

Contracts — Mutual Assent

1. On June 1, Edward visited a bicycle sales and service center. Edward spotted a used bike he liked and was told by the dealer that he could have it for \$100 cash. Since Edward needed a few days to get the money, Edward got a signed, written statement by the dealer that Edward could buy the bike for \$100 at anytime on or before June 15. On June 10 Edward came to the dealer with the money, but the bike had been sold to another customer. Was the dealer under any obligation to Edward to keep this offer open until June 15?
2. Distinguish between a rejection of an offer and a revocation of an offer.
3. Bailey attended an auction and bid \$150 on an antique dresser. No one else made a higher bid. Discuss the effect of (a) the designation that the auction is without reserve, (b) the advertisement that the auction is with reserve, and (c) the lack of any announcement or advertisement as to whether the auction is with or without reserve.
4.
 - a. What are the three essentials of an offer?
 - b. How does one distinguish between an offer and an invitation seeking offers?
5. What are