

# Business law practice questions assignment

[Business](#), [Management](#)



1. Able entered into an oral contract with Baker for the sale of Able's car for \$5,000. Later Baker breached that contract. Able wants to sue to enforce the contract. Under the Statute of Frauds, who is the "party to be charged" in this case? a. Able. b. Baker. c. Both Able and Baker. d. Neither Able nor Baker, because this is a contract for the sale of goods.

2. Chen, a retail seller of fruit, entered into a contract for the purchase of 10 bushels of peaches from Georgina, at a price of \$5 per bushel. Delivery was to be in one month. One week after this contract was formed, unexpected cold weather destroyed most of the peach crop and prices doubled. Georgina asked Chen if he would agree to a price increase to \$7 per bushel, to help her absorb some of her loss. Chen agreed. However, after the peaches were delivered, Chen refused to pay more than \$5 per bushel. a. Chen must pay the higher price because the UCC does not require consideration in this case. b. Chen must pay the higher price because he accepted delivery of the peaches. c. Chen does not have to pay the higher price because the UCC requires consideration in exchange for a promise to pay a higher price than in the original contract. d. Chen does not have to pay the higher price because a valid original contract cannot be modified.

3. Jerry's Hardware Co. (JHC) of Moscow Idaho, a retailer, sent a communication with the heading "Purchase Order" to Chicago Hardware (CH) of Chicago Illinois, a wholesaler. This purchase order was based on a price list that CH had sent four months earlier. JHC's purchase order stated the price, quantity and terms of payment for \$5,000 of hardware goods.

On the back of JHC's purchase order form there were 16 numbered clauses. None of these clauses dealt with how to resolve a dispute, should one later arise. CH received the purchase order and responded with a communication that had the heading " Order Confirmation". CH's order confirmation stated the same prices, quantities, and terms of payment as those contained in JHC's form. However, on the back of CH's form there was a clause that stated that if a dispute should arise over this transaction, the dispute would be resolved through arbitration. A dispute later arose.

How should it be resolved? a. By litigation, because CH proposed an additional term that was not incorporated into the contract. b. By litigation, because CH proposed a different term that was not incorporated into the contract. c. By arbitration, because CH proposed an additional term, that was incorporated into the contract. d. By arbitration, because CH proposed a different term, that was incorporated into the contract. 4. The most important element in determining whether a UCC sales contract has been formed is the: a. presence or absence of a price term. b. issue of whether the terms of the offer and acceptance are exactly alike. c. issue of whether the contract can be fully performed in six months or less. d. intention of the parties to enter into a contract. 5. You enter into negotiations to buy a car from Ace Cars (AC). After extensive negotiations you and the AC salesman agree on a price of \$23, 000 for a specific car on the lot. However, you explain to the salesman that you do not have the money now, but expect to get it within a week. The salesman then promises to hold that offer open for 5 days, to buy that car at that price.

You ask for and receive that promise in writing, signed by the sales manager. Is AC's promise to hold its offer open for 5 days legally binding? a. No, because it is a "gift promise", made without consideration. b. No, because it fails to satisfy the requirements of an option contract. c. Yes, because that promise is a UCC firm offer that does not require consideration to be binding. d. Yes, because whenever a seller makes such a promise it is binding for a "reasonable" period of time. 6. If a seller has delivered nonconforming goods that have been rejected by the buyer, the seller has a right to cure: a.

Only if the time for performance of the contract has not yet expired. b. Under some circumstances, even if the time for performance of the contract has expired. c. Only if the contract specifically allows for cure. d. Only if the seller can do so within ten days. 7. Under a shipment contract, the seller is required to do all but which of the following? a. Deliver the goods to the city of the buyer. b. Make a contract for the transportation of the goods that is reasonable given the nature of the goods and other circumstances. c. Promptly notify the buyer of the shipment. d.

