READ ALL THE FOLLOWING INSTRUCTIONS CAREFULLY

Instructions

(i) Write your examination number on each page of this examination and on your blue book(s). Use only your examination number, not your name.

(ii) This is a closed book examination. You MAY NOT use any materials.

(iii) Statutory, case and restatement citations may be used but are not required. The better answers will include a thorough analysis of the issues presented rather than a string of citations.

(iv) Conciseness and clarity of expression, organization and clarity of presentation, while not separately taken into account in the grade, necessarily have some impact on the grader's evaluation of your understanding of the subject matter.

(v) Answer each question in Part A only on the lines provided. Answer each question in Part B in your blue book(s). Take care that your work is legible. Do not write in the margins or on the back of the page.

(vi) This examination has 11 pages. Check that you have a complete examination.

(vii) This examination consists of two parts. Part A is a short answer essay section with 6 questions. Part B contains 2 essay questions. Each question is given a suggested time limit that corresponds to the weight given the question in the determination of your final grade. ALL ANSWERS MUST BE EXPLAINED. Your grade will be based on your analysis of the issues rather than your ability to come to a single "correct" solution.

(viii) Remember that this is an examination of your understanding of the material covered in Contracts. Answer the questions based upon the Contracts readings and class discussions and not on the basis of material discussed or read in your other classes.
HONOR CODE STATEMENT

All academic endeavors of the students of the University of Kentucky College of Law are governed by the Honor Code. The Honor Code prohibits lying, cheating, stealing, and interference with academic pursuits. Additionally, the Honor Code places on all law students an affirmative duty to report a breach of the Code. A failure to report is itself a violation of the Honor Code.

In turning in this exam, I hereby pledge on my honor as a student that I have neither given nor received any unauthorized aid on this exam.
Part A – Short Answer Questions
6 questions 15 Minutes each
Answer in space provided

Question 1

For five years Bobby mowed Mr. Crabtree’s lawn every week during the summer. Each time when Bobby finished, Mr. Crabtree paid him $10.00. Last March, Bobby showed up at Mr. Crabtree’s house with his mower, waived to Mr. Crabtree, who was watching from the porch, and started mowing. When Bobby finished, Mr. Crabtree told him, “Sorry Bobby, I just signed a contract with Al’s mowing service to do my lawn. They have agreed to do it for $7.00. I can’t pay you this time.” Does Bobby have a valid claim against Mr. Crabtree? What are his remedies?

Question 2

Helga Hacker was a crackerjack computer programmer who worked for Macrosoft, a large software developer. For five years, Helga worked for Macrosoft under one year contracts. Her most recent contract expired on November 1, 1998 and she is currently working for a competitor. On October 30, 1998, Helga’s boss, Macrosoft President Will Fates, told her that because her performance over the past year was so extraordinary, he would pay her a bonus of $100,000 on November 15. November 15 came and went without a bonus and now Will has stopped returning Helga’s phone calls. Does Helga have a claim for the $100,000?

Question 3

Your law firm, Lessee, Lessee & Associates, recently moved into two floors of the newly completed Bluegrass State Building. You negotiated the lease with Bluegrass Associates, the owner of the building. The Lease Agreement that both parties executed is an elaborately drafted document setting forth an extensive listing of both parties rights and responsibilities. The day before the lease was signed, Mr. Carnut, the senior partner in the firm, called you to remind you that he needed a reserved parking space in the new location so that he could park his vintage Ferrari automobile. You called the Laura Lessor, President of Bluegrass Associates and told her that you needed the space. “No problem,” Laura said, “you can have the space for 10 years at a cost of $1,200/year.” You quickly agreed. The next day, after the Lease Agreement was signed, you discovered, to your dismay, that it says nothing about Mr. Carnut’s parking. When you asked Laura about it, she said, “Sorry, I’m afraid that all of our spaces are filled.” Mr. Carnut is
furious. Does your firm have a claim against Bluegrass Associates for its failure to provide a space?

