Reappealing the Case of Unjust Enrichment and Its Dilemma and Resolution

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Abstract—In judicial practice, re-appealing unjust enrichment cases is characterized by unfair profit and private lending, unjust enrichment and debt default, unjust enrichment and investment relationship. In the case of re-indictment of unjust enrichment, whether there is legality in the act of subpoena; whether the evidence of the prosecution affects the evidence of the post-suit is reasonable. To resolve the dilemma of the procedure of unjust enrichment, it is necessary to expand the system of interpretation of judges and use the methods of judges in litigation to resolve relevant procedural issues.

Keywords: unjust enrichment, private lending, two lawsuits judge's right of interpretation

I. INTRODUCTION

Unjust enrichment is one of the reasons for the statutory debt. In a certain sense, unjust enrichment also remedies the imbalance of interests caused by changes in rights that are lacking due to payment. On the Chinese refereeing documents online, with the word "Unjust Enrichment" as the key word, you can search for 69,858 referee documents. Among them, 13267, 16888 and 19440 were 2016-2018. Thus, the number of unjust enrichment disputes is huge in judicial practice. It also provides rich materials for unjustified litigation research. In the "General Principles of Civil Law" and "Opinions of the Supreme People's Court on the Implementation of the "General Principles of the Civil Law of the People's Republic of China", made a rough provision on the concept of unjust enrichment and the method of improper return. However, the general legal provisions cannot cover cases of unjust enrichment disputes with diverse cases. The lack of legal provisions has led to confusion in the judicial adjudication of unjust enrichment. In recent years, there has been a phenomenon of “proliferation trend” in which litigation is based on unjust enrichment, and even repeated prosecutions have been filed on the grounds of “unjust enrichment”. In the course of the trial of the case, the judge has a large degree of arbitrariness in the interpretation of the constituent elements, legal effects and burden of proof of unjust enrichment, and to a considerable extent misinterprets the institutional function of unjust enrichment. Through the research and analysis of typical cases, this paper explores ways to eliminate the dilemma of unjust enrichment cases, and ensures the unification of unjust enrichment cases in practice.

II. THE FORM OF THE PREDICAMENT OF UNJUST ENRICHMENT

Unjust enrichment cases have many forms in judicial practice. The article intercepts typical cases of Chinese refereeing documents online, and deals with unjust enrichment and private lending, unjust enrichment and debt default, unjust enrichment and investment relations.

A. Unjust Enrichment and Private Lending

Unjust enrichment and private lending are disputes of completely different nature. Legal attributes and constituent elements are different. However, in judicial practice, there is some intersection between unjust enrichment and private lending.1 On the one hand, a considerable number of cases of unjust enrichment disputes were transformed from civil loan cases, and on the other hand, in response to the plaintiff’s lawsuit on the grounds of unjust enrichment, many defendants used the previous existence of a loan relationship between the plaintiffs as a defense. Through the above five typical cases, there are three situations in which private lending and improper profit sharing in judicial practice: First, like Lin Jiade and Lin Hua, the loan contract lawsuit was rejected by the court and then the improper profit lawsuit was filed. Second, as in the case of a car company v. Wei’s unjust enrichment case and Jiang Zhengyun and Chen Lingwei, in the lawsuit of the loan contract, the first-instance loan contract was rejected, and the second case is that the appeal changes the judgment and the case is changed to an unjust enrichment lawsuit. The third is to withdraw the first-party loan contract lawsuit and then file an unjust enrichment lawsuit.

B. Unjust Enrichment and Debt Default

Unjust enrichment is one of the reasons for the occurrence of statutory debt, but it still has a huge difference from debt default and default losses. One of the conditions for unjust enrichment is that there is no legal basis. Debt default is a consistent expression expressed by the parties. However, the reason for the loss of default is that the performance of the contract is incomplete. In judicial practice, in order to exempt

the burden of proof, some parties will sue the defendant for improper repayment of the previous advance payment, which is obviously inappropriate.

