

Tests for business law



ANSWERS ARE IN BOLD. FOR ESSAY QUESTIONS, PLEASE GO TO THE END

Points Jack promises to buy Kris's computer for \$400. Jack is a.

- a. an executor.
- b. an offeree.
- c. a promisee.
- d. a promisor.

Save Answer

2.

(Points: 1)

A contract between Gamma Software Company and Omega Designs, Inc., ends with the initials " L. S." These initials

- a. emphasize that the parties must sign with " legal signatures."
- b. remind the parties that they must have " legal status" to contract.
- c. stand for " locus sigilli" and substitute for a seal.
- d. underscore that the parties' deal must have " lawful significance."

Save Answer

3.

(Points: 1)

Cole drives into Dino's Service Station and asks Erin, the attendant, to fill the tank in Cole's sport utility vehicle. After Erin fills the tank, but before Cole pays for the gas, any contract between Cole and Dino's is

- a. executed.
- b. executory.
- c. quasi.
- d. unenforceable.

Save Answer

4.

(Points: 1)

Dot, a real estate agent, tells Ed, a home seller, that her commission is 12 percent. Ed agrees that Dot can sell his house but refuses to sign a contract unless the amount of the commission is reduced. After the house is sold, Ed refuses to pay 12 percent. Dot is most likely to recover

- a. nothing.
- b. on a theory of an express contract.
- c. on a theory of an implied-in-fact contract.
- d. on a theory of a quasi contract.

Save Answer

5.

(Points: 1)

Ada mistakenly pays property taxes that should have been assessed against Bud. Ada can recover the amount from Bud in quantum meruit

- a. even if Bud was not aware of the error.
- b. only if Bud tried to conceal the error.
- c. only if Bud was aware of the error.
- d. under no circumstances.

Save Answer

6.

(Points: 1)

A contract can be created only when a promise is given in exchange for another promise.

TrueFalse

Save Answer

7.

<https://assignbuster.com/tests-for-business-law/>

(Points: 1)

In an express contract, the terms are fully stated in words.

TrueFalse

Save Answer

8.

(Points: 1)

An implied-in-fact contract is implied from the conduct of the parties.

TrueFalse

Save Answer

9.

(Points: 1)

A quasi contract is a true contract.

TrueFalse

Save Answer

10.

(Points: 1)

A contract's general intent will usually be subordinated to specific clauses contained within the contract.

TrueFalse

Save Answer

11.

(Points: 1)

Local Delivery Service, Inc., offers to deliver computers to Micro Store's customers for a certain price. Local's intent to extend a serious offer to Micro is determined by reference to Local's

a. assumptions.

- b. beliefs.
- c. intentions.
- d. words and conduct.

Save Answer

12.

(Points: 1)

Dona and Eden sign a lease that includes a clause permitting Dona to extend the lease at an amount of rent to be agreed on at the time of the extension.

The clause is

- a. enforceable, because it is part of a lease.
- b. enforceable, if the parties intend the clause to be binding.
- c. not enforceable, because it does not include a price term.
- d. not enforceable, because it is not in the right form.

Save Answer

13.

(Points: 1)

Nate tells Opal, " I might sell the skis that I bought last fall since I haven't used them and the skiing season is almost over." This is

- a. an acceptance of an offer.
- b. an invitation to accept an offer.
- c. an offer.
- d. a statement of future intent.

Save Answer

14.

(Points: 1)

Elin decides to try to sell her collection of celebrity memorabilia in an auction

" with reserve." If Elin changes her mind, she can withdraw her collection

- a. only before the auctioneer announces that the items are sold.
- b. only before the auctioneer delivers the items to the buyers.
- c. under no circumstances.
- d. within thirty days after the auction.

Save Answer

15.

(Points: 1)

Yvon asks Zack, " Do you want to buy one of my fishing rods" This is

- a. a valid offer.
- b. not a valid offer because the terms are not definite.
- c. not a valid offer because Yvon did not state an intent.
- d. not a valid offer because Zack did not respond.

Save Answer

16.

(Points: 1)

An invitation to negotiate--" can you afford this"--is an offer.

TrueFalse

Save Answer

17.

(Points: 1)

An advertisement--" this property for sale"--is an offer.

TrueFalse

Save Answer

18.

(Points: 1)

Revocation of an offer made to the general public must be communicated in the same manner in which the offer was communicated.

TrueFalse

Save Answer

19.

