LESSON 13—1 QUIZ

Legal Concepts

Directions: Fill in the blank(s) with the most appropriate term or phrase to complete the sentence.

1. A(n) _____?_____ occurs when the buyer delivers the agreed price and the seller accepts it.

2. A(n)_____?_____ is a person or company who sells goods.

3. A contract may be declared ____?____ if it contains any grossly unfair clauses.

4. A(n)_____?_____ is a contract that involves the immediate transfer of goods from the seller to the buyer for a set price.

5. A(n)_____?_____ is a receipt that serves as a written evidence of the transfer of ownership of goods.

6. A person who purchases goods is a(n) _____?_____.

7. A(n)_____?_____ occurs when the transfer of goods will take place in the future.

8. Tangible, movable, personal property such as clothing or food is called ____?_____.

9. Two parties _____?_____ when they exchange goods for goods.

10. ____?_____ is the consideration for a sale.

Answers

1. __________

2. __________

3. __________

4. __________

5. __________

6. __________

7. __________

8. __________

9. __________

10. __________

Legal Applications

11. While on their two-week honeymoon, Keith and Regina stayed at a hotel where the nightly rate was $65. They bought two rolls of film and a battery for $19.95 at a tourist shop. Keith took some of their clothes to Imperial Cleaners and agreed to pay $45 to have them cleaned. Regina traded one of her bracelets for a hand-carved wooden giraffe. Do any of these transactions qualify as a sale? Explain your answer.
LESSON 13—1 RETEACH

Directions: Find and shade in the answer to each question in the table and then write each answer in the answer column. Write the remaining unshaded letters in order from left to right to reveal a statement about claims.

Answers

1. What kind of a contract is grossly unfair? 1._______________________
2. What are contracts that involve the immediate transfer of goods from the seller to the buyer? 2._______________________
3. What is a receipt that serves as evidence of a transfer of ownership of goods? 3._______________________
4. What transaction occurs when the buyer delivers the agreed price and the seller accepts it? 4._______________________
5. What is a person or company who sells goods called? 5._______________________
6. What is a person or company who purchases goods called? 6._______________________
7. What transaction involves a transfer of goods in the future? 7._______________________
8. What kind of transaction involves an exchange of goods? 8._______________________
9. What is tangible, movable, personal property called? 9._______________________
10. What is the consideration for a sale? 10._______________________

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Chapter 13 Sales Contracts 3-3
LESSON 13—2 QUIZ

Legal Concepts

Directions: Place a Y for Yes or an N for No in the Answers column to indicate the correct answer.

1. Are oral sales contracts usually enforceable in court? 1. ____
2. Can either party breach a contract? 2. ____
3. Do all the terms of a sales contract have to be in writing to satisfy the Statute of Frauds? 3. ____
4. Is a contract enforceable beyond the stated number or quantity of goods? 4. ____
5. Is the signature of the suing party sufficient to prove a sales contract between merchants? 5. ____
6. Does the receiving of goods automatically make an oral contract binding under the Statute of Frauds? 6. ____
7. Can a buyer accept goods by simply using them? 7. ____
8. Is an oral contract always enforceable in full, when the seller has accepted partial payment for the goods? 8. ____
9. Can an oral contract for non-salable goods be enforced if the seller has not yet begun to manufacture them? 9. ____
10. If a contract involves goods that are indivisible, can it be enforced in full? 10. ____

Legal Application

11. Julie Cigna went to Humble’s Decorating Center and orally ordered 20 boxes of ceramic tile for an apartment complex she owns. Each box is worth $150. Julie paid for 3 of the boxes and took them home to begin installation. The remaining boxes are to be delivered the following week. Julie decided that the color of the tile was not compatible with the walls in some of the apartments. She is willing to accept and pay for only 7 additional boxes of tile. Can Humble’s force Julie to pay for the remaining 10 boxes of tile? Explain your answer. Attach an additional page, if necessary.
LESSON 13—2 RETEACH

Directions: Circle the answers to each question in the puzzle below. Answers may appear in horizontal or vertical form. They may also be written backwards or from the bottom of the puzzle to the top.

