a different set of facts that would cause an unjust result. Courts will not allow it if the doctrine of estoppel is raised.<sup>3</sup>

Equitable estoppel relates to facts present or past.

Promissory estoppel relates to future facts and applies when one person tries to withdraw or alter a promise made to another who justifiably relied on the promise to his detriment. Even if there is no enforceable contract, our courts will enforce such promises to protect parties who *detrimentally rely* on the dishonesty of a crooked promisor who knew or should have known the promised facts were false. This doctrine is sometimes also called “detrimental reliance”.

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<sup>1</sup> See the affirmative defense of *res judicata* below.

<sup>2</sup> See the affirmative defense of laches below.

<sup>3</sup> **Jurisdiction**<sup>®</sup> wants to know why this and other essential doctrines of American justice are not taught in our schools. Please contact us if you wish to support our efforts to get these teachings into the schools so our children can grow up better understanding the principles of fairness and honesty that are imposed on litigants in court *but not yet taught to our children in the schools!* No wonder there are so many lawsuits making lawyers rich in this country. Nobody taught us what justice is! If you agree the time for change is now, please contact us by email. [lawbook@jurisdiction.com](mailto:lawbook@jurisdiction.com)