Obtain and promptly deliver or tender to the buyer any document necessary to enable the buyer to obtain possession of the goods from the carrier. 8. When is a buyer considered to have accepted performance regarding goods that are delivered pursuant to a contract? a. After a failure to reject following a reasonable opportunity to inspect the goods. b. After delivery of the goods. c. Only after conduct that shows the buyer's willingness to become owner of the goods. d. Only after making an express acceptance. 9. Revocation of acceptance by the buyer: a. Can occur at any time. b. Can occur without

notification to the seller. . Requires a substantial nonconformity in the goods.

d. Is forbidden by UCC Article 2. 10. When does risk of loss pass in a sale of goods that does not involve a common carrier or a bailment? a. Upon tender of delivery for both merchant sellers and nonmerchant sellers. b. Upon tender of delivery for merchant sellers and when goods are received by the buyer in the case of nonmerchant sellers. c. Upon tender of delivery for nonmerchant sellers and when goods are received by the buyer in the case of merchant sellers. d. When goods are received by the buyer for both merchant sellers and nonmerchant sellers. 11.

Stone, a merchant in Seattle, contracted with Rose, a merchant in Rochester, for the sale of goods to be shipped by truck. The terms of the contract were “ F. O. B. Seattle”. Stone delivered the goods to the carrier. After leaving Seattle, the truck containing the goods was never seen again. Stone has demanded payment for the goods and Rose has refused. If Stone sues: a. Rose will win because Rose did not receive the goods. b. Rose will win because under the UCC this was a shipment contract. c. Stone will win because Stone was not at fault in causing the loss. d. Stone will win because under the UCC this was a shipment contract. 2. Which of the following is true about passage of title? a. It occurs at the time and place goods are shipped in a shipment contract. b. It always occurs when the goods leave the hands of the seller. c. It does not occur until the buyer indicates acceptance of the goods. d. It always passes at the same time that risk of loss passes. 13. In a case where goods are to be transported by a carrier, what is the most important factor in determining when risk of loss passes from the seller to the buyer? a. The contract’s shipping terms. b. The buyer’s insurance policy

terms. c. The seller's insurance policy terms. d. When title passes. 4. Persons holding void title (and therefore no title at all) include: a. thieves b. persons who paid with a check that bounced c. people who impersonated others in order to trick the seller into selling the goods to them d. all of the above 15.

Michelle sold her car to Barry, taking a personal check for \$1, 500. Barry knew he had nothing like \$1, 500 in the bank, so he drove her car straight to Al's Buick and traded it in on a new Buick and drove to Canada. Michelle tried to cash the check twice but it bounced twice. Michelle then saw " her" car at Al's car lot and went to Al's lot to demand the return of her car.

Al was not aware of the bounced check. What will be the result? a. Al has to give Michelle the car because she has title. b. Al has to give her the car because Barry was nothing but a thief. c. Al can keep the car because Barry had the power to transfer good title to him. d. Al can keep the car because he paid for it. 16. Under the old common law rule, the risk of loss or damage to goods in a contract for the sale of those goods: a. always falls upon the buyer. b. always falls upon the seller. c. is incurred by the party who had title to the goods at the time of the loss or damage. d. always is split between the buyer and the seller. 7. If a buyer and seller agree to a contract for the sale of goods for a price of \$300, which later modifications must be in writing in order to be enforceable? a. All later modifications. b. Any later modification increasing the price by \$100 or more. c. Any later modification increasing the price by \$200 or more. d. No later modification to such a contract needs to be in writing since the original contract did not need to be in writing. 18. For \$100 each, Helen agrees with Troy Tech to knit 12 sweaters for the soccer

team in their school colors with their names on the front and “ Go Tech” on the back.

After Helen has almost finished the last sweater, Troy Tech decides it should spend the money on repairs to the locker room instead of on the sweaters.

Does Helen’s contract have to be in writing for her to enforce it? a. No, because each sweater only cost \$100 b. No, because they are specially manufactured sweaters c. Yes, because the total cost is \$1, 200 d. Yes, because they are specially manufactured sweaters

19. If the time, place, and manner of delivery is not stated in a contract for the sale of goods: a. The place of delivery is the buyer’s place of business. b. The contract is void for lack of definiteness. c. The place of delivery is the seller’s place of business. d. The seller is obligated to pay for shipping to the buyer’s place of business.

20. Able offered to buy automobile batteries from Baker. Able’s purchase order was complete and certain as to all material terms except price, which was omitted. If Baker accepts Able’s offer, and the price of the automobile batteries is well established in the industry, is there a contract between Able and Baker? a. No contract was formed between Able and Baker. b.