In the above-mentioned case of Jiangsu Hongjing Group Co.Ltd. and Zhu Bingjian, the court of first instance confused the right to claim for unjust enrichment and the right to claim for breach of contract. This is a referee chaos caused by the competing claims in the judicial practice. The second-instance judge corrected it and thought that although Hongjing Company had the legitimacy of the 60,000 yuan decoration fee, according to the agreement of the three parties, it should transfer the money to Zhu Bingjian. The undelivered behavior of Hongjing Company constitutes a debt non-performance. Zhu Bingjian should claim rights based on the correct claim right basis, and he can claim the claim of breach of contract liability to Hongjing Company instead of the unjust enrichment claim right. In the intersection of unjust enrichment and debt default, the parties often defend the previous debt relationship and consider this as an unjust benefit for the post-payment type. According to the “Unjust Enrichment” compiled by Wang Zejian, unjust enrichment can be divided into payment type improper profit and non-payment type improper profit. [1] The improper payment of the payment type has a kind of payment purpose, and the non-existent payment type does not exist. It refers to the improper legal relationship, and the improper profit formed by the disappearance of the legal relationship. Including the legal act as the reason for the payment, the termination of the relationship or the final period, the conditional achievement or the expiration of the term and the cancellation of the contract as the reason for the payment. [2] In the case of Li Weixin and Yao Guifang, the court held that the previous contract of sale between the two parties had been revoked in the agreement of the two parties, and the previous payment became a “no legal basis” and the plaintiff previously paid the defendant’s contract for sale and purchase.

C. Unjust Enrichment and Investment Relationship

Investment relations and unjust enrichment are two legal relationships of completely different nature, but in judicial practice, many investment relationships often carry out litigations that are unjustly profitable. First, the investment partnership between the plaintiff and the defendant is a verbal agreement. It is then difficult to prove the existence of the partnership. The partnership fund is recovered in the form of proof of prosecution of unjust enrichment cases. In the case of (2018) Zhejiang 11 Minquan No. 90, Ye Mou and Mao Mou jointly invested in Longhuai Company, but the two parties also clearly agreed to be a partnership investment, which led to difficulties in the trial, and the remaining amount that the court of first instance considered was not agreed. For the purpose of non-payment, the defendant holds the money as an unjust enrichment legal relationship and should be returned. However, in the second trial, the original defendant previously agreed to express it as true and effective, so the defendant obtained the investment money based on the agreement between the two parties, which has legal basis, and did not meet the constituent elements of the unjust enrichment lawsuit. Second, the two parties did not sign an entrustment contract, and the defendant made a real-name investment. In the case of (2013) Hongmin Yi (min) first word No. 5144, the plaintiff based the defendant's trust to hand over the money to the defendant for investment. The two parties signed a written contract and did not agree on the specific matters of the investment. As a result of the disagreement between the two parties, the plaintiff demanded that the investment funds be returned in the form of improper enrichment litigation.

In the above typical cases, the intersection of unfair gains and investment relations is due to the lack of written evidence in the original legal relationship, only oral agreement or customary transactions. The plaintiff cannot prove the existence of the previous legal relationship, and only transfer records exist. In order to solve the problem, the plaintiff filed an unjust enrichment lawsuit.

III. REAPPELLING THE CASE OF UNJUST ENRICHMENT AND ITS DILEMMA

The above describes the practice of the intersection of unjust enrichment litigation and other legal relationship litigation in judicial practice. A detailed analysis of typical cases reveals the following problems with unjust enrichment proceedings. First, the case of private lending cases first, and then the lawsuits for unjust enrichment, whether the second lawsuit constitutes "Double Jeopardy". Second, the evidence in previous litigation cases has affected subsequent litigation cases. The third is concurrence of claims, and the litigation is subject to confusion.

