

**LAW**

**Chapter 12 – Section 2 “SPECIAL RULES FOR SALES CONTRACTS” Reading Guide**

COMPLETE THE FOLLOWING QUESTIONS FROM SECTION 12-1

**WHAT ARE THE 2 GOALS FOR CHAPTER 12-2?**

**WHAT’S YOUR VERDICT?**

**P.220**

READ THE SECTION AND ANSWER THE FOLLOWING QUESTIONS:

**Is the city correct? Explain:**

**HOW DO MERCHANTS DIFFER FROM CASUAL BUYERS IN A SALES TRANSACTION?**

**WHAT’S YOUR VERDICT?**

**P.221**

READ THE SECTION AND ANSWER THE FOLLOWING QUESTIONS:

**Is Chilton liable to Open Shutter for breach of contract? Explain:**

**A SELLER CAN ENFORCE AN ORAL CONTRACT FOR NON-SALABLE GOODS IF ONE OF WHAT TWO THINGS HAPPENS OR HAPPENED?**

**NAME THE FOUR SITUATIONS IN WHICH THE STATUTE OF FRAUDS DOES NOT APPLY TO SALES CONTRACTS:**

## **ASSESSMENT**

ANSWER THE QUESTIONS ON **PAGE 222** OF YOUR TEXT UNDER “THINK ABOUT LEGAL CONCEPTS”

1 \_\_\_\_\_ 2 \_\_\_\_\_ 3 \_\_\_\_\_ 4 \_\_\_\_\_ 5 \_\_\_\_\_  
6 \_\_\_\_\_

### **THINK CRITICALLY ABOUT EVIDENCE:**

STUDY THE SITUATION, ANSWER THE QUESTIONS, PREPARE ARGUMENTS TO SUPPORT YOUR ANSWERS:

When Soule bought a sweater for his wife, the clerk deliberately lied to him. She said that the garment was a pure silk and mohair, hand-knitted import from Italy. In fact, it was a machine-made, domestic, polyester-and-wool mix. **Did the clerk violate the Statute of Frauds by her conduct? Did the clerk act ethically? Explain your answer:**

Grant had long admired Kahn’s collection of records featuring the big bands of the 1930s. One day Kahn orally agreed to sell the collection to Grant for \$275. When Grant appeared with the money, however, Kahn said she had changed her mind and refused to deliver. Moreover, she insisted she was acting within her legal rights. Kahn said she had learned that her collection was worth at least \$1,000. Therefore, she said, a signed writing was required to make the contract enforceable. **Did Kahn state the law correctly? Explain:**

Harrison orally agreed to buy two electric guitars and a matched set of drums from Rudolph. The price was \$1,250, payable with \$800 in cash and a bass saxophone. Harrison paid the price in full. However, Rudolph refused to deliver the guitars and drums, and he sent the saxophone back and mailed a certified check for \$800 to Harrison. He explained that he had decided to start another rock group. Rudolph claimed that their oral agreement was not enforceable. **Is he right? Explain:**