Question 4

While perusing the Sunday paper you came across the following ad:

Brand New!!!
Pentium Computers
$599.99

Due to a Special Order, We Have in Stock
5 of these Pentium Computers
These will go out the door to the first 5 customers on Tuesday Morning

Bob’s Computer Warehouse

Since you like good deals and need a computer, you decided to skip your Tuesday morning contracts class so that you could be there first thing on Tuesday. You were first in line when the store opened and immediately found Bob and told him that you wanted one of the computers.

“Sorry,” Bob said, “we don’t have those models. But let me show you our best seller at $1,599.”

Your contracts professor is furious with you for missing class. You can redeem yourself by explaining your rights against Bob’s Computer Warehouse.

Question 5

Eat-Rite Baking Company produces bread and other baked goods. On July 1, 1995, Eat-Rite entered into a five year written contract with Krispy Krumbs Inc. under which Eat-Rite agreed to sell Krispy all of the bread crumbs produced in Eat-Rite’s bakery ovens for $.10/lb. Between July 1, 1995 and June 30, 1998, Eat-Rite sold Krispy between 50,000 and 70,000 pounds of bread crumbs produced by Eat-Rite’s ovens.

On July 1, 1998, Eat-Rite started using new, high-efficiency ovens. The new ovens use substantially less gas than the old ones had used. The drawback is that the new ovens incinerate
the bread crumbs – reducing them to ash. Because Eat-Rite has stopped sending bread crumbs, Krispy has had to buy bread crumbs elsewhere for $.30/lb. Krispy would like to know if it has any remedy against Eat-Rite and how much they might expect to receive in damages.

Question 6

On September 20, 1998 Bob Buyer, purchasing agent for Buyer Co, called Sally Seller, President of Seller Co., to place an order for 1,200 widgets at a price of 10.00 each. Seller Co. is a manufacturer of widgets and Buyer Co regularly uses the widgets in its manufacturing process. Bob asked for 100 widgets per month with shipments to begin on October 1, 1998. On September 28, 1998, Seller Co. sent the first shipment of 100 widgets. Buyer Co. received this shipment on October 1. Included with the shipment was an invoice and a letter from Sally. The letter stated, “Thank you for your order of 1,200 widgets. It is a pleasure doing business with you.” On October 5, 1998, Bob called Sally and told her that while he would pay for the widgets received, he could not take the remaining shipment because he had found a supplier who could sell the widgets for $7.00 each.

Seller Co. believes that it can sell the remaining widgets for $8.00 each. Buyer Co. still has not paid for the first 100 widgets. What are Seller Co’s rights and remedies.
On October 1, 1998, Larry Losers prized Pit Bull "Fluffy" escaped while Larry was taking him for a walk. Larry spent countless hours searching for Fluffy but could not find him anywhere. Finally, on October 5, 1998, Larry decided to run the following advertisement in the newspaper:

LOST: Black Pit Bull named Fluffy. $200.00 Reward. Call 555-3489.

The ad ran from October 6, 1998 through October 20, 1998.

On October 10, 1998, Fluffy turned up on the doorstep of Flora Finder. Flora, a dog lover, tried to call Larry's number, which was engraved on Fluffy's dog tag, but Larry was not at home. Flora noticed that Fluffy was limping and appeared to be starved so she took Fluffy to a veterinarian. Flora paid the vet's bill of $75.00 and fed and kept Fluffy in her home until she finally reached Larry on October 20, 1998. Flora spends all of her time with her dogs and therefore did not read the paper or otherwise know about the reward.

When Flora and Fluffy arrived at Larry's home, Larry told Flora, "I am so grateful that you found my dog, I will pay all of your expenses when I get paid next week." Flora told Larry that she had spent $75.00 at the veterinarian and had spent $25.00 on food for Fluffy. Larry told her that he would send her a check for $100.00 by October 30, 1998. Larry never sent the check.

Analyze Flora's rights, including any available remedies, against Larry. Fluffy has a market value of approximately $350.00. Boarding a Pit Bull generally costs $20.00/day