(Points: 1)

Rejection of an offer terminates it.

TrueFalse

Save Answer

20.

(Points: 1)

An acceptance must adhere exactly to an offer to create a contract.

TrueFalse

Save Answer

21.

(Points: 1)

Coverage, Inc. (CI), coordinates an insurance network that includes 1 million potential patients. By contracting with CI, a medical provider gains access to the network in exchange for accepting payments at lower than market rates. Doctors, Inc., contracts with CI but, when few patients are forthcoming, files a suit to recover the difference between the contract and market rates. The court will most likely rule that the contract is

- a. enforceable because consideration is not required for this contract.
- b. enforceable because the contract does not lack consideration.
- c. not enforceable because Doctors received few patients.
- d. not enforceable because the contract lacks consideration.

Save Answer

22.

(Points: 1)

Quality Steel Corporation files a suit against Rite Tool Company, claiming that the consideration for their contract is inadequate. The court will most likely not examine the adequacy of the consideration if

- a. it is obvious that the consideration is adequate.
- b. Rite Tool asserts that there is adequate consideration.
- c. something of value passed between the parties.
- d. the consideration is worth more than \$100.

Save Answer

23.

(Points: 1)

Baked Goods Company agrees to supply Comida Caf with all the corn chips that it requires for a year. A sudden demand for ethanol results in a shortage of corn, and the price rises sharply. Baked Goods asks Comida to pay a higher price for the chips. This request is

- a. invalid as an attempt at extortion or the so-called holdup game.
- b. invalid under the preexisting duty rule.
- c. valid as a risk ordinarily assumed in business.
- d. valid due to the unforeseen difficulty of the sudden price increase.

Save Answer

24.

(Points: 1)

Fact Pattern 12-1B

Sal contracts with Tasty Pizza Company to deliver its products. Both parties

<https://assignbuster.com/tests-for-business-law/>

change their minds, however, and inform each other that they would like to cancel the contract.

Refer to Fact Pattern 12-1B. Sal and Tasty

- a. may rescind their entire contract.
- b. may rescind their contract to the extent that it is executory.
- c. must perform their entire contract.
- d. must perform the part of their contract that is executory.

Save Answer

25.

(Points: 1)

Milo files a suit against National Corporation under the doctrine of promissory estoppel. Milo must show that

- a. Milo justifiably refused to fulfill a promise to National.
- b. Milo justifiably relied on National's promise to his detriment.
- c. National justifiably refused to fulfill a promise to Milo.
- d. National justifiably relied on Milo's promise to its detriment.

Save Answer

26.

(Points: 1)

Any promise made with respect to a past event is enforceable because the event is certain--it has already occurred.

TrueFalse

Save Answer

27.

(Points: 1)

An accord and satisfaction is used to discharge a liquidated debt.

TrueFalse

Save Answer

28.

(Points: 1)

In most states, a release requires a signed writing.

TrueFalse

Save Answer

29.

(Points: 1)

Promissory estoppel requires reliance of a substantial and definite character.

TrueFalse

Save Answer

30.

(Points: 1)

Under the doctrine of promissory estoppel, every gratuitous promise is binding if the promisee changes position in reliance on the promise.

TrueFalse

Save Answer

31.

(Points: 1)

In May, Rolf agrees to work for Soda Sales Company at \$800 per week for a year beginning June 1. The following January, Tropical Beverages, Inc., offers Rolf the same work at \$900 per week. Rolf tells Soda about the offer. Soda offers to enter into a new contract with Rolf at \$875 per week. If Rolf agrees, is the new Soda contract enforceable Why or why not

Paragraph

Insert equation

Please see the end for answer.

32.

(Points: 1)

Chris, a minor, signs a contract to buy alcoholic beverages for Dine & Drink, his parents' restaurant. The contract is

- a. valid but may be disaffirmed.
- b. valid but may not be disaffirmed.
- c. void as a matter of law.
- d. void unless it is also signed by Ed, the manager of Dine & Drink.

Save Answer

33.

(Points: 1)

Olga, a minor, signs a contract to buy a computer from Phil, the owner of Quality Computer Store. Olga's right to disaffirm the contract

- a. does not change the fact that Phil is bound by the contract.
- b. does not yet exist because Olga is still a minor.
- c. gives Phil, an adult, the right to disaffirm the contract.
- d. is not valid because a computer is a " necessary."

