|  |
| --- |
| *Indicate whether the statement is true or false.* |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 1. ​Under the Statute of Frauds, any contract that is not in writing is void.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 2. ​Every state has a statute that stipulates what types of contracts must be in writing.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 3. A contract that is oral when it is required to be in writing is normally void.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 4. The primary purpose of the Statute of Frauds is to ensure that all parties to a contract understand all the terms of the contract.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 5. ​Under the Statute of Frauds, all contracts must be in writing to be enforceable.​

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 6. A contract must be in writing to be enforceable if it makes performance possible only over a period of more than one year.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 7. A contract must be in writing to be enforceable if the contract makes per-formance possible within any definite period of time.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 8. ​A contract involving property of any kind must be in writing to be enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 9. An oral contract for a transfer of land is always enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 10. A written contract for a transfer of land is usually enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 11. The Statute of Frauds operates as a defense to the enforcement of *any* contract for the sale of land.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 12. Under the Statute of Frauds, physical objects that are permanently attached to land, such as buildings, growing crops, and minerals, are treated as real property.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 13. A contract must be in writing to be enforceable unless its performance is impossible within one year.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 14. All collateral promises must be in writing to be enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 15. A *primary obligation* is a promise to pay another’s debt only if that party fails to pay.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 16. A contract in which a party assumes a *primary* obligation must be in writing to be enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 17. A contract in which a party assumes a *secondary* obligation must be in writing to be enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 18. Prenuptial agreements are agreements made during a wedding ceremony that define each partner’s duties to one another during the marriage.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 19. To be enforceable, a contract for a sale of goods priced at $500 or more should be in writing.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 20. A prenuptial agreement must be in writing to be enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 21. Written evidence or an electronic record of a contract for a sale of goods priced at $50 or more is required.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 22. A party’s oral agreement to pay another’s debt is never enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 23. There are exceptions to the Statute of Frauds.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 24. An oral contract for a sale of land can sometimesbe enforced if partial performance has taken place.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 25. If a party against whom enforcement of an oral contract is sought admits under oath that a contract for sale was made, the contract will be enforceable.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 26. In some states, an otherwise unenforceable oral contract may be enforced under the doctrine of promissory estoppel.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 27. An oral contract may be enforceable if the person making the promise could foresee that the promisee would rely on the promise.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 28. An oral contract may be enforceable if there is no way to avoid injustice except to enforce the promise.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 29. To be enforceable, a memorandum evidencing an oral contract must include all essential terms.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 30. To be enforceable, a writing evidencing an oral contract must have been signed by the party who seeks to enforce it.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 31. Evidence of *prioragreements* that differ from the written terms of a con-tract can be introduced in court to alter the contract.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 32. Parol evidence includes testimony about communications between the parties that are not contained in the contract itself.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 33. Oral evidence to “fill in the gaps” of a contract with incomplete terms can be introduced at a trial.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 34. An integrated contract is the final embodiment of the terms of an agreement.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 35. An integrated contract is a contract with more than one subject or part.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

 |

|  |
| --- |
| *Indicate the answer choice that best completes the statement or answers the question.* |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 36. ​Grant and Hester enter into a con-tract for a sale of Hester’s Pastoral Valley Orchard.This contract

|  |  |  |
| --- | --- | --- |
|   | a.  | ​is prohibited. |
|   | b.  | ​must be oral to be enforceable. |
|   | c.  | ​must be in writing to be enforceable. |
|   | d.  | ​must be oral and in writing to be enforceable. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 37. ​Representatives of Chemico, Inc., and Petro Products Corporation orallyagree that Chemicowill sell a chemical refinery and the land on which it is situated to Petro. Under the Statute of Frauds, this deal is enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | Chemico. |
|   | b.  | ​Petro. |
|   | c.  | ​anypotentially interested third party, such as a bank or a title company. |
|   | d.  | ​none of the choices. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 38. ​Del’s Granola Company enters into a contract to buy one hundred pounds of almonds from Earth Grove Farms. The contract must be in writing if the almonds cost

|  |  |  |
| --- | --- | --- |
|   | a.  | $50. |
|   | b.  | ​$150. |
|   | c.  | ​$250. |
|   | d.  | $500. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 39. ​Larue buys an iPod for $150 and a new laptop for $1,200, and signs a one-year employment contract for a $4,800 monthly salary to start at the beginning of the next month. The Statute of Frauds covers

