Introduction to Sales and Leases

1. Distinguish a sale from a lease and describe the governing law for both.

2. Read and be prepared to orally brief and discuss *Pittsley v. Houser*.
   a. What tests are used in deciding whether a transaction is covered by the UCC or common law?
   b. What would you have decided in this case and why?
   c. Did either party act unethically? Explain.

3. Define, explain, give examples of, and distinguish between the following terms:
   a. Good faith
   b. Unconscionability

4. Read and be prepared to orally brief and discuss Construction Associates, Inc. v. Fargo.
   a. What are the two types of unconscionability recognized under the UCC?
   b. Why did the drafters of the UCC acknowledge unconscionabilty as a fundamental principal of Article 2?
   c. Why is unconscionablity more likely to be present in a consumer transaction than a commercial transaction?
   d. Answer the questions posed at the end of the case:
      (1) Ethical Question: Did J-M act unethically? Explain.
      (2) Critical Thinking Question: How active should courts be in finding contracts or clauses to be unconscionable? Explain. (Answer end of the Chapter Question 7)

5. What do we mean by variant acceptance and battle of the forms under the UCC?
   Read and be prepared to orally brief and discuss *McJunkin Corporation v. Mechanicals, Inc.* (881 F.2d 481, 1989). [online]
   a. How could the parties have avoided the situation of the battle of the forms from the start?
   b. Did either party act unethically? Explain.
   c. Do you agree with the Code's approach to dealing with the battle of the forms? (Answer end of the Chapter Questions 4 and 8).

6. Explain how Article 2 deals with (a) the necessity of consideration to modify a contract and (b) irrevocable offers. What do we mean by a firm offer under the UCC? (Answer end of the Chapter Questions 1, 5, and 6).

7. Describe the UCC's approach to requiring that certain contracts be in writing and identify the alternative methods of compliance under the Code. What is the ten day rule? (Answer end of the Chapter Question 2).