Save Answer

34.

(Points: 1)

Ruth, a minor, charges groceries at Sam's Mini-Mart. Two days later, Ruth disaffirms the purchase. Ruth owes Sam's

- a. the reasonable value of the groceries.

- b. the retail value of the groceries.
- c. the wholesale value of the groceries.
- d. nothing.

Save Answer

35.

(Points: 1)

Curt, a doctor, renders medical care to Dora, a minor. According to the reasoning of the court in Case 13. 1, *Yale Diagnostic Radiology v. Estate of Harun*, a contract between Curt and Dora is

- a. express.
- b. implied in fact.
- c. implied in law.
- d. non-existent.

Save Answer

36.

(Points: 1)

Neil represents himself as a contractor in Ohio, but he is not licensed in that state. A contract between Pam and Neil by which Neil agrees to build a warehouse for Pam in Ohio is

- a. enforceable only if Pam does not object after learning of Neil's status.
- b. enforceable only if Pam knows that Neil is unlicensed.
- c. enforceable only if the outcome is successful.
- d. not enforceable.

Save Answer

37.

(Points: 1)

All contracts between adults and minors are void.

TrueFalse

Save Answer

38.

(Points: 1)

Parents are ordinarily liable for the contracts made by their minor children, whether or not the children acted on their own.

TrueFalse

Save Answer

39.

(Points: 1)

An executed contract entered into on Sunday in a state having a Sunday law cannot be rescinded.

TrueFalse

Save Answer

40.

(Points: 1)

If an illegal contract is executory, either party can enforce it.

TrueFalse

Save Answer

41.

(Points: 1)

A severable contract is unenforceable as a violation of public policy.

TrueFalse

Save Answer

42.

(Points: 1)

Hillside Homes, Inc., and Ideal Builders, Inc., enter into a construction contract that includes six pages of detailed calculations. Later Hillside, whose project manager compiled the figures, discovers that some numbers were multiplied incorrectly, but Ideal refuses to make changes. A court would most likely

- a. allow the parties to rescind the contract.
- b. award damages to A for the mistakes.
- c. award damages to B for the mistakes.
- d. enforce the contract without requiring changes.

Save Answer

43.

(Points: 1)

Roc buys a farm from Steve, who claims that it would be a prime site for a housing subdivision. Roc later learns that the law does not permit the land to be used for housing. Roc may

- a. not rescind the contract.
- b. rescind the contract only if Roc did not know the law before the deal.
- c. rescind the contract only if Steve knew about the law before the deal.
- d. rescind the contract only if the law is not common knowledge.

Save Answer

44.

(Points: 1)

Ben sells a sport utility vehicle to Cody without disclosing that the odometer, which reads 40, 000 miles, was disconnected 80, 000 miles ago. Ben is liable for

- a. duress.
- b. fraud.
- c. puffery.
- d. undue influence.

Save Answer

45.

(Points: 1)

Dale files a suit against Eve, alleging her fraud in entering into a contract with him. Proof of an injury is required

- a. to recover damages.
- b. to rescind the contract.
- c. to undo Eve's influence.
- d. under no circumstances.

Save Answer

46.

(Points: 1)

Fact Pattern 14-3B

Pete, the owner of Quality Orchards, contracts to sell fruit to Ripe Produce, Inc. When Pete refuses to perform, Ripe Produce files a suit to enforce the contract.

Refer to Fact Pattern 14-3B. To defend successfully on the ground of unconscionability, Pete must show that enforcement of the contract would be

- a. economically meaningless.
- b. legally worthless.
- c. manifestly unfair or oppressive.

d. undeniably valuable.

Save Answer

47.

(Points: 1)

A general contractor who suspects that a subcontractor's bid is a mistake can still enforce the bid.

TrueFalse

Save Answer

48.

(Points: 1)

An innocent party can rescind a fraudulent contract.

TrueFalse

Save Answer

49.

(Points: 1)

Reliance on an "expert's" statement of opinion may be the basis for an action based on fraud.

TrueFalse

Save Answer

50.

(Points: 1)

To recover for fraud, a plaintiff must be under twenty-one years of age.

TrueFalse

Save Answer

51.

(Points: 1)

A seller's failure to disclose a serious defect about a product for sale may give rise to an action for fraud.

TrueFalse

Save Answer

52.

