

4.24 THIRD PARTY BENEFICIARY (Approved 6/79)

Ordinarily a person may not bring an action on a contract unless the person is a party to the contract. Persons may enter into a contract for the benefit of others; however, a person not a party to a contract may not sue to enforce it merely because he/she happens to be benefited by it. Rather it must appear that the contract was made by the parties with the intention to benefit him/her and that the parties to the contract intended that he/she receive a benefit enforceable in court.

Cases:

Brooklawn v. Brooklawn Housing Corp., 124 N.J.L. 73 (E. & A. 1940); *First National State Bank v. Carlyle House, Inc.*, 102 N.J. Super. 300 (Ch. Div. 1968), *aff'd*, 107 N.J. Super. 389 (App. Div. 1969), *certif denied*, 55 N.J. 316 (1970).