A. The Legality of the Second Lawsuit for Unjust Enrichment

The second lawsuit for unjust enrichment, it means that the plaintiff first filed a legal relationship lawsuit in order to recover the money paid to the defendant, but the plaintiff failed to reach the purpose of the refund in the previous complaint, and then filed an unjust enrichment lawsuit. The second lawsuit for unjust enrichment described in this article can be divided into three types. The first is to sue the loan contract case for the first time, and the second time to sue the unjust enrichment case; the second is to first sue the contractual relationship case, the second time to sue the unjust enrichment case; the third is to sue the investment for the first time, the second re-indictment of unjust enrichment cases. A detailed analysis of typical cases is given above. However, whether the plaintiff’s second lawsuit is legal or not, we have to discuss it from the following aspects.

1) Whether Re-appealing the case of unjust enrichment constitutes "Double Jeopardy": "Double Jeopardy" is an important principle in the procedural law. To explore whether the unreasonable gains belong to "Double Jeopardy", we must first identify "one thing" or "two things.". In the case of the combination of private lending litigation and unjust enrichment litigation, the former litigation is the same as the litigant of the latter litigation. The case is equivalent, the appeal is quite, only the claim is different, one is the claim of returning the loan contract, and the other is Claim for Unjustified Benefits. Therefore, some scholars believe that Result of Unjust Profit is a misuse of the right to appeal,
Whether it constitutes the litigation burden of the defendant: The second lawsuit constitutes a corresponding litigation burden for the defendant who responds. As the respondent, the defendant obtained the triumph of the lawsuit in the first lawsuit after the court proceedings, proof of evidence, etc., in order to guarantee its own interests. At this time, the plaintiff made a second lawsuit in order to change the judgment result, and the court recognized the lawsuit. Then, the defendant will face the same fact of the second litigation, and the basis of the claim will change, which means that the direction of the defense and the burden of proof will find tremendous changes, thus resulting in the burden of litigation costs will be unacceptable to the defendant.

B. Proof of Responsibility for Two Litigations

In the judicial phenomenon of the second lawsuit, the plaintiff needs to prove the negative facts. Most of the facts to be proved have the characteristics of wide scope and uncertain content. It may be difficult to carry out strict litigation proof. [5] However, this paper finds that the burden of proof of the first and last claims will change. Taking the case of private lending and unjust enrichment litigation as an example, in the subsequent unjust enrichment lawsuit, due to the difficulty in applying the liability system, even the plaintiff who did not propose new facts and evidence in the unjust enrichment case may won the lawsuit. [6]

1) Whether the evidence of the first lawsuit can be evidence of the second lawsuit: According to Article 93 of the Supreme People's Court's Interpretation of the Application of the Civil Procedure Law of the People's Republic of China, the court's effective judgment can be used as case evidence and can be established without proof. It is necessary to discuss here that the legal relationship advocated by the plaintiff in the first lawsuit has been denied by the court, and it is determined that the plaintiff has fulfilled the burden of proof of "no legal basis". The defendant who won the case in the first lawsuit bears the burden of proof that "there is a legal basis" and there is a problem here. In the case of Lin Jiade v. Lin Hua, Lin Jiade lacked sufficient evidence in the case of private lending. The court held that Lin Jiade did not prove the burden of proof of "no legal basis". The court will not review the establishment of a loan relationship between Lin Jiade and Lin Hua. Then, the court does not recognize the judgment of the preliminary appeal, and it violates the provisions in the interpretation of the civil complaint that the effective judgment can be used as evidence. However, the borrowings proposed by the plaintiff in the previous lawsuit were denied, only that the money was not transferred to the defendant because of borrowing, but it could not prove that the money was improperly profitable. Therefore, the first lawsuit cannot be used as evidence for the second lawsuit, and the plaintiff’s burden of proof cannot be reduced.