(Points: 1)

Lyra induces Moe to enter into a contract for the sale of an apartment about which Lyra fraudulently misrepresents a number of material facts. Lyra tells Moe that her commission is 6 percent, but their signed, written contract states " 12 percent." The Statute of Frauds governs

- a. contracts that are induced by fraud.
- b. contracts that must be in writing to be enforceable.
- c. the admissibility in court of oral evidence.
- d. the reformation of oral and written statements into one contract.

Save Answer

53.

(Points: 1)

Andy and Biz Company (BC) enter into an oral contract under which Andy agrees to clean BC's office for two years. This contract is enforceable by

- a. Andy only.
- b. BC only.
- c. either party.
- d. neither party.

Save Answer

54.

(Points: 1)

Lola agrees to assume Mira's debt to New Sales Corporation. Lola does not get any personal benefit for the agreement. To be enforceable, the promise must be in writing if the debt is for

- a. \$50.
- b. \$500.
- c. \$5, 000.
- d. \$50, \$500, or \$5, 000.

Save Answer

55.

(Points: 1)

Uri and Vicky orally agree on the sale of Uri's Nite Club to Vicky and note terms on a pair of the Club's napkins, which they both sign. A written memorandum evidencing an oral contract that would otherwise be unenforceable must contain

- a. every term.
- b. the essential terms.
- c. the preliminary terms.
- d. the qualitative terms.

Save Answer

56.

(Points: 1)

Fact Pattern 15-1A

Macro Marketing, Inc., and National Food Corporation (NFC) discuss the terms of a contract. Macro then faxes NFC a memo on Macro's letterhead that summarizes the items on which they agreed, including a two-year term. NFC begins to perform, but Macro refuses to pay.

<https://assignbuster.com/tests-for-business-law/>

Refer to Fact Pattern 15-1A. Between Macro and NFC, there is

- a. an oral contract only.
- b. a pre-contract only.
- c. a written contract.
- d. no contract.

Save Answer

57.

(Points: 1)

Under the Statute of Frauds, a contract that is not in writing is void.

TrueFalse

Save Answer

58.

(Points: 1)

A contract involving property of any kind must be in writing to be enforceable.

TrueFalse

Save Answer

59.

(Points: 1)

A contract involving a lease is the only contract relating to an interest in land that must be in writing to be enforceable.

TrueFalse

Save Answer

60.

(Points: 1)

If a contract to do something in certain intervals over a period of less than

one year is not in writing, it is not enforceable.

TrueFalse

Save Answer

61.

(Points: 1)

All collateral promises must be in writing to be enforceable.

TrueFalse

Save Answer

62.

(Points: 1)

Frances has lived in an apartment for ten years when she decides to buy a house. Her one-year lease will end on May 1. On April 15, she orally contracts to buy Smith's house for \$100, 000, with the closing (transfer of the deed) to take place on June 1. Smith's lawyer, who is out of town on vacation, is to draft a written contract of sale on his return to his office on May 15. Because Frances's lease is terminating, Smith agrees to let her take possession of the house on May 1 if Frances gives him a "down payment" on the house of \$5, 000. Frances agrees and gives Smith the \$5, 000. She moves into the house on May 2, and the following weekend plants trees in the back yard. On May 10, Smith receives a written offer from Green to buy Smith's house for \$120, 000. Smith accepts Green's offer, asks Frances to move out of the house, and tries to return the \$5, 000 to Frances. Frances claims that she has an enforceable contract to buy the house. Smith claims that any such contract must be in writing to be enforceable under the Statute of Frauds. Who is correct and why

Paragraph

<https://assignbuster.com/tests-for-business-law/>

Insert equation

Please see the end.

63.

(Points: 1)

Musical Production Company and Nora enter into a contract for Nora to write six songs for which Musical agrees to pay her. Nora transfers her right to payment under the contract to Omni Entertainment Agency. Nora is

- a. a delegator.
- b. an assignor.
- c. a payor.
- d. a righter.

Save Answer

64.

(Points: 1)

Commercial Shipping, Inc., and Dock Services Corporation enter into a contract for Dock to load Commercial's trucks for which Commercial agrees to pay Dock. Dock transfers its duty to load the trucks to East Harbor Transport Company. Dock is

- a. a delegator.
- b. an assignor.
- c. a payor.
- d. a righter.

Save Answer

65.

