Question 1 33 pts

Offer/Acceptance -- Characterization of Martha's Promise

"I will stand good" -- interpretation problem 3 pts

Unilateral/bilateral

seeking performance?
bias toward bilateral interpretation
guaranty as a unilateral

Acceptance

need for acceptance in bilateral
acceptance by silence (follow up letter)
need for acceptance in unilateral
forebearance constituting acceptance

Revocation/Certainty 5 pts

unclear how long forebearance required
Bill had mentioned the Christmas selling season

Effect on revocation

in unilateral, common law would
make the offer revocable until
performance complete

restatement would cause the
unilateral to become an option K

Consideration

return promise/performance 3 pts

forbearance from asserting claim against Bill
may have been in bank's best
interest anyway
actual motivation of bank not a factor
form of exchange controls

return promise/performance rendered to Bill 3 pts

Promise/performance can be rendered to any party
so long as sought by the promissor

Remedy

Expectancy measure 3 pts

Analysis of the promise
30,000 (what Bank would get if promise fulfilled)

Reliance measure 4 pts
possibility of use if we have an option K 15,000

Other 5 pts

Question 2 17 points

Factual Analysis 1 pts
both parties attaching materially different meanings to their manifestations

Uncertainty Analysis 2 pts
reasonably certain basis for granting recovery
Section 33 Rest. 2-204 of U.C.C.

Section 20 analysis 8 pts
trade usage
Flower City analysis Bill new to the industry
did Sam have reason to know?
did Bill have reason to Know?

Interpretation problem 2 pts
if Contract formed under Section 33 analysis

Remedy 2 pts
expectancy
is it necessary for Bill to buy paint elsewhere

Other 2 pts
Question 3  33 points

"Quote" by Sean's 5 pts
  definite shipping time overcomes word Quote
  mode of acceptance stated

Mailbox Rule 5 pts
  normally does not apply to rejections
  would not apply here because offer did not invite
  acceptance by mail

Acceptance -- Battle of the Forms

common law rule 2 pts
  deviant acceptance = c.o.
  acceptance by shipping
  arbitration clause enforceable

  definite and seasonable expression 5 pts
  conditional nature of the offer
  inapplicability of the Rotolith analysis

change in terms (additional terms) 7 pts
  new quantity term
  arbitration term
  materiality

  if no acceptance, use terms on which the writings agree 4 pts

Other 5 pts
Question 4   17 pts

Recognition of Requirements Contract 3 pts

Consideration issue
  Illusory promise satisfied by oblig of good faith 8 pts
  also by nature of promise

Certainty issue
  open price term as certainty problem 3 pts
  *requirements as a certainty problem

other 3 pts