2) Does the first lawsuit affect the distribution of the burden of proof in the second lawsuit: Since the right to return the first lawsuit is different from the constituent elements of the right to return the improper profit, the court assigns the burden of proof and the focus of the review in the two types of cases. In judicial practice, the request for improper profit is there are many differences in the distribution of the burden of proof of the constituent elements of the right "without legal basis": In the Lin Jiade v. Lin Hua case, the court gave separate inspections of the burden of proof for the two lawsuits. The first lawsuit did not of course affect the
distribution of the burden of proof in the second lawsuit. However, in the remaining cases, the judge made some reference to the evidence of the parties to the first lawsuit. In the case of Wang Mou Wu, the court dismissed the second lawsuit and refused to re-examine and cross-examine the evidence on the grounds that the previous evidence of private lending was insufficient. In the case of Li Weixin v. Yao Jiafeng, the original told the buyer to buy and sell the contractual relationship, but the second-instance judge believed that the case was more in line with the unjust enrichment dispute and was changed to an unjust enrichment lawsuit. Therefore, after the failure of the civil lending claim, it is very likely that the transfer of the unjust enrichment will assign the burden of proof of the requirement that “the profit has no legal basis” to the defendant. In turn, the burden of proof in the first lawsuit does not affect the conduct of the second lawsuit. Then the plaintiff bears the burden of proof of “legal legal relationship” and the burden of proof of “no legal relationship”. Whether the above situation is contradictory. In the first lawsuit, the plaintiff claimed that there was a legal legal relationship between the two parties, but the case was lost due to insufficient evidence. Then the second lawsuit was then undertaken by the plaintiff without legal basis to prove whether the liability was inconsistent. Whether the plaintiff violated the principle of good faith for the interests of the litigation, and chose to comply with itself.

C. Concurrence of Claims

China’s existing civil law system does not directly exclude the requirement that the right to return improper profits be used in combination with other claims. This leads to the existence of other claims between the parties in judicial practice and the mutually exclusive relationship between these claims. These situations are not subject to specific analysis, but directly apply to the general provisions of unjust enrichment, resulting in unnecessary judicial waste.

1) Concurrence of the claim for unjustified benefits and right to claim damages: In the case of Jiangsu Hongjing Group Co., Ltd. and Zhu Bingjian, the three parties have agreed to compensate for the loss clause, but the plaintiff still conducts the lawsuit with unjust enrichment. The first-instance judge found that the plaintiff won the lawsuit. However, in the second instance, the court held that the defendant’s untransferred behavior constituted a debt non-performance. Zhu Bingjian should claim rights based on the correct claim right basis, and he could claim the claim of breach of contract liability to Hongjing Company instead of the unjust enrichment claim right. Therefore, some judges in the judicial practice confuse the request for return of unjust enrichment with the right to claim for damages for breach of contract. The author believes that one party has fulfilled its obligations, and when the other party fails to perform, it cannot constitute unjust enrichment. The unjust enrichment constitutes a condition that there is no legal basis for the benefit, and the damage for breach of contract is based on mutual agreement.

2) Concurrence of the claim for unjustified benefits and claim for restitution after termination of contract: In the cases of Li Weixin and Yao Jiafeng, the relationship between the two parties was determined by both parties. At this time, the collision of the right of return after the contract was terminated and the right to return the improper profit were caused. In the case of Li Weixin v. Yao Jiafeng, the judge directly judged the defendant to return the unjustly profitable money based on the unreasonable profit restitution request. Is there any doubt? There is no legal basis for the unjust enrichment. In Li Weixin’s v. Yao Jiafeng case, there is a clear contractual relationship, but the parties’ performance and the subject matter are refunded after the contract is terminated. China has not established the issue of competing claims in the unjust enrichment system. In practice, it relies entirely on the discretion of judges. In Taiwan, China, the provisions on the right to return after the contract is terminated or invalid, the Taiwan Civil Law, 266 Item 2 is not attributable to the parties. If the payment to Party B is not available, the other party has treated the payment for all or one of the parties, and may sue for improper gains and claim for return. [7]

IV. SOLVE THE DILEMMA OF REAPPELLING THE CASE OF UNJUST ENRICHMENT

Judging from the case of the judges in the judicial practice of our country for the second re-indictment of unjust enrichment, there is indeed a problem of increasing the litigation burden of the parties and causing the court to handle the complicated cases. Then, how to solve this dilemma and find a solution is the direction that this article focuses on. This article attempts to use the judge’s interpretation to resolve the disputes between the parties in a lawsuit, to protect the plaintiff’s rights, and to circumvent the “Double Jeopardy” issue.