(Points: 1)

Basil, a world-famous chef, signs a contract to give lessons in French cooking

<https://assignbuster.com/tests-for-business-law/>

to Marge. Basil wants to transfer his duties under the contract to Harv, the operator of a hot dog concession. The transfer is

- a. valid.
- b. valid only if Harv is a highly regarded barbecue chef.
- c. not valid because performance of the contract depends on Basil's unique skills.
- d. not valid only if Marge detests barbecued foods.

Save Answer

66.

(Points: 1)

Jen is a third party beneficiary under a contract between Kyla and Leo. Kyla and Leo can modify or rescind their contract without Jen's consent

- a. at any time.
- b. at no time.
- c. only after Jen's rights have vested.
- d. only before Jen's rights have vested.

Save Answer

67.

(Points: 1)

Dina and Elle agree that Elle can satisfy a preexisting debt owed to Dina by paying the money directly to Fava. The designation of this contract as a third party beneficiary contract is determined by the intent to benefit

- a. Dina, Elle, and Fava.
- b. Dina only.
- c. Elle only.
- d. Fava only.

Save Answer

68.

(Points: 1)

A transfer of contract rights to a third party is an obligator.

TrueFalse

Save Answer

69.

(Points: 1)

An assignment of a negotiable instrument is generally prohibited.

TrueFalse

Save Answer

70.

(Points: 1)

The assignment of the same contract right to two different parties results in their "splitting the difference."

TrueFalse

Save Answer

71.

(Points: 1)

Alienation is a transfer of contract rights between citizens of different nations.

TrueFalse

Save Answer

72.

(Points: 1)

A delegation relieves the party making it of the obligation to perform even if

the party to whom the duty is delegated fails to perform.

TrueFalse

Save Answer

73.

(Points: 1)

Lon enters into a contract to mine limestone in Mica's quarry, sell it, and share the profits on its sale with Mica. If the duties under this contract are discharged like those under most contracts, the duties will be

- a. assigned.
- b. breached.
- c. performed.
- d. rescinded.

Save Answer

74.

(Points: 1)

Safe-T Guard Services enters into a contract to secure Taylor's Business Park from vandalism and theft between 6 p. m. and 6 a. m. nightly for six months. At the end of the term, if there has been no vandalism or theft in the Park, Safe-T's performance will have been

- a. absolute.
- b. complete.
- c. conditional.
- d. substantial.

Save Answer

75.

(Points: 1)

Quality Contractors contracts to build a warehouse for Retail Sales Company.

Quality completely performs. Retail Storage is entitled to

- a. damages.
- b. rescission.
- c. specific performance.
- d. nothing more.

Save Answer

76.

(Points: 1)

Protective Finishes, Inc. (PFI), agrees to paint Quinn's house, using a particular brand of "discount" paint. PFI completes the job but uses a different brand of discounted paint. This is most likely

- a. a complete excuse for Quinn's refusal to pay.
- b. a material breach.
- c. complete performance.
- d. substantial performance.

Save Answer

77.

(Points: 1)

Fact Pattern 17-2A

Eve, who owns and operates Eve's Garden, agrees to sell Fresh Produce Company ten bushels of apples.

Refer to Fact Pattern 17-2A. A strike delays delivery of the apples by ten days. This circumstance

- a. breaches the contract.
- b. discharges the contract.

c. has no effect on the contract.

d. suspends the contract.

Save Answer

78.

(Points: 1)

When a condition operates to terminate a party's absolute promise to perform, it is a condition precedent.

TrueFalse

Save Answer

79.

(Points: 1)

Most contracts are discharged by rescission.

TrueFalse

Save Answer

80.

(Points: 1)

A condition subsequent must be met before a party's performance can be required.

TrueFalse

Save Answer

81.

(Points: 1)

A party who substantially performs his or her duties under a contract can enforce the contract against the other party.

TrueFalse

Save Answer

82.

(Points: 1)

Anticipatory repudiation discharges a contract.

TrueFalse

Save Answer

83.

(Points: 1)

Elin contracts to buy six cases of vintage Fertile Valley wine from Grapes & Vines Winery for \$1, 200. The contract states that delivery is to be made at Elin's residence " on or before May 1, to be used for daughter's wedding reception on May 2." On May 1, Grapes & Vines's delivery van is involved in an accident, and no wine is delivered that day. On the morning of May 2, Elin buys the wine from Happy Hill Winery. That afternoon, just before the reception, Grapes & Vines tenders delivery of the wine at Elin's residence. Elin refuses tender. Grapes & Vines sues Elin for breach of contract. How is the court most likely to rule

Paragraph

Insert equation

Please see the end for the answer.