|  |  |  |
| --- | --- | --- |
|   | a.  | the employment contract, and the laptop and iPod purchases. |
|   | b.  | ​the employment contract and the laptop purchase only. |
|   | c.  | the employment contract only. |
|   | d.  | the laptop and iPod purchases only. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 40. ​Air Flo, Inc., and Banyan Grove Apartments enter into an oral contract in which Air Flo agrees to provide air-conditioning and heating maintenance for Banyan Grove’s facilities for two years. This contract is enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | Air Flo. |
|   | b.  | Banyan Grove. |
|   | c.  | any third party, such as a HVAC supplies provider. |
|   | d.  | none of the choices. |

 |

|  |
| --- |
| ​Millet Grains Cooperative and Corn Cereals, Inc., discuss the terms of a contract for periodic deliveries of corn. Millet Grains then faxes Corn Cereals a memo on Millet Grains’s letterhead that summarizes the points on which they agreed, including a two-year term. Millet Grains begins to perform, and Corn Cereals accepts the deliveries but refuses to pay. |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 41. ​Refer to Fact Pattern 15–1.The transaction between Millet Grains and Corn Cereals falls within the provision of the Statute of Frauds involving

|  |  |  |
| --- | --- | --- |
|   | a.  | collateral promises. |
|   | b.  | the one-year rule. |
|   | c.  | parol evidence. |
|   | d.  | integrated contracts. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 42. ​Refer to Fact Pattern 15–1.Between Millet Grains and Corn Cereals, this contract is most likely enforceable against

|  |  |  |
| --- | --- | --- |
|   | a.  | neither party. |
|   | b.  | Millet Grains only. |
|   | c.  | Corn Cereals only. |
|   | d.  | Millet Grains and Corn Cerealsto the extent of the performance. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 43. ​Refer to Fact Pattern 15–1.Between Millet Grains and Corn Cereals, there is

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

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 44. ActioNOW and Becca enter into an oral contract in which Becca agrees to work on a project for ActioNOW’s Living Opportunities Center for eighteen months. This contract is enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | ActioNOW. |
|   | b.  | Becca. |
|   | c.  | any third party, such as ActioNOW’s clients. |
|   | d.  | none of the choices. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 45. Colette and Dealership Auto Sales Company enter into an oral contract under which Dealership Auto agrees to provide Colette with lifetime employment. This contract may be enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | Colette only. |
|   | b.  | Dealership Auto only. |
|   | c.  | any interested third party, such as a Dealership Auto customer. |
|   | d.  | either Colette or Dealership Auto. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 46. Guardian Security, Inc., and Hedge Fund Corporation enter into an oral contract under which Guardian Security agrees to provide security services for Hedge Fund offices for as long as Hedge Fund needs them. This contract may be enforce-able by

|  |  |  |
| --- | --- | --- |
|   | a.  | Guardian Security only. |
|   | b.  | Hedge Fund only. |
|   | c.  | any interested third party, such as a Hedge Fund shareholder. |
|   | d.  | either Guardian Security or Hedge Fund. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 47. Ed and Four Star Company enter into an oral contract under which Ed agrees to provide delivery service for Four Star for nine months. This contract is enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | Ed only. |
|   | b.  | either party. |
|   | c.  | First Star only. |
|   | d.  | neither party. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 48. On Monday, Merlin buys a tablet for $500 from a Pads & Pods store. On Tuesday, he returns to the store and buys a GPS device for $200. On Wednesday, he downloads $100 worth of tunes from singsong.com. To be enforceable, the contract must be in writing for the purchase of

|  |  |  |
| --- | --- | --- |
|   | a.  | the tunes, the GPS device, and the tablet. |
|   | b.  | the GPS device and the tablet only. |
|   | c.  | the tablet only. |
|   | d.  | the tunes only. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 49. Elaine offers Francie$1 millionto invest in a start-up business venture if Francie marries Elaine’s son Guinn. This promise is enforceable

|  |  |  |
| --- | --- | --- |
|   | a.  | only if it is in writing. |
|   | b.  | only if the venture is not likely to succeed or fail within one year |
|   | c.  | ​only if Guinn agrees to marry Francie. |
|   | d.  | under no circumstances. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 50. Dick’s Burgers n’ Shakes enters into an oral contract with Restaurant Equipment Warehouse (REW) for REW’s sale to Dick’s of a single-spindle milkshake mixer for $300. Assuming the terms can be proved, the con-tract is enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | REW or Dick’s. |
|   | b.  | the maker of the mixer. |
|   | c.  | ​anypotentially interested third party, such as one of Dick’s suppliers. |
|   | d.  | all of the choices. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 51. Retail Sales Company and Standard Purchasing Corporation enter into a contract for a sale of goods.To be enforceable, the contract should be in writing if the goods are valued at more than

