Chapter 7:

- 1. Answer the following questions, *true* or *false*, and give a reason for each of your answers:
 - a. False. The fax from November 30 to McBee was an acceptable method of acceptance. The offeror has not specified a specific acceptance form; however, Jamison stated that acceptance must be in writing and received by him by November 30 at the latest.
 - b. True. Acceptance is generally effective upon transmission, so McBee's fax from November 30 was sent and became operative.
 - c. False. The acceptance is regarded as legitimate as long as McBee sent it out before Jamison's deadline.
 - d. False. Jamison sent a rejection on December 2, when McBee accepted the offer on November 30, and a contract was established. Jamison's denial arrived too late to stop the contract from forming.
 - e. False. McBee could have accepted the offer later, even if he had declined the initial one over the phone on November 27, unless Jamison had withdrawn it before McBee could take it.
 - f. True. A counteroffer as it altered one of the original offer's significant terms (the payment amount).
- 2. No, the doctor's question concerning O'Mally's willingness to accept \$175,000 does not necessarily indicate that the initial offer was rejected.
- 3. Yes, it's valid. Reape's sending of the acceptance can be seen as effective immediately upon dispatch, as Park notified Reape that she intended to make an official offer by mail.
- 4. Was Shuey legally entitled to the reward? Explain your answer. If Shuey had provided the information on Surratt before the reward offer was revoked, would he have been entitled to the \$25,000? Why or why not?
 - a. Shuey had no claim to the prize. Shuey disclosed details about Surratt's location without being aware of the prize. Shuey cannot receive the award because the notification rescinding the offer was issued before he provided the information.
 - b. Shuey would have probably been eligible for the \$25,000 reward if he had given the information about Surratt before the reward offer was withdrawn. Shuey would have met the requirements of the offer and been eligible for the reward if he had submitted the information before the publication of the revocation notice.
- 5. No, Carpinski and the board of education do not have a contract. There is no mutual understanding regarding the conditions of the agreement. As a result, there is no formal contract between Carpinski and the board of education, as Carpinski did not specifically accept the board's counteroffer.

- 6. No, Ginrich's consent was not legitimate. Ginrich's effort to accept Leonard's offer on May 15 was therefore invalid, as Leonard's acceptance of Bolton's offer had ended the offer. Ginrich's consent was invalidated, and there was no formal agreement established between Ginrich and Leonard.
- 7. Yes, a contract resulted. Regardless of Floyd's receipt, Okcum's acceptance letter became legally binding as soon as it was mailed to both parties. Floyd and Okcum entered into a contract when Okcum received the acceptance letter.
- 8. Weinberg's acceptance would not be deemed authentic because Essler received it on June 15, after the June 12 deadline. Also, no agreement would be made between them.
- 9. No, Masters is not correct when she says that because there was no consideration, there was no contract. There has been thought on both sides.
- 10. Since there was no mutual agreement regarding the terms of the sale, Repp Realty is not legally required to sell the building to Dalton Jewelers for \$500,000.
- 11. Leggett's retraction of the offer would not take effect. According to the mailbox rule, a contract was created at the time the acceptance letter was delivered because Picarro had already sent their acceptance before learning of the revocation.
- 12. Afton's passing would probably mean that there would not be a binding contract between Afton and Baird. Afton's death had rendered him incapable of assenting any longer. Consequently, there would be no enforceable contract between Afton and Baird in the event of Afton's passing, and the offer would expire.

Cases of Review:

- 1. Turilli did indeed make a genuine offer for the \$10,000 incentive, and should the requirements be fulfilled, he would probably have to pay it.
- 2. The validity of Tuneup Masters' lease renewal will depend on how the contract is interpreted, and how pertinent legal concepts are applied.
- 3. Due to the absence of consent from both parties and the inability to come to an amicable agreement, D'Agostino's attempt to force Spanos to sell the land to him may not succeed.
- 4. The particular facts of the case and the court's interpretation of the legislation will probably determine who is the legitimate owner of the money.
- 5. Yes, a memorandum of understanding (MOU) may function as a contract in specific situations. An MOU can be legally enforceable if it satisfies the requirements of a contract, even if it is usually regarded as a preliminary agreement that describes the parties' intentions and establishes the framework for a future contract.
- 6. The court determines that there was an implicit contract based on the claims made in the school's informational brochure, and Steinberg's application will determine whether a contract was formed between the Chicago Medical School and Steinberg.
- 7. The court decided that Lucy may enforce the agreement and pay the \$50,000 that the parties had agreed upon to buy the land. Zehmer's actions and the circumstances

- surrounding the agreement indicated that he had intended to enter into a binding contract to sell the farm to Lucy for \$50,000.
- 8. Broadnax might be eligible to collect the reward if he fulfilled the requirements of the offer, and there were no limitations due to prior awareness of the offer.
- 9. Thoelke's termination of the contract would probably be regarded as legitimate if he successfully informed Morrison's attorney of the revocation of the agreement before acceptance took place.
- 10. Edmonds was right when they said that the lease's applicability to mall improvements would depend on the particulars of the case, including the court's interpretation of the lease agreement.