84.

(Points: 1)

Handy Hardware Store agrees to hire Ilsa for one year at a salary of \$500 per week. When Handy cancels the contract, Ilsa spends \$100 to obtain a similar job that pays \$450 per week for a year. Ilsa is entitled to recover

- a. the amount of the wages that Handy promised only.
- b. the difference between the wages at the two jobs only.

<https://assignbuster.com/tests-for-business-law/>

- c. the difference between the wages at the two jobs plus \$100.
- d. \$100 only.

Save Answer

85.

(Points: 1)

Earl holds 1, 000 pounds of perishable fruit in storage for Fresh Food Corporation. Fresh Food does not pay for the storage. Earl sells the fruit to Green Grocers, Inc. This sale represents

- a. a breach of contract.
- b. a mitigation of damages.
- c. rescission and restitution.
- d. specific performance.

Save Answer

86.

(Points: 1)

Kris contracts to work exclusively for Little Manufacturing Company during May for \$5, 000. On April 30, Little cancels the contract. Kris finds another job during May but earns only \$3, 000. Kris files a suit against Little. As compensatory damages, Kris can recover

- a. \$3, 000.
- b. \$2, 000.
- c. \$1, 000.
- d. \$0.

Save Answer

87.

(Points: 1)

Drew contracts to sell a residential duplex to Evan. The contract provides that if Drew does not close the deal by September 15, he must pay Evan one-half of the contract price. This provision is not enforceable because it is

- a. a liquidated damages clause.
- b. a mitigation clause.
- c. a nominal damages clause.
- d. a penalty clause.

Save Answer

88.

(Points: 1)

A contract for a sale of land from United Properties, Inc., to Variety Investments Corporation contains an erroneous legal description. The most appropriate remedy for these parties is

- a. damages.
- b. reformation.
- c. rescission.
- d. specific performance.

Save Answer

89.

(Points: 1)

If a party breaches a contract, the other party can only refuse to perform.

TrueFalse

Save Answer

90.

(Points: 1)

In a contract for a sale of land, the usual remedy is specific performance.

<https://assignbuster.com/tests-for-business-law/>

TrueFalse

Save Answer

91.

(Points: 1)

Damages are awarded for whatever injury a nonbreaching party suffers, whether or not the breaching party could have foreseen the injury.

TrueFalse

Save Answer

92.

(Points: 1)

Reformation allows a court to rewrite a contract to reflect the parties' true intentions.

TrueFalse

Save Answer

93.

(Points: 1)

Whether a contract's limitation-of-liability clause will be enforced depends on the type of breach that the clause excuses.

TrueFalse

Save Answer

94.

(Points: 1)

Leo and Mona enter into a contract. A dispute later arises over a particular term. The law governing contracts requires that for that term to be given effect, both Leo and Mona must have read

a. all of the terms.

- b. at least the term in dispute.
- c. most of the terms, including the term in dispute.
- d. none of the terms.

Save Answer

95.

(Points: 1)

Deb buys a song through eSongs, an online music vendor. Before completing the purchase and downloading the song, Deb must agree to a provision not to make and sell copies of the song. This provision is

- a. a browse-wrap term.
- b. a click-on agreement.
- c. a shrink-wrap agreement.
- d. none of the choices.

Save Answer

96.

(Points: 1)

Uri and Vida enter into a contract in electronic form. Neither party prints out or signs a hard copy. Under Electronic Signatures in Global and National Commerce Act (E-SIGN Act), this contract can

- a. be denied effect because it is in electronic form.
- b. be denied effect because a hard copy has not been printed.
- c. be denied effect because a hard copy has not been signed.
- d. not be denied effect because it is in electronic form.

Save Answer

97.

(Points: 1)

<https://assignbuster.com/tests-for-business-law/>

Financial Services Corporation engages in an e-transaction with Greater Metro Bank over the Internet. The UETA

- a. does not support the transaction, but does create rules for it.
- b. does not support the transaction or create rules for it.
- c. supports the transaction and creates rules for it.
- d. supports the transaction, but does not create rules for it.

Save Answer

98.

