

Name: _____

Date: _____

Directions: Read the scenarios and answer the questions.

1. Patsy sees an ad on craigslist for a \$150 watch. She emailed Peter and offers \$100 for the watch. Peter agrees to sell the watch for \$100. Patsy gives \$50 as a down payment and asks him to hold it until Friday until she gets paid. On Friday, Patsy meets Peter and gives him the remainder of the money.

Who is the original offeror?	
Who is the original offeree?	
Does the craigslist posting meet the requirements of an offer? Explain.	
In legal terms, what is the \$50 down payment and the agreement to hold it until Friday called?	
What if the other party was a jewelry store and agreed to hold the watch for two weeks without a down payment?	
In the email, Patsy made a _____ of \$100.	

2. John shakes hands with Jason and agrees to sell 10 of his comic books for \$50 on Friday. Explain the three elements of a contract and how they apply to this offer and acceptance.

3. Patty tells the neighbor’s son, Adam, that she will pay him \$20 to mow her lawn every other week. Adam does not respond, but while Patty is out of town, he mows the lawn. Does Patty owe Adam any money? Why or why not?

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Fill in the blanks with the correct termination of offer term.

_____ 4. John offers to sell his Nike shoes to Kevin for \$150 but prior to Kevin accepting John says he has a better offer and is taking back his offer.

_____ 5. John offers to sell his Nike shoes to Kevin for \$150 but Kevin only is willing to pay \$125.

_____ 6. John offers to sell his Nike shoes to Kevin for \$150 and Kevin is willing to purchase them on Friday. Kevin is killed in an automobile accident on Thursday.

_____ 7. John offers to sell his Nike shoes to Kevin for \$150 but Kevin is not interested and says no thank you.

_____ 8. John offers to sell his Nike shoes to Kevin for \$150 but Kevin has a legal guardian that has to agree to all his contracts due to a mental capacity declaration from the court system.

_____ 9. John offers to sell his Nike shoes to Kevin for \$150 and requires answer with 3 days, but Kevin does not respond to him for 5 days.

_____ 10. John offers to sell his Nike shoes to Kevin for \$150 and Kevin accepts to buy them on Friday. On Thursday, John wears them in a game and tears the sole.