|  |  |  |
| --- | --- | --- |
|   | a.  | $5. |
|   | b.  | $15. |
|   | c.  | ​$50. |
|   | d.  | $500. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 52. Whitewater Canyon Adventures, Inc., and Xtra Overstock Company enter into an oral contract for Xtra’s sale to Whitewater of five rafts for $2,000 each. Before Whitewater takes possession of the rafts, this contract is enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | Whitewater or Xtra. |
|   | b.  | the maker of the rafts. |
|   | c.  | ​anypotentially interested third party, such as a Whitewater tour guide. |
|   | d.  | none of the choices. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 53. Walt promises to pay for orthodontist services provided by Orson to Joyce. Walt does not receive any personal benefit for the promise. To be enforceable, the prom-ise must be in writing if

|  |  |  |
| --- | --- | --- |
|   | a.  | Walt promises to pay only if Joyce does not pay. |
|   | b.  | Walt assumes direct financial responsibility for the cost. |
|   | c.  | ​Orson’s services will be provided in installments with a separate payment for each installment. |
|   | d.  | a different orthodontist will perform some of the services. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 54. Abner tells a representative of Brass & Woodwind Musical Instruments, Inc., that he will pay for Claudia’s trumpet if she does not. Abner does not secure any personal benefit for this promise. Abner’s oral promise is enforceable as a contract by

|  |  |  |
| --- | --- | --- |
|   | a.  | Brass & Woodwind Musical Instruments, Inc. |
|   | b.  | Claudia. |
|   | c.  | ​Abner. |
|   | d.  | none of the choices. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 55. Sharon agrees to assume a debt owed by Tom’s Guitars Inc. to United Funds Bank.The agreement is not in writing. To be enforceable under the “main purpose” rule, the promise must be for the benefit of

|  |  |  |
| --- | --- | --- |
|   | a.  | any party. |
|   | b.  | Sharon. |
|   | c.  | ​Tom’s Guitars. |
|   | d.  | United Funds. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 56. David agrees to assume the debt of eDotCom Company to Fidelity Bank.The agreement is not in writing. To be enforceable, the promise must be for the benefit of

|  |  |  |
| --- | --- | --- |
|   | a.  | any of the choices. |
|   | b.  | David. |
|   | c.  | ​eDotCom. |
|   | d.  | Fidelity. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 57. Wild Rides Park owes both RollercoasterRepair, Inc. and Hot Dog Harry money. RollercoasterRepair orally agrees to assume Wild Rides’s debt to Hot Dog Harry to prevent Hot Dog Harry from filing suit against Wild Rides. This contract is enforceable by

|  |  |  |
| --- | --- | --- |
|   | a.  | no party. |
|   | b.  | any party. |
|   | c.  | ​Wild Rides only. |
|   | d.  | RollercoasterRepair only. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 58. Physicians Clinic orders by phone seven boxes of single-use latex gloves from Quality Medical Supplies, Inc. After three boxes are delivered and accepted, Physicians Clinic repudiates the contract. Quality Medical can enforce the contract to

|  |  |  |
| --- | --- | --- |
|   | a.  | any extent because the order was placed orally. |
|   | b.  | no extent because the order was placed orally. |
|   | c.  | the extent of the three accepted boxes. |
|   | d.  | the extent of the four undelivered boxes. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 59. Daisy files a suit against Elton to enforce an oral contract that would otherwise be unenforceable under the Statute of Frauds. The court could enforce such a contract if

|  |  |  |
| --- | --- | --- |
|   | a.  | Daisy foreseeably and justifiably relied on Elton’s promise to her detriment. |
|   | b.  | Elton denies the existence of any contract. |
|   | c.  | neither party has begun to perform. |
|   | d.  | the deal does not involve customized goods. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 60. Hal’s Hardware Stores and Ideal Tools, Inc., sign a written contract for a sale of goods. To be enforceable, this written contract must include

|  |  |  |
| --- | --- | --- |
|   | a.  | a correct title, such as “Purchase Order” or “Sales Invoice.” |
|   | b.  | a date, such as “October 2014” or “10/2014.” |
|   | c.  | a quantity term, such as “50 hammers” or “100 boxes of assorted nails.” |
|   | d.  | the parties’ contact information. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 61. Macro Marketing, Inc., and Nature Foods Corporation (NFC) discuss the terms of a contract. Macro faxes NFC a memo on Macro’s letterhead that summarizes the items on which they agree. NFC begins to perform, but Macro refuses to pay. Between Macro and NFC, the memo is

