

GRADING OUTLINE

Contracts Midterm 2017

Question 1

Student number: _____

Issues:

Body of Law: UCC Article 2

Jones v. Smith

1. Offer by Smith on March 1 for unilateral contract? No consideration to make irrevocable.
2. March 3 – Jones commencing performance of unilateral contract by starting upholstery? Make irrevocable?
3. Smith learning of Brown's offer to Jones NOT an indirect revocation because Jones was offeree, not offeror.
4. Written note by Smith on March 15 – direct revocation, but only effective on receipt.
5. Oral direct revocation – too late if Jones accepted by performance.
6. Statute of Frauds – satisfied by cancellation note from Smith.

Smith v. Brown

1. \$40,000 offer by Brown. Not lapse at end of conversation.
2. Indirect revocation on March 15 when Smith learns Brown bought the Model A?
3. Statute of Frauds – nothing signed by Brown. No exceptions.

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Question 2

Student number: _____

Issues:

Body of Law- UCC

1. Offer by ICM on phone? Power of acceptance to Jones, but what about the creditworthiness approval clause in the catalogue?
2. catalogue provisions informational, or part of offer?
3. definite acceptance by Jones? Was price change just a request, or still negotiating? OK to have open price term.
4. if acceptance, what terms control?
 - Jones a merchant?
 - Warranty term different or additional? Impact?
 - Objection language if catalogue part of offer.
5. If no offer by ICM, then was Jones the offeror? If so, accepted by ICM on phone after receipt of the order? If so, what terms? Jones' term control, unless court says catalogue provisions become part of her offer by reference.