The judge’s right to interpret was originally implemented in the 2002 Supreme People’s Court on Certain Provisions on Evidence in Civil Proceedings. The Civil Procedure Law also made corresponding provisions. The judge’s right to interpret the whole trial stage, including the pre-trial stage, the stage of the trial: first, the interpretation of the rights and obligations of the parties before the trial; second, the stage of the trial, the legal relationship, the statute of limitations, the subject of litigation and evidence of both parties The interpretation of the factual act; the third is to explain to the parties the distinction between the appeal and the appeal. This paper attempts to expand the interpretation of the judge’s right of interpretation. When the party applies for improper gains, the judge exercises the right of interpretation, provides the opportunity for the parties to change the claim, and explains the proof of responsibility of both parties in the pre-trial stage and even the trial stage. In order to regulate the chaos of improper application of justice.

A. The Judge’s Interpretation of the Right to Avoid the Second Lawsuit

The second lawsuit against unjust enrichment cases is generally that the plaintiff cannot prove that there is a legal
legal relationship between the two parties, and often only can prove the relationship between the two parties, or the bank transfer record, or the other party acknowledges the money payment but Do not recognize legal relationships. Unjust enrichment constitutes the elements, and the interests of the plaintiff are damaged for the benefit of the defendant, which coincides with the first litigation certificate. Therefore, there is no legal basis for the change of property transfer in the case of whether the case constitutes unjust enrichment. Then, it is directly explained by the judge. After confirming that the plaintiff has no evidence to prove that there is a legal basis for the change, but the plaintiff has transferred the money to the defendant, the defendant has benefited and can not prove that the defendant’s benefit has legal reasons, then the judge can take the initiative to proceed with the case. Involvement, ask the plaintiff whether to change the petition to an improper and profitable petition. The plaintiff accepted the judge’s opinion and actively applied for a change of the lawsuit in accordance with the provisions of Article 51 of the Civil Procedure Law, so that the plaintiff’s second lawsuit can be avoided and the problem can be solved in one trial.

Some courts have adopted this practice in judicial practice. In the case of Jiang Xiaoyun v. Chen Lingzhen, the Supreme People’s Court held that: Although the basic factual relationship in this case is the loan relationship, Jiang Mou’s return of overpayment is based on unjust enrichment, which corrects the wrong definition of the first instance judgment as private lending. Therefore, this way of using the judge’s interpretation of the right to solve the problem of unjust enrichment in a trial is worth promoting. For the parties, there are two kinds of claims for a lawsuit. However, the plaintiff believes that the existence of a legal legal relationship in the first lawsuit is more in line with its own interests and is also in line with the actual situation. However, in the actual trial process, it was found that the legal legal relationship proved difficult, so in the case of the judge’s interpretation, the request for change was changed, and the legitimate interests were safeguarded by improper gains. One is that this will not involve Double Jeopardy; Second, it will not increase the litigation burden of the defendant; Third, for the issue of evidence, there will be no circumstances in which the first lawsuit will affect the second lawsuit.

B. The Specific Application of the Judge’s Interpretation

The expansion of the system of interpretation rights can well solve the problem of unlawful gains of litigation, but it is easy to produce adverse effects. The expansion of the discretion of judges may lead to different judgments in different cases. How to properly exercise the judge’s right of interpretation should regulate the specific application of the judge’s interpretation right in the litigation stage.