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

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 62. Lucas orally agrees to sell his Mountain Spring Beverage Company to Natural Soft Drinks, Inc. Lucas notes the terms on a sheet of Mountain Spring stationery and signs it. This agreement is most likely enforceable against

|  |  |  |
| --- | --- | --- |
|   | a.  | no one. |
|   | b.  | Lucas and Natural Soft Drinks. |
|   | c.  | Lucas. |
|   | d.  | Natural Soft Drinks. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 63. Stylish Corporation and Trends, Inc., enter into a contract. The terms are put in writing. To be enforceable as a contract, the writing must include

|  |  |  |
| --- | --- | --- |
|   | a.  | no particular signatures. |
|   | b.  | the signatures of all parties to the deal. |
|   | c.  | the signature of the party against whom enforcement is sought. |
|   | d.  | ​the signature of the party who is seeking enforcement. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 64. Don and Etta orally agree on the sale of Don’s Electrical Supplies Company to Etta and jot down the terms on the back of one of Don’s blank invoices, 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. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 65. Ranchland Properties and Prairie State Investments sign a writ-ten contract for a sale of land. In some states, to be enforceable, this con-tract must include

|  |  |  |
| --- | --- | --- |
|   | a.  | a correct title, such as “Land Transfer” or “Real Estate Agreement.” |
|   | b.  | a declaration of the contract’s purpose. |
|   | c.  | a statement of the source of financing. |
|   | d.  | a description of the land. |

 |

|  |
| --- |
| Kelly and Lauren sign a written contract for the sale of Kelly’s Koffee Kiosk to Lauren. The parties intend their written contract to be a final statement of the terms of their agreement. |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 66. Refer to Fact Pattern 15-2.Lauren later disputes some of the provisions of the deal with Kelly. If the dispute results in litigation, a court will most likely *exclude* evidence that

|  |  |  |
| --- | --- | --- |
|   | a.  | supports the written terms. |
|   | b.  | contradicts the written terms. |
|   | c.  | duplicates the written terms. |
|   | d.  | ​reinforces the written terms. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 67. Refer to Fact Pattern 15-2. The writing that Kelly and Lauren signed is a contract that is

|  |  |  |
| --- | --- | --- |
|   | a.  | agreeably integrated. |
|   | b.  | conditionally integrated. |
|   | c.  | entirely integrated. |
|   | d.  | partially integrated. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 68. Ulrich files a suit against Vern to enforce a written con-tract. If the court finds that the parties intended the contract to be the final statement of their agreement, parol evidence can be admitted to prove

|  |  |  |
| --- | --- | --- |
|   | a.  | an orally agreed-on condition precedent. |
|   | b.  | ​terms discussed before the contract but not contained in it. |
|   | c.  | terms discussed at the time of the contract that contradict the written terms. |
|   | d.  | none of the choices. |

 |

|  |
| --- |
| Odell and Paula sign a contract for the sale of Odell’s Pub & Grub Café to Paula. The parties intend their written contract to be a final statement of most, but not all, of the terms of their agreement—Odell must first buy the building from Quin, after which Odell and Paula will negotiate a final price.​ |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 69. Refer to Fact Pattern 15-3. Paula later disputes some of the provisions of the deal with Odell. If the dispute results in litigation, a court will most likely admit evidence of additional terms that are

|  |  |  |
| --- | --- | --- |
|   | a.  | ambiguous. |
|   | b.  | consistent. |
|   | c.  | contradictory. |
|   | d.  | clear. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 70. Refer to Fact Pattern 15-3. The writing that Odell and Paula signed is a contract that is

|  |  |  |
| --- | --- | --- |
|   | a.  | completely integrated. |
|   | b.  | conditionally integrated. |
|   | c.  | partially integrated. |
|   | d.  | separably integrated. |

 |

|  |
| --- |
|  |

|  |
| --- |
| 71. Waterfront Hotels Corporation in Boston offers a job to Carol, who lives in Denver. Carol orally agrees to work for Waterfront for two years. She moves her family to Boston and begins work. Three months later, she is fired for no stated cause. She files a suit against the employer for rein-statement or pay. Waterfront pleads the lack of a written con-tract. In whose favor is the court likely to rule, and why? |

|  |
| --- |
| 72. In a transaction for the sale of a warehouse, Standard Storage Company tells TriCounty Investment Corporation that the office furniture is included. The contract says nothing about office furniture, but does state, “This document supersedes all oral promises relating to the sale.” Is the furniture part of the sale? Why or why not? |

