5)

Bob

The issue is whether Bob (B) has any contract rights and/or remedies against Sam's (S) estate.

Applicable law

Contracts for the sale of goods are governed by the UCC. Contracts for other purposes different from the sale of goods are governed by Common Law. The UCC defines goods as tangible, movable items. The contract between S and B is for the sale of a 1965 Eris automobile. An automobile is a tangible, movable item. Thus the applicable law is the UCC.

Contract formation

A contract requires offer, acceptance, and consideration.

An offer occurs when the offeror manifests an objective intent to enter into an agreement that signals that acceptance will conclude the deal. Advertisements are treated as invitations for offers except when they include very specific terms like "first come, first serve". Here, Bod learned about the car when he saw a "For Sale" sign on the car. Sam showed his Eris to Bob. Bob mailed Sam a signed letter later, on the same day, offering $250,000 for the car. Thus, Bob manifested an objective intent to enter into a contract by mailing a signed letter to the seller. Thus, an offer occurred.

Acceptance occurs when the offeree effectively communicates his acceptance to the offeror. Acceptance does not need to be made through the same means as the offer. While the offer was in written form, acceptance could have been made orally (note that any Statute of Frauds issues will be discussed below). Here, after Sam received a letter from Bob, he telephoned to accept the offer. Thus, a valid acceptance occurred.

Consideration is given where there is a bargained-for exchange and there is legal detriment to both parties resulting from such exchange. Here, S promised to deliver his car to B in exchange for B's money. B promised to give S his money in exchange for S's car. Thus, consideration existed.

Therefore, a valid contract was formed.

Statute of Frauds

The issue is whether the Statute of Frauds applies to the contract between B and S. The Statute of Frauds (SoF) requires that some contracts be made in writing. Contracts for the sale of goods above $500 must be done in writing under the SoF.

The writing requirement is satisfied with any written memoradum between the parties sufficient to determine that a contract existed and that this memo is signed by the party against whom enforcement is sought. Here, the contract is for a car that is valued at $250,000. Since the car value is above $500, it must have been made in writing. Enforcement is being sought from S's state. S did not produce a writing with his signature binding himself to a contract. <u>Thus the enforcement of the contract will be barred under the Statute of Frauds.</u>

Anticipatory repudiation

The issue is whether S breach the contract by anticipatorily repudiating the contract that was formed between him and B.

Anticipatory repudiation (AR) occurs when, prior to the time when performance is due, one of the parties manifests its intent not to perform or circumstances indicate that the repudiating party is acting in a way that makes the other party reasonably concluded that the first will breach. The non-repudiating party, after seeing that the other party will breach, may sue immediately, cancel the K, or ignore the repudiation.

Here, B is suing S's state based on the fact that S breached. B can succesfully argue that S breached by AR because a contract was formed and S, under no excuses, repudiated the contract before performance. Thus, B can sue S under anticipatory repudiation.

B's remedies

Remedies to a breach of contract involving the sale of good: monetary damages, restitution, equitable remedies.

Since the car is unique and B will likely want the car itself, not anything else as a substitute, he will most likely seek specific performance.

A court will grant specific performance when the object in dispute is rare or unique. Here, the contract was for an 1965 automobile, Eris brand, and only 500 such cars were made, considered highly valuable. The high value of the car is also probative of its uniqueness. A breach occurred under the theory of anticipatory repudiation. Thus, the equity court will likely grant specific performance.

<u>**Charlie**</u>

The issue is whether Charlie (C) has any contract rights and/or remedies against Sam's estate.

Applicable law

Contracts for the sale of goods are governed by the UCC. Contracts for other purposes different from the sale of goods are governed by Common Law. The UCC defines goods as tangible, movable items. The contract between S and C is for the sale of a 1965 Eris automobile. An automobile is a tangible, movable item. Thus the applicable law is the UCC.

Contract formation

A contract requires offer, acceptance, and consideration.

An offer occurs when the offeror manifests an objective intent to enter into an agreement that signals that acceptance will conclude the deal. Advertisements are treated as invitations for offers except when they include very specific terms like "first come, first serve". Charlie saw an advertisement for the Eris in a classic car trade publication. The advertisement itself was open for invitations for offers, thus it wasn't an offer. However, C offered S, in person, $300,000 for the car and said he would mail a written contract to S that day. Thus, C made a valid offer. Acceptance occurs when the offeree effectively communicates his acceptance to the offeror. Here, Sam said he would "think about it". This was not objective and did not manifest any intent to be bound, thus acceptance did not occur.

Thus, consideration does not need to be assessed here since no acceptance existed. Thus, a valid contract was not formed between C and S.

Misrepresentation/non-disclosure

The issue is whether the parties did not form a valid contract because S had a duty to disclose his previous agreement with B or whether S misrepresented.

<u>Art</u>

The issue is whether Art (A) has any contract rights and/or remedies against Sam's estate.

Applicable law

Contracts for the sale of goods are governed by the UCC. Contracts for other purposes different from the sale of goods are governed by Common Law. The contract between A and S concerned A's serving as S's agent in selling his Eris car. While the contract involved a good, its main purpose was a service. Thus, under the predominant purpose test, the applicable law is Common Law.

Sam and Art signed a valid written contract under which A would act as S's agent in selling his Eris car. Thus, a valid written contract exists and whether a valid contract was formed is not an issue.

Ad prior to agent agreement

The issue is whether the fact that the ad was placed by S's agent prior to the agreement entered between A and S was binding upon S. T

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