



Contracts Final Exam

(Law 402, Section 1003)

Eric Goldman

Marquette University Law School

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This exam has 3 questions with a total time limit of 3½ hours. Question 1 (75 minutes) is worth 50% of the final score, Question 2 (45 minutes) is worth 30% of the final score, and Question 3 (30 minutes) is worth 20% of the final score. You should allocate your time accordingly. The total time limit includes 60 minutes of discretionary time to use for transportation, printing, unforeseen delays or whatever you'd like (but please, not to spew unorganized thoughts!).

This is a “take-home” exam, meaning that you can take the exam anywhere you like. For your convenience, I have reserved Room 325 for using laptops, Room 319 for handwriting exams, and the Miller computer lab for using the school's desktop computers. However, you are free to take the exam in the library, another classroom or outside the law school.

You must return the exam to my office (Room 110) or by email (see below) by 4:30 pm Central time. www.time.gov provides the official time for the exam. Because I have already given you ample discretionary time for unforeseen problems, **THERE IS NO ADDITIONAL GRACE PERIOD—NOT EVEN ONE MINUTE. I DO NOT INTEND TO GRADE LATE EXAMS. NO EXCUSES!**

This is an “open book” exam, meaning that you may use any written material you want. However, during the exam, you may not communicate about the exam or your answer with anyone (orally, electronically or otherwise).

If you use a computer:

- You may return your answer by delivering a printed copy to me in Room 110 or by emailing it to Carrie at carrie.kratochvil@marquette.edu. Include page numbers and your exam number on every page of your exam, but do not otherwise include any information that would identify yourself in the exam.
- If you email Carrie your answer, your answer is not received until your exam is in her inbox *and* she can successfully open and print the file using Microsoft Word for Windows 2000. She will reply as promptly as she can to confirm that she can print your answer, in which case her reply email confirms receipt of your exam. However, if you have not promptly received a reply from her, I expect you to take all necessary steps to turn in your answer before the deadline. You can reach me by phone at (414) 288-5232.
- **NO TIME EXTENSIONS WILL BE GIVEN DUE TO COMPUTER, EQUIPMENT OR POWER FAILURES, BECAUSE WE CANNOT OPEN OR PRINT YOUR FILE, OR**

BECAUSE OF DIFFICULTIES TRANSMITTING THE FILE VIA THE INTERNET (although I might make special adjustments for widespread power or email failures).

- At the top of each question's answer, you must tell me the number of words in your answer. I DO NOT INTEND TO GRADE AN ANSWER THAT EXCEEDS THE WORD LIMIT BY EVEN ONE WORD. FAILURE TO INCLUDE A WORD COUNT, OR INACCURATELY REPORTING A WORD COUNT, MAY LEAD TO SIGNIFICANT PENALTIES.
- If you submit multiple versions of your answer, I will randomly select one to grade unless you clearly and unambiguously indicate which version I should grade. In either case, I will toss all other versions of your answer without grading them.

If you are hand-writing your exam, please write legibly! Also, include your exam number on every bluebook and tell me how many bluebooks you are submitting. Hand-written exams are not word-limited and do not require a word count.

I have the following additional thoughts for you:

- Where the relationship involves the sale of goods, apply the UCC as appropriate. Otherwise, apply the Restatements, common law principles or both.
- I recommend that you spend approximately 1/3 of your allocated time reading each question and outlining a response.
- Read each question very carefully. Make sure you answer the questions actually asked.
- Some potential efficiency techniques:
 - Bullet points are OK
 - Short citation forms are OK
 - You can use abbreviations if you define them and they are not ambiguous
 - Please quote statutes or cases only as necessary to make your point
- If any additional information would be useful in your analysis, indicate what information would be helpful and then state your assumptions in order to proceed with your analysis.
- In all answers, discuss only contract law and those closely-related principles and doctrines we discussed in class. Ignore any statutory violations (other than those statutes discussed in this course), torts or crimes that may apply to the facts. Otherwise, while generally your answers should be based on legal principles, it is often appropriate to address other perspectives and concerns.
- Where the facts inform you that a contract is "validly formed and fully supported by consideration," you do not need to discuss offer, acceptance or consideration to establish a valid contract.
- The word count cap is a maximum, not a target.

GOOD LUCK AND HAPPY HOLIDAYS!

Question #1 (75 minutes; computer users can use a maximum of 1,500 words)

Mike is a homeowner. Jill runs a snowplowing business. Mike asks Jill to provide an estimate for how much she would charge to snowplow Mike's driveway. After Jill inspects Mike's driveway, the parties have the following conversation on September 1, 2003:

Jill: "\$20 each time I snowplow your driveway."

Mike: "OK, sounds good. Please do so."

Jill regularly snowplows Joe's driveway during the 2003-04 season. In May 2004, Jill sends a bill to Mike for all visits she made in the 2003-04 season, and Mike promptly pays that bill in full without any other communication taking place between Jill and Mike.

- Jill regularly snowplows Mike's driveway during the 2004-05 season and sends a bill for those visits in May 2005. Consequences?
- Instead, assume that Jill does not come during the first major snowfall in 2004-05. Does Mike have remedies?
- Ignore the previous bullet. Instead, assume Mike promptly pays the 2004-05 bill in full without any other communication. On July 1, 2005, Jill raises her prices 20% for all of her customers, but she does not communicate the price increase to Mike. Jill regularly snowplows Mike's driveway during the 2005-06 season and in May 2006 sends Mike a bill for those visits reflecting her increased prices. Consequences?

Question #2 (45 minutes; computer users can use a maximum of 900 words)

Jessica sells her used car to Sean for \$2,000. Jessica is not a dealer or a merchant. Applicable state law requires every used car seller to deliver a valid smog certificate to car buyers as part of the sale, and a buyer cannot record his or her ownership of the car until the buyer submits a valid smog certificate to the state. Jessica and Sean enter into a written sales contract (validly formed and fully supported by consideration) which says, among other things, that Sean will procure the smog certificate instead of Jessica. While trying to get the smog certificate, Sean discovers that the muffler is defective and must be replaced for \$150 before he can obtain a valid smog certificate for the car. Sean did not inspect the car prior to purchase, and the sales contract says the car is sold "as is." Does Sean have recourse against Jessica, and if so, for what?

Question #3 (30 minutes; computer users can use a maximum of 600 words)

Kelly joins a natural foods co-op and signs the co-op's written membership contract (validly formed and fully supported by consideration). Among other provisions, the contract contains the following provision:

"The member agrees to make the Co-op his or her primary grocery store."

Explain to Kelly what you think she is obligated to do and what remedies the Co-op may have if she breaches.

END OF EXAM