**Answer Key**

|  |
| --- |
| 1. False |

|  |
| --- |
| 2. True |

|  |
| --- |
| 3. False |

|  |
| --- |
| 4. False |

|  |
| --- |
| 5. False |

|  |
| --- |
| 6. True |

|  |
| --- |
| 7. False |

|  |
| --- |
| 8. False |

|  |
| --- |
| 9. False |

|  |
| --- |
| 10. True |

|  |
| --- |
| 11. False |

|  |
| --- |
| 12. True |

|  |
| --- |
| 13. False |

|  |
| --- |
| 14. False |

|  |
| --- |
| 15. False |

|  |
| --- |
| 16. False |

|  |
| --- |
| 17. True |

|  |
| --- |
| 18. False |

|  |
| --- |
| 19. True |

|  |
| --- |
| 20. True |

|  |
| --- |
| 21. False |

|  |
| --- |
| 22. False |

|  |
| --- |
| 23. True |

|  |
| --- |
| 24. True |

|  |
| --- |
| 25. True |

|  |
| --- |
| 26. True |

|  |
| --- |
| 27. True |

|  |
| --- |
| 28. True |

|  |
| --- |
| 29. True |

|  |
| --- |
| 30. False |

|  |
| --- |
| 31. False |

|  |
| --- |
| 32. True |

|  |
| --- |
| 33. True |

|  |
| --- |
| 34. True |

|  |
| --- |
| 35. False |

|  |
| --- |
| 36. c |

|  |
| --- |
| 37. d |

|  |
| --- |
| 38. d |

|  |
| --- |
| 39. b |

|  |
| --- |
| 40. d |

|  |
| --- |
| 41. b |

|  |
| --- |
| 42. d |

|  |
| --- |
| 43. c |

|  |
| --- |
| 44. d |

|  |
| --- |
| 45. d |

|  |
| --- |
| 46. d |

|  |
| --- |
| 47. b |

|  |
| --- |
| 48. c |

|  |
| --- |
| 49. a |

|  |
| --- |
| 50. a |

|  |
| --- |
| 51. d |

|  |
| --- |
| 52. d |

|  |
| --- |
| 53. a |

|  |
| --- |
| 54. d |

|  |
| --- |
| 55. b |

|  |
| --- |
| 56. b |

|  |
| --- |
| 57. b |

|  |
| --- |
| 58. c |

|  |
| --- |
| 59. a |

|  |
| --- |
| 60. c |

|  |
| --- |
| 61. c |

|  |
| --- |
| 62. c |

|  |
| --- |
| 63. c |

|  |
| --- |
| 64. b |

|  |
| --- |
| 65. d |

|  |
| --- |
| 66. b |

|  |
| --- |
| 67. a |

|  |
| --- |
| 68. a |

|  |
| --- |
| 69. b |

|  |
| --- |
| 70. c |

|  |
| --- |
| 71. ​The court might conclude that under the doctrine of promissory estoppel, the employer is estopped from claiming the lack of a written contract as a defense. This oral contract may be enforced because the em-ployer made a promise on which the employee justifiably relied in mov-ing, the reliance was foreseeable, and injustice can be avoided only by en-forcing the promise. If the court strictly enforces the Statute of Frauds, however, the employee may be without a remedy because a con-tract that cannot be performed within one year from the day after its making must be in writing to be enforceable. |

|  |
| --- |
| 72. No, the furniture is not part of this deal. Under the parol evidence rule, if a writing that is integrated, or constitutes the parties’ entire agreement, includes a clause that no oral statements are incorpo-rated, then no evidence of prior negotiations, prior agreements, or contemporaneous oral statements may be used to change the terms. In other words, a party cannot introduce in court evidence of any contradictory negotiation or agreement that occurred before the contract was formed or any contradictory oral agreements that were made at the time the contract was formed. Thus, here, the fact that the written contract did not mention the furniture and the clause in the document stated it superseded any oral promises means that the parties do not have a deal for the furniture. |