1. What rule holds the sale of goods for $500 or more must be evidenced by writing in order to be enforceable in court?
2. What must be stated about goods for a contract to be enforced?
3. What group of sellers are governed by a variation in the Statute of Frauds?
4. How many days does a merchant have to send a written objection to a confirmation of an oral contract with another merchant?
5. What can a buyer do to goods, other than use or consume them, that shows his or her acceptance of them?
6. What must a buyer do in addition to receiving goods to be bound by the contract?
7. Is the signature of the suing or the sued party necessary to enforce a contract between merchants?
8. What are goods called when they are not suitable for sale to others?
9. What kind of payment to the seller causes a contract to be completely enforceable?
10. What rule holds the sale of goods for $500 or more must be evidenced by a writing in order to be enforceable in court?
CHAPTER 13

TEST

SECTION I—IDENTIFY LEGAL TERMS
Directions: Place a T for True or an F for False in the Answers column to show whether each of the following statements is true or false.

1. A contract in which ownership of goods transfers immediately from the seller to the buyer for a price is a contract to sell. 1. _____
2. When parties exchange goods for goods, the sale is a barter. 2. _____
3. The Uniform Commercial Code (UCC) governs sales of goods and contracts to sell goods in the future. 3. _____
4. By the UCC definition, all money and tangible (touchable), movable, personal property are goods. 4. _____
5. The bill of sale is absolute proof of ownership. 5. _____
6. Contracts of adhesion are more likely to be unconscionable. 6. _____
7. When ownership transfers from one party to another, so do the use and enjoyment of the property. 7. _____
8. Casual sellers are also considered merchants. 8. _____
9. Between merchants, the signature of the party who is suing may suffice to prove an otherwise unenforceable sales contract. 9. _____
10. An oral contract is binding when the goods are received. 10. _____

Answers

SECTION II—THINK CRITICALLY ABOUT LEGAL CONCEPTS
Directions: In the Answers column at the right of each statement, write the letter that represents the word, or group of words, that correctly completes the statement.

11. Consideration for a sale or contract to sell goods may be expressed in (a) barter, (b) price, (c) services, (d) all of these. 11. _____

Answers
12. According to the UCC, goods do not include (a) books and clothing, (b) dogs, (c) patents and copyrights, (d) all of these.

13. Acceptance of goods occurs when (a) the goods are used or resold, (b) the buyer has agreed by words or conduct that the goods received are satisfactory, (c) the buyer fails to reject the goods within a reasonable length of time, (d) all of these.

14. When both parties are merchants, a new term inserted by the offeree automatically becomes part of the contract if (a) the offeror fails to object within a reasonable time, (b) the goods are accepted by the buyer, (c) delivery is made, (d) all of these.

15. Unconscionable contracts are (a) criminal in nature, (b) null and void, (c) unethical, (d) all of these.

16. If a new term inserted into the contract by the offeree is material, it is included in the contract (a) if the offeror doesn’t notice it, (b) if the offeree thinks the offeror won’t mind, (c) if the offeror fails to object within a reasonable time, (d) only if the original offeror expressly shows an intention to be bound by it.

17. Casual sellers (a) may be required to be licensed, (b) only sell occasionally, (c) only sell casual items, (d) are usually subjected to special taxation.

18. Sales contracts are valid and enforceable in court if they are (a) written, (b) oral, (c) implied from the conduct of the parties, (d) all of these.

19. A seller can enforce an oral contract for nonsalable goods if (a) goods from third parties have been contracted, (b) manufacturing has substantially begun, (c) both a and b, (d) none of these.

20. If a party admits in legal testimony that he or she agreed to part or all of an oral contract governed by the Statute of Frauds, the contract would be (a) binding to the extent admitted, (b) null and void, (c) rewritten and signed by both parties, (d) none of these.