1) The application of the judge’s power of interpretation in the examination of filing cases: At the stage of plaintiff’s application for filing, the judge should explain the distribution of burden of proof of unjust enrichment. However, the Plaintiff still insists on unjust enrichment litigation, and the court should also file the case. [8]

2) The application of the judge’s power of interpretation in the trial stage: After the unjust enrichment lawsuit enters the trial stage, the application of the judge’s interpretation right has the following two aspects: The first is whether the legal relationship of appeal is correct. After the judge understands the basic facts of the case, he finds that the plaintiff’s right of claim for informing is wrong, for example, the right of claim for return of termination of contract. The judge may make explanatory suggestions to the plaintiff to change his claim, but the plaintiff insists that the plaintiff should appeal for unjust enrichment and the judge can only continue the trial. If the unjust enrichment is purely due to the wrong payment, the judge should compare the proof power of the evidence submitted by the two parties, and judge the proof power between the two parties by the high probability as the proof standard. The second is to prove the issue of responsibility distribution. Relative to the general facts, the facts required by “no legal basis” are indeed more difficult to prove, especially in the case of non-payment of unjust enrichment, the injured person often suffers from the non-interest in litigation because it is difficult to complete the burden of proof. Therefore, the proof of the injured person should be eased in a reasonable way to balance the interests of the parties. [9] At the stage of cross-examination, the judge shall explain the distribution of the burden of proof on both sides. In an unjust enrichment lawsuit, the plaintiff shall prove that there is no “legal legal relationship” between the two parties, and the defendant shall bear the burden of proof for his own defense.

3) The application of the judge’s interpretation right at the appeal stage: After the judgment of the court of first instance, the court of second instance found that the court of first instance had the wrong allocation of proof of responsibility or the wrong of the basic legal relationship. The judge of the second instance court could use the right of the judge to explain the original party directly, redistribute the burden of proof, and demand that it be re-issued. Otherwise bear the legal risk of losing the lawsuit. Or the plaintiff is advised to change the claim. If the plaintiff agrees to change the appeal, the court of second instance shall change the judgment; if the plaintiff disagrees with the change and insists on the original complaint, the court of second instance shall refuse the lawsuit.

C. The Effectiveness and Defects of Judges’ Interpretation Right

The judge’s interpretation of the right is different from the judge’s discretion, and the judge’s interpretation of the right has no actual adjudication. This kind of explanation is only for the judge to clarify the parties and inform the parties of the corresponding rights and obligations, and the actual exercise is determined by the parties themselves. The judge cannot influence the independent opinions of the parties, nor does it force the change of the case direction with public power. Therefore, the judge’s interpretation right has no litigation effect and no referee effect. Only when the party has passed the judge’s rights and obligations, and actively decides to change the litigation request or re-issue the evidence according to the
litigant’s own litigation rights, it will have a substantial impact on the case. Therefore, the performance of the judge’s interpretation of the right is essentially a kind of guidance, intended to make a reasonable clarification, and let the case develop in a reasonable direction.

In the course of the case, there may be a right of interpretation of the judge. The specific needs to be clarified from the entity and the procedural flaws: First, the procedural flaws: (1) the time of the violation of the right to explain, the interpretation of the parties at an inappropriate time. If the two sides have not passed the evidence, the judge determines that the party has insufficient ability to prove before the court. (2) The judge’s interpretation right shall violate the provisions of the law. If the judge’s interpretation right is biased towards one party, it violates the principle of equality of civil litigants. The second is the substantive problem: (1) The judge’s interpretation right leads to wrong guidance. For example, the original tells that the unjust enrichment dispute is correct. [10] The judge believes that there is a basic relationship and recommends that the plaintiff change the petition. (2) The judge has a suggestive and contrary to the will of the party. (3) Other circumstances that violate the prohibition laws. [11] When the judge’s right of interpretation is flawed, the parties can provide relief through: (1) appeal, appeal to the court for the wrongful conduct of the judge; (2) appeal, appeal to the higher court, and reopen the case.

ACKNOWLEDGMENTS
Thanks to Zhejiang University of Technology, thanks to my graduate tutor.

REFERENCES