A contract was formed between Able and Baker only if it can be proved that the parties intended to enter a contract and that they discussed the price orally or in writing. c. A provisional contract was formed between Able and Baker, but the price will be treated as a proposed addition to the contract which must be accepted by both parties; if they do not later agree on a price, no contract will result. d. A contract was formed between Able and Baker even though the price term was omitted from their offer and acceptance.

21.

Under the \_\_\_\_, a buyer may reject goods for even the slightest defect. a. evocation of acceptance rule b. perfect tender rule c. rules for inspection d. excuses for nonperformance

22. Jerry took his Metron 9 alpine skis to REI to have them repaired. REI repairs skis and also sells new and used skis. A new clerk thought that Jerry's skis were part of the REI inventory, and by mistake the clerk sold those skis to Ben. The price was a typical price for those used skis. When Jerry learned of the mistake, he demanded his skis back from Ben. However, Ben loves the skis and refuses to return them. If a lawsuit were to result between Jerry and Ben, which one would be awarded possession of the skis? a.

Jerry, because they are his skis ??? he never sold them. b. Jerry, because he only left the skis with REI for repairs. c. Ben, because he is a good faith purchaser for value. d. Two of the above, a & b, are correct.

23. Maple Interiors, located in Boston, contracted to sell and ship sofas to Peach Furniture, located in Atlanta. The contract stated that the goods were to be shipped " F. O. B. Boston, via XYZ railroad". Maple delivered the sofas to XYZ railroad. They were shipped from Boston but never seen again. Both Peach and Maple had assumed that the other party had the risk of loss, so neither had obtained insurance.

Who must bear this loss? a. Peach must bear the loss because the risk passed to it after the sofas were placed on the loading dock at Maple's warehouse. b. Peach must bear the loss because the risk passed to it after the sofas were delivered to XYZ railroad. c. Maple must bear the loss because the goods were never tendered to Peach. d. Maple must bear the



loss because in any sale by a merchant, risk does not pass until the actual delivery of the goods to the buyer. 24. Inga runs a Swedish health spa in Connecticut. She orders 100 loofah sponges from a company in California.

They are sent F. O. B. Hartford, Connecticut, but they never arrive at Inga's.

What is the consequence? a. Inga has to pay anyway since it was a destination contract. b. The California company is required to bear the loss. c. The California company and Inga will have to split the loss since they did not specify in their contract when the risk of loss would pass to Inga. d. It cannot be determined from the information given who has the risk of loss.

25. Under the UCC, an entrusting of goods to a merchant who deals in that kind of goods gives the merchant: a.

The power to transfer all rights of the entrustor to a buyer in the ordinary course of business. b. The power to transfer clear title to a buyer in the ordinary course of business. c. The power to transfer voidable title to a buyer in the ordinary course of business. d. The power to transfer clear title to any purchaser.

26. When does risk of loss pass in a sale of goods that does not involve a common carrier or a bailment? a. Upon tender of delivery for both merchant sellers and nonmerchant sellers. b. Upon tender of delivery for merchant sellers and when goods are received by the buyer in the case of nonmerchant sellers. . Upon tender of delivery for nonmerchant sellers and when goods are received by the buyer in the case of merchant sellers. d.

When goods are received by the buyer for both merchant sellers and nonmerchant sellers. 27. Circuit Electronics, Inc. , accepts performance of a shipment of CD players from Delta Devices, Inc. When Circuit soon discovers

a major defect in the players, it properly revokes its earlier acceptance, and ships the goods back to Delta. The players are destroyed before they are returned to Delta. This loss is suffered by: a. Circuit. b. Delta. c. Circuit and Delta equally. d.

None of the above. 28. Richard, a surgeon, has entered into a contract for the sale of his car to Betty. This contract was formed and signed on February 28. The contract calls for Richard to deliver the document of title to the car to Betty on March 2 and to deliver the car to her on March 6. Betty is to pay for the car on March 3, after she has received the document of title. Under the default provisions of the Code, when does Betty become the owner of the car? a. February 28. b. March 2. c. March 3. d. March 6. 29. A merchant is a person who: a. Deals in goods of the kind involved in the transaction. . By his or her skill or occupation, holds himself or herself out as being an expert regarding the goods in the transaction. c. Employs an expert as his or her agent. d. Any of the above would qualify a person as a merchant. 30. In a contract for the sale of goods, in which the offeror is a merchant and the offeree is a non-merchant, what is the effect of minor additional terms contained in an acceptance? a. A contract will be formed incorporating the minor additional terms of the acceptance. b. No contract is formed, and the purported acceptance will be treated as a counteroffer. c.

A contract will be formed, but only if the parties resolve the differences in the offer and the acceptance. d. A contract will be formed, and the minor additional terms will be treated as mere proposals. 31. Birch entered into an oral contract to sell firewood to Maple for a price of \$600. After a big jump in

the price of firewood Birch refused to deliver. Maple purchased substitute firewood at a higher price then sued Birch for the difference. At the trial, Birch defended by testifying that an oral contract had indeed been entered into, but that the contract was unenforceable due to a violation of the U.

C. C. Statute of Frauds. a. Birch will win because the oral contract was for the sale of goods for more than \$500. b. Birch will win because an oral contract of this type constitutes fraud. c. Birch will lose because a contract of this type does not require that the U. C. C. Statute of Frauds must be satisfied. d. Birch will lose because Birch's testimony satisfies the U. C. C. Statute of Frauds. 32. Alice, a retailer of electronic equipment, purchased 50 DVD players from a wholesaler. The purchase contract called for the goods to be delivered to Alice's retail store.

When the shipment arrived, Alice discovered that only 49 DVD players were included in the shipment. a. Alice must accept the shipment if the wholesaler simply made an innocent mistake. b. Alice must accept the shipment because the defect is trivial but she may deduct the cost of one DVD player. c. Alice can reject the entire shipment if she wants to. d. Two of the above are correct. 33. A buyer in Atlanta enters into a sales contract with a seller in Chicago. If the contract does not mention the place for delivery of the goods, the place of delivery will be: a. t the seller's business or residence in Chicago. b. as stated in all destination contracts. c. at the buyer's business or residence in Atlanta. d. irrelevant, since the contract is void due to indefiniteness. 34. Fran leaves a pair of her recently purchased shoes at a shoe store so that they might be dyed for a wedding. The shoe store

accidentally sells Fran's shoes to Jan, who has no knowledge that the shoes belong to someone else. Fran can recover from: a. Jan only. b. The shoe store only. c. Either Jan or the shoe store. d. None of the above. 35.

Bill, who owned a vintage Jaguar XK150 roadster, sold this car to George. George paid for the car with a check that was drawn on a closed account. Before the check bounced, George sold the Jaguar to Barry, who had been searching for exactly that model car for four years. Barry paid \$15,000 for the Jaguar, which was approximately the market price. George told Barry that he, George, had owned the car for five years, and Barry believed him. George then cashed Barry's check, and has not been seen since. After George's check bounced, Bill tried to recover his car from Barry.

Who is entitled to possession of this car? a. Bill, because he never transferred clear title to the car to George. b. Bill, because he only transferred voidable title to the car to George. c. Barry, because he purchased the car in good faith. d. Two of the above are correct, a and b. 1.

Martha telephoned the office supply store and agreed to buy a dozen boxes of blank CDs at \$30 each. She later realized what a good buy this was and telephoned the store with a request to modify the contract to read 2 dozen. The store agreed. What is the status of the modified contract? a.

The modified contract is unenforceable because it violates the Statute of Frauds rule. b. The modified contract is unenforceable because it violates the Parol evidence rule. c. The modified contract is enforceable because it satisfies the Statute of Frauds rule. d. The modified contract is enforceable because it satisfies the Parol evidence rule. 2. You enter into negotiations to

buy a car from Ace Cars (AC). After extensive negotiations you and the AC salesman agree on a price of \$23, 000 for a specific car on the lot. However, you explain to the salesman that you do not have the money now, but expect to get it within a week.

The salesman then promises to hold that offer open for 5 days, to buy that car at that price. You ask for and receive that promise in writing, signed by the sales manager. Is AC's promise to hold its offer open for 5 days legally binding? a. No, because it is a " gift promise", made without consideration. b. No, because it fails to satisfy the requirements of an option contract. c. Yes, because that promise is a UCC firm offer that does not require consideration to be binding. d. Yes, because whenever a seller makes such a promise it is binding for a " reasonable" period of time. 3.