Chapter 8:

- 1. According to the details of her work, the terms of her contract, and the relevant legal principles, Jenetta is correct when she claims that her contract was terminated because of inadequate remuneration.
- 2. While moral consideration is based on ethical or moral obligations and does not create legal rights or obligations, adequate consideration is necessary for the formation of a legally enforceable contract. Past consideration, which might or might not be legitimate consideration depending on the situation, refers to deeds or commitments that have previously been carried out before the formation of a contract.
- 3. It is unlikely that Rohn Corporation will prevail in its lawsuit seeking the additional \$25,000 annually for the final two years of the five-year contract since both parties approved the amendment and Layman might have rightfully depended on Rohn Corporation's guarantee to his detriment.
- 4. Visca agreed to her friend's offering her money so she could see a doctor and get prescription drugs in exchange for her friend not suing her for the injuries she sustained. t could be necessary for her to seek legal advice to weigh her alternatives and choose the best course of action.
- 5. Koons and Graves came to an arrangement whereby Koons would provide \$1,500 to Graves, and Graves would guarantee that Koons would not be held responsible for the disaster.
- 6. Glocker's offer of concord and satisfaction was accepted once Lawnmark's general manager cashed the check marked "paid in full settlement," and it is likely that this had the legal impact of settling the debt in full.
- 7. Before Adler's contract with Mills General Hospital expired, he received an offer from another hospital with greater compensation. Adler accepted the offer from Mills General Hospital to extend his contract with them in exchange for a pay raise, and the hospital was happy to have him stay.
- 8. The mutual agreement and the city council's power seem to support the contract amendment, and with the additional \$20,000 annual payment to Armae, the citizens' legal challenge casts doubt on the change's legitimacy.
- 9. Hogan might be held legally responsible for his pledge to give Hill Haven \$3,000 so that the new dorm can be built, particularly if the organization relied on him negatively and if he received appropriate compensation.
- 10. Davies legally enforces the promise made by Desmond and Zwick, particularly if she can show that she relied on it to her detriment.

Cases of Review:

- 1. Apfel's argument that the contract is enforceable and legally supported by the original agreement, performance, and possible application of estoppel principles.
- 2. Love and Morris's continuous employment served as legitimate compensation for the noncompete provisions in their contracts.
- 3. Pearsall filed a lawsuit against Alexander, arguing that the two had broken their agreement to split the winnings from a lottery ticket. Pearsall said that they had a mutual agreement to split any lottery prizes from the tickets they bought together. That will be determined by the court.
- 4. The insurance provider would have to honor its commitment to cover her medical costs. Ralston might not have a strong case against the insurance company.
- 5. There was legitimate consideration transferred between the parties if Williamson agreed to sell Matthews the house for a specific price and Matthews consented to pay that amount in exchange for the house.

Chapter 9:

- 1. Libby's payment completion signifies contract ratification, which may not be correct. When Libby signed the contract, she was underage, and depending on the jurisdiction, minors often have the legal ability to revoke or annul contracts they have signed.
- 2. Minors are perceived as being more vulnerable to damage and possessing less experience in handling complex legal matters than adults. They probably lack the knowledge or understanding required to fully understand the implications of their contractual obligations. Therefore, the law's goal is to shield minors from making agreements that they might not fully understand or that could be harmful to their interests.
- 3. Yes, the son indeed has a valid objection to the father's lawsuit, citing his age as a reason for the contract's formation. Since Reno's kid was 17 years old when the agreement was struck, the law probably would have treated him as a child.
- 4. If Mance can disaffirm the contracts soon after becoming an adult, and if he can prove that neither the police scanner nor the DVD player are necessities, he will probably be able to get his money back from Radio Shack and the Computer Outlet store.
- 5. Dressler is not obligated to sell the iPod back to Kimble.
- 6. It depends on the state. Schaber may be able to revoke the agreement and demand the money she paid for the motorcycle, but how much she can get back may depend on several things, including the state of the bike when it is returned and any damages sustained.
- 7. Only Taylor can disaffirm. Week's right to end the arrangement would depend on several legal considerations, including Taylor's capacity to sign contracts, any age misrepresentation, applicable employment laws, and the details of the arrangement between Week and Taylor.
- 8. Depending on the specifics of the transaction and the regulations about contracts made by minors, he may be able to order the dealer to return the vehicle and refund the purchase price.
- 9. The landlady's claim that Connor owes the remaining three months' rent is supported. Connor's status as a minor, and whether or not renting the room would be considered required. It would be wise for both parties to seek legal assistance to understand their respective rights and duties.
- 10. Attilio may be correct when he says that the second violin is not necessary, depending on the specifics and local laws. Attilio would be well advised to consult with legal counsel to assess her options and rights.

Cases of Review:

- 1. Depending on the particulars surrounding her mental competence at the time of signing the contract, Jesset is legally required to pay the burial costs. She is legally bound unless she can prove that during the time of the contract, she was having an episode.
- 2. Given Williamson's intoxication, the conditions surrounding the mortgage contract's signature, and Smith's awareness of her condition, there could be enough justification for canceling the mortgage.
- 3. Marshall's argument that he signed the lease while still a child and therefore is not liable for rent after he moves out may not hold up, particularly if he keeps paying rent after becoming an adult or if he gives his approval to the lease in any other way.
- 4. Allstate was correct. At the age of 17, Power had rejected the underinsured motorist clause and did not try to claim the offer before he turned the majority age.
- 5. The contract can be voided if the husband can prove to the courts that he was incompetent by going through a depression period.
- 6. Because Goldberg was a minor when the contract was made, it might be enforceable under the rules regulating contracts entered into by minors, despite Goldberg's attempt to have the agreement with the lawyer declared void.
- 7. Bethea is liable for the balance due. The amount of the automobile loan that Bethea is responsible for will depend on several variables, such as the financing agreement's conditions, the jurisdiction's rules, and whether the car meets the requirements of being a necessity. Bethea's culpability may be impacted because she was a minor when she signed the contract.
- 8. Given that he misrepresented his age to the seller and was underage when the contract was signed, Watters may have a strong case for his money to be returned.
- 9. Violet is liable for taking care of him unless he is emancipated. Under the law, parents who neglect a minor are liable for any necessaries furnished for them.