(Points: 1)

Research Products, Inc., and Scientific Tools Corporation enter into a contract online in a state that has enacted a modified version of the UETA in which a procedure for the use of e-signatures is different from that provided in the E-SIGN Act. The alternative procedure is effective if it is

- a. consistent with the E-SIGN Act
- b. inconsistent with the E-SIGN Act.
- c. significantly different from the E-SIGN Act.
- d. sufficiently distinctive from the E-SIGN Act.

Save Answer

99.

(Points: 1)

A contract for a sale of software does not transfer ownership rights in the software to the buyer.

TrueFalse

Save Answer

100.

(Points: 1)

<https://assignbuster.com/tests-for-business-law/>

The terms in a click-on agreement may be enforced if the parties expressly agreed to them.

TrueFalse

Save Answer

101.

(Points: 1)

A shrink-wrap agreement may not be enforced if its terms are objectionable on grounds that apply to contracts in general.

TrueFalse

Save Answer

102.

(Points: 1)

With a partnering agreement, fraud is not a possibility.

TrueFalse

Save Answer

103.

(Points: 1)

The UETA does not create rules for e-transactions.

TrueFalse

Save Answer

Essay Questions

31. In May, Rolf agrees to work for Soda Sales Company at \$800 per week for a year beginning June 1. The following January, Tropical Beverages, Inc., offers Rolf the same work at \$900 per week. Rolf tells Soda about the offer. Soda offers to enter into a new contract with Rolf at \$875 per week. If Rolf agrees, is the new Soda contract enforceable Why or why not

The problem is, " if a buyer makes a written, signed offer to which a seller has only orally agreed, the agreement is not enforceable." 1 In this case, the contract with Soda would be enforceable because Rolf did not accept the deal from Tropical Beverages, Inc.

Additionally, the contract would have to be in writing and Rolf would have to sign it for it to be an enforceable contract.

62. Frances has lived in an apartment for ten years when she decides to buy a house. Her one-year lease will end on May 1. On April 15, she orally contracts to buy Smith's house for \$100, 000, with the closing (transfer of the deed) to take place on June1. Smith's lawyer, who is out of town on vacation, is to draft a written contract of sale on his return to his office on May 15. Because Frances's lease is terminating, Smith agrees to let her take possession of the house on May 1 if Frances gives him a " down payment" on the house of \$5, 000. Frances agrees and gives Smith the \$5, 000. She moves into the house on May 2, and the following weekend plants trees in the back yard. On May 10, Smith receives a written offer from Green to buy Smith's house for \$120, 000. Smith accepts Green's offer, asks Frances to move out of the house, and tries to return the \$5, 000 to Frances. Frances claims that she has an enforceable contract to buy the house. Smith claims that any such contract must be in writing to be enforceable under the Statute of Frauds. Who is correct and why

Frances is correct because a sum of money has already changed hands between Smith and Frances. If there were no exchange of finances signifying a deal had taken place, then Smith could argue that there was nothing holding him to a contract.

However, this was a quasi contract, which is implied and is enforceable.

<https://assignbuster.com/tests-for-business-law/>

83. Elin contracts to buy six cases of vintage Fertile Valley wine from Grapes & Vines Winery for \$1, 200. The contract states that delivery is to be made at Elin's residence " on or before May 1, to be used for daughter's wedding reception on May 2." On May 1, Grapes & Vines's delivery van is involved in an accident, and no wine is delivered that day. On the morning of May 2, Elin buys the wine from Happy Hill Winery. That afternoon, just before the reception, Grapes & Vines tenders delivery of the wine at Elin's residence. Elin refuses tender. Grapes & Vines sues Elin for breach of contract. How is the court most likely to rule

The court is most likely to rule in favor of Elin because the contract specifically stated that the wine was to be delivered on May 1st for the event which, indeed would take place on May 2nd. However, the fact that the wine was not delivered until the day of the wedding does not make Grapes & Vines Winery's late delivery any more valid.

Specifically, since Grapes & Vines Winery did not deliver the product at the as-stated time of May 1st, Grapes & Vines Winery committed a breach of contract. Therefore, Grapes & Vines Winery is liable for not having delivered what they said they would on time. As such, the winery will be defeated in court.

REFERENCES

Baer, Miriam J. The Statute of Frauds.

<http://www.ncrec.state.nc>

[us/bulletin/winter94bulletin/when_does_a_contract_become_enfo.htm](http://www.ncrec.state.nc/bulletin/winter94bulletin/when_does_a_contract_become_enfo.htm).

Retrieved 16 November 2009.