For \$100 each, Helen agrees with Troy Tech to knit 12 sweaters for the soccer team in their school colors with their names on the front and " Go Tech" on the back. After Helen has almost finished the last sweater, Troy Tech decides it should spend the money on repairs to the locker room instead of on the sweaters. Does Helen's contract have to be in writing for her to enforce it? a. No, because each sweater only cost \$100. b. No, because they are custom made sweaters. c. Yes, because the total cost is \$1, 200. d. Yes, because they are specially manufactured sweaters. 4. Under the UCC, a merchant is a person who: a.

Deals in goods of the kind involved in the transaction. b. By his or her skill or occupation, holds himself or herself out as being an expert regarding the goods in the transaction. c. Employs an expert as his or her agent. d. All of

the above. 5. Merchant Buyer sent a purchase order to Merchant Seller for 300 toy bears at \$1.00 each. Seller sent Buyer an acknowledgment form in which Seller agreed to Buyer's terms. The acknowledgment form also contained several preprinted additional terms. Which of the following is a true statement? a. No contract was formed because the acceptance was not identical to the offer. b.

A contract was formed, but the additional terms included in the acknowledgment will not become part of the contract unless Buyer expressly agrees to them. c. The additional terms will become part of the contract even if Buyer objects to them within a reasonable time. d. There is a contract, but the additional terms will not become part of the contract if they materially alter the transaction. 6. Where a contract is silent as to the place of delivery, the place for delivery is: a. The seller's place of business. b. Wherever the goods were manufactured. c. Wherever the goods are located. d. The buyer's place of business. . In a contract where the goods are to be shipped from the seller's city to the buyer's city via a common carrier, the term " FOB buyer's city" indicates that the contract is a " shipment" contract. a. True b. False 8. For a buyer to properly revoke its earlier acceptance, the seller's defective performance must substantially impair the value of the goods to that buyer. a. True b. False 9. When goods are " stolen" by a " thief", and then the goods are sold to someone who is not aware that they are stolen, who then re-sells the goods to a good faith purchaser for value (GFP), the GFP will receive: a.

Clear title always. b. Voidable title sometimes. c. Voidable title always. d. No title. 10. If the goods or the tender of delivery fail in any respect to conform to the contract, the buyer may: a. Reject the whole. b. Accept the whole. c. Accept any commercial unit(s) and reject the rest. d. Any of the above. 11. Rejection is ineffective unless the buyer seasonably notifies the seller. a. True b. False 12. In a case where conforming goods are to be transported by a carrier, what is the most important factor in determining when the risk of loss passes from the seller to the buyer? a.

The contract's shipping terms. b. The buyer's insurance policy terms. c. The seller's insurance policy terms. 13. If the language contained in a contract does not describe that contract as either a destination or a shipment contract, the law assumes that it is a shipment contract. a. True b. False 14. The distinction between a void and voidable title of the seller is not important in determining the rights of good faith purchasers of the goods. a. True b. False 15. Jerry has clear title to a bicycle. He took his bicycle to a bicycle shop for repair. This shop also sells new and used bicycles.

By mistake, a sales clerk sold Jerry's bike to Leon. This was a sale in the ordinary course of business; neither the clerk nor Leon was aware that the bike belonged to Jerry. Can Jerry recover his bike from Leon? a. Yes, because title was never transferred to the bike shop. b. Yes, because Jerry never agreed to sell his bike. c. No, because Jerry entrusted his bike to the bike shop. d. No, because the UCC holds that all sales by a merchant transfer clear title to a good-faith buyer. 16. Persons holding void title include: a. Thieves. b. Persons who paid with a check that bounced. c.

People who impersonated others in order to trick the seller into selling the goods to them. d. All of the above. 17. Stone, a merchant in Seattle, contracted with Rose, a merchant in Rochester, for the sale of goods to be shipped by truck. The terms of the contract were “ F. O. B. Seattle”. Stone delivered the goods to the carrier. After leaving Seattle, the truck containing the goods was never seen again. Stone has demanded payment for the goods and Rose has refused. If Stone sues: a. Rose will win because Rose did not receive the goods. b. Rose will win because under the UCC this was a shipment contract. c.

Stone will win because Stone was not at fault in causing the loss. d. Stone will win because under the UCC this was a shipment contract. 18. Tom owns a business that makes and sells pottery. Jackie agrees to purchase a large, heavy pot. Jackie tells Tom that she can not take delivery now, because it is too heavy for her to move; she will return with her husband later that day to take delivery of the pot. Unfortunately an earthquake strikes before Jackie returns and the pot is broken. Who must suffer this loss? a. Tom, because he is a merchant. b. Tom, because he is a nonmerchant. c. Jackie, because she had purchased the pot. . Jackie, because Tom had tendered the pot to Jackie. 19. If a buyer and seller of goods fail to state in their contract when title is to pass, the UCC’s “ gap filler” provides that title will pass when: a. The goods are delivered to the buyer’s place of business or home. b. The contract is formed. c. The seller completes its obligation with respect to physical delivery of the goods. d. The buyer pays the purchase price. 20. Mrs. Smith, an accountant, wishes to sell her piano. George inspects her piano and



decides to buy it. Mrs. Smith receives her money and tells George he can take the piano right now.

George says he needs to borrow his friend's truck and he will return tomorrow to remove the piano. That night, the piano is destroyed by fire. Mrs. Smith refuses to return the purchase price of the piano. George sues to recover his money. Who wins? a. Mrs. Smith wins. The risk of loss passed to George as soon as the contract was made. b. Mrs. Smith wins. The risk of loss passed to George when Mrs. Smith said he could take the piano. c. George wins. The risk of loss does not pass until George takes delivery of the piano. d. George wins. The risk of loss does not pass until George receives a negotiable warehouse receipt.

1. Under Article 2 of the UCC, why does it matter whether a party to a contract is a merchant? a. Because Article 2 of the UCC will only be applied if one or more parties to the contract are merchants. b. Because merchants sometimes are treated differently than other parties. c. Because merchants are treated more leniently under the UCC. d. Actually, it is unimportant whether or not one or both parties are merchants under the UCC.

22. In which of the following areas does Article 2 of the UCC change the applicable common law rule? a. Firm offers. b. The amount of definiteness required of an agreement. . Acceptances whose terms differ from the terms of the offer. d. All of the above.

23. A contract provides for both a sale of goods and a sale of services. To determine whether the UCC rules or the common law rules will apply to this transaction, the majority of states follow which test? a. Statue of Frauds test. b. Predominant purpose test. c. Parol evidence test. d. Seller's intent test.

24. Which of the following would constitute a valid acceptance of performance?

a. The buyer tells the seller that the nonconforming goods that were delivered will be kept and paid for. b.

The buyer waits for nine months before notifying the seller that the goods are nonconforming. c. The buyer immediately resells the nonconforming goods. d. All the above. 25. A merchant buyer of goods receives nonconforming goods. The merchant buyer rightfully rejects and appropriately notifies the seller, but the seller has no agent in the buyer's city. The goods are perishable and threaten to decline in value speedily. The merchant buyer has no further duty to the seller other than to exercise reasonable care of the goods and to await the seller's instructions. a. True b. False 26.

When the sales contract does not mention time for delivery, the seller: a. Has a reasonable time after entering the contract, to deliver the goods. b. Must deliver the goods on buyer's demand. c. Has no more than 60 days, to deliver the goods. d. Has no more than 30 days, to deliver the goods. 27.

Monica, a college student, agreed to sell her horse to Bill. The contract required Monica to deliver the horse on that same day to Parsing Stables where Bill was going to board the horse. Bill paid Monica the money, patted the horse, and drove off. Monica then led the horse into the trailer and set off for the two-hour drive to Parsing.

Has title to the horse passed to Bill? a. No, not until delivery to Parsing. b. No, not until Bill sees the horse again. c. Yes, since Bill already paid for it. d. Yes, since the contract was made earlier in the day. 28. Which of the following is true about passage of title? a. It occurs at the time and place

goods are shipped, in a shipment contract. b. It occurs at the time and place goods are shipped, in a destination contract. c. It does not occur until the buyer indicates acceptance of the goods. d. It always passes at the same time that risk of loss passes. 29.

In a sale of goods that does not involve a common carrier and does not involve a bailment, which of the following is most important in determining when risk of loss passes? a. Whether the seller is a merchant. b. Whether the buyer is a merchant. c. Whether price of the goods is \$500 or more. d. When title passes. 30. Dick steals Jane's watch and later sells the watch to Sally. Jane can recover the watch from Sally: a. Under any circumstances. b. Only if Sally knew that the watch was stolen. c. Only if Sally did not know that the watch was stolen. d. Only if Sally gave legally sufficient consideration for the watch.