

**LAW 7107-01: CONTRACTS I**  
**MIDTERM EXAMINATION, FALL 2012**

**Prof. Tom W. Bell**

Tuesday October 9, 1:15 p.m. to 2:30 p.m.

Please write your exam number here: \_\_\_\_\_ and turn in this exam with your answers. If you fail to turn in your exam you may forfeit some or all of your grade.

This exam consists of 10 multiple-choice questions and two essay questions. The multiple-choice section is closed book and counts for 3/8ths of your grade for this exam. You have 18 minutes to complete that section, or an average of 1.8 minutes per question. Indicate the one best answer to each multiple-choice question by filling in your Scantron sheet as directed. Even if you finish the multiple-choice questions early, you may not start on the essay section until directed to do so.

The essay section is partial open book. You may use your casebook, any material that I or the academic fellow handed out for the course, and any notes that you or your study group prepared. You may not use other materials, such as nutshells or commercial outlines. The essay section counts for 5/8ths of your grade for this exam and you have 30 minutes to complete it. You may not begin working on the essay section until directed to do so. Before you begin writing any essay answer you should read the question carefully and note both which issues you need to address and the form in which you should address them. Good organization and writing may improve your grade.

If using a bluebook, write on only one side of each page, on every other line. If you use more than one bluebook, number them so that I can follow their intended sequence. Please write clearly. I cannot grade what I cannot understand.

Unless otherwise indicated, all events described below take place in a generic common law jurisdiction that has enacted the typical statutes. If you think it necessary to assume an unstated fact in order to answer an essay question you may do so, but you should clearly indicate that you are making an assumption and briefly explain why you consider it reasonable to do so.

If you have any procedural questions about taking this exam, please contact the Registrar.

Do not turn the page until told to begin the exam.

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### **Multiple Choice Questions**

3/8ths of exam's total grade  
(maximum time: 18 minutes, or 1.8 minutes/question)

[redacted]

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### **Essay Question 1**

1/8<sup>th</sup> of exam's total grade  
(suggested time: 6 minutes)

Section 2-207 of the Uniform Commercial Code includes two types of provisions: Those relating to the formation of a contract and those relating to the terms of a contract. The first clause of § 2-207(1) relates solely to formation, for example, as it tells us that an acceptance or written confirmation operates as an acceptance even if it states terms additional to or different from those offered or agreed to. That tells us whether a contract exists—not what the contract's terms are.

Apply a similar analysis to the rest of § 2-207, explaining whether each section or clause relates to formation or terms and why you classify it as such.

## Essay Question 2

1/2 of exam's total grade  
(suggested time: 24 minutes)

Uke ran an ad in the local newspaper that read: “Want to learn how to play the ukulele? One-on-one lessons for just \$60/hour! Special this month: Free lei with first lesson. Ukemeister@umail.com.”

Sarah saw the ad and wrote an email to Uke reading: “I would like to sign up for a ukulele lesson. Can we meet next Tuesday at 10 am, in Luna Beach?”

Uke replied to Sarah, “Thanks for your interest! That’s a long drive for me; can we meet at the Wayland Beach pier?”

Sarah replied: “That would be great! I work right across the street, so I can meet you before I start my shift. See you Tuesday at 10 at the WB pier!”

Uke replied: “Super. I might be a little late; WB traffic can get pretty thick on weekday mornings.”

Sarah showed up at the Wayland Beach pier at 10 am on Tuesday morning. She waited for 15 minutes before Uke showed up. “Sorry I’m late,” he said, “but I was tied up trying to find a lei. The flower shop where I usually buy leis was all out and nobody else had one.”

Sarah, exasperated, said, “OK, but I can only take a 45-minute lesson. I have to stop at 11 so I can get to work on time. Here’s a check for \$45—same as the \$1/minute you charge for an hour’s lesson.”

Uke didn’t take the check. “Uh, sorry, but I have to charge \$60 to cover my gas. And I don’t take personal checks—cash, only, please.”

Sarah didn’t have any cash, didn’t want to pay \$60, and was annoyed about Uke showing up late and without a lei. The two fell to arguing and parted without exchanging lessons or money. Setting aside the silliness of suing over so trivial a dispute, describe the rights and remedies of the parties under contract law.