

# Marketing homework flashcard



**ASSIGN  
BUSTER**

Week 4 management assignment Gift 47. 1 For 12 years, Theodore Alexander Buders father made substantial gifts to his minor grandchildren. Theodore Buder and his wife divorced during this period. The cash gifts, typically in the form of checks made directly payable to the children, were given to Buder with the understanding that he would safeguard the money and invest it on behalf of the children. Buder invested various amounts of the childrens money in blue chip stocks traded over the New York and American stock exchanges. Buder also invested substantial sums of the childrens money in speculative penny stocks.

The stocks were purchased in Buders name as custodian for the children, as required by the Uniform Gifts to Minors Act (UGMA). At one point, almost half of the childrens money was invested in penny stocks. All the penny stocks except one suffered substantial losses. Buders ex-wife, Sartore, sued him, alleging that he had breached his fiduciary duty owed to the children under the UGMA. She sought to recover the funds lost by Buders investment of the childrens funds in penny stocks. Who wins? Buder v. Sartore, 774 P. 2d 1383, Web 1989 Colo.

Lexis 227 (Supreme Court of Colorado) Buder as the trustee owes a fiduciary duty to his kids in regards to how he handles the gifts. The laws states that trustee cannot use a beneficiarys money in speculative ventures and with regards to this case it specifically sais that the stocks are speculative. When a trustee breaches their fiduciary duty, they can be held personally liable so the ex wife wins as the natural guardian of the children. 48. 8 Adverse Possession Joseph and Helen Naab purchased a tract of land in a subdivision of Williamstown, West Virginia.

At the time of purchase, there were both a house and a small concrete garage on the property. Evidence showed that the garage had been erected sometime prior to 20 years earlier by one of the Naabs predecessors in title. Two years after the Naabs bought their property, Roger and Cynthia Nolan purchased a lot contiguous to that owned by the Naabs. The following year, the Nolans had their property surveyed. The survey indicated that one corner of the Naabs garage encroached 1.22 feet onto the Nolans property and the other corner encroached 0.91 feet over the property line.

The Nolans requested that the Naabs remove the garage from their property. When the Naabs refused, a lawsuit ensued. Who wins? *Naab v. Nolan*, 174 W. Va. 390, 327 S. E. 2d 151, Web 1985 W. Va. Lexis 476 (Supreme Court of Appeals of West and Virginia) Joseph Helen Naab win due to adverse possession and also by a prescriptive easement. A trespasser is entitled to legal ownership of property if his occupation of the property is hostile and adverse, actual and exclusive, open and notorious, exclusive and continuous and peaceful for a period of 10-20 years set by state statute.

In West Virginia the period of time for adverse possession must be at least ten 10 years. 49. 2 Implied Warranty of Habitability Sharon Love entered into a written lease agreement with Monarch Apartments (Monarch) for apartment 4 at 441 Winfield in Topeka, Kansas. Shortly after moving in, she experienced serious problems with termites. Her walls swelled, clouds of dirt came out of the walls, and when she checked on her children one night, she saw termites flying around the room.

She complained to Monarch, which arranged for the apartment to be fumigated. When the termite problem persisted, Monarch moved Love and her children to apartment 2. Upon moving in, Love noticed that roaches crawled over the walls, ceilings, and floors of the apartment. She complained, and Monarch called an exterminator, who sprayed the apartment. When the roach problem persisted, Love vacated the premises. Did Love lawfully terminate the lease? Who wins? *Love v. Monarch Apartments*, 13 Kan. App. 2d 341, 771 P. 2d 79, Web 1989 Kan. App.

Lexis 219 (Court of Appeals of Kansas) Love will win as she did lawfully terminate the lease under the Implied Warranty of Habitability. The leased property failed to be fit, safe, and suitable for ordinary residential use. 49. 5 Tort Liability Luis and Barbara Chavez leased a house they owned in Arizona to Michael and Terry Diaz. The lease provided that no pets were to be kept on the premises without prior written approval of the landlords. The Diazes, without the landlords consent or knowledge, kept a Pit Bull and another dog, which was half Pit Bull and half Rottweiler, at the leased premises.

Two weeks later, the Diazes two dogs escaped from the backyard and attacked and injured Josephine Gibbons. Gibbons sued the landlords for damages. Are the landlords liable? Are the tenants liable? *Gibbons v. Chavez*, 160 Ariz. 73, 770 P. 2d 377, Web 1988 Ariz. App. Lexis 373 (Court of Appeals of Arizona) (Cheeseman 781-782) The tenants are liable as they violated their lease agreement and their negligence caused harmed to another individuals. If the landlord pays any damages he can collect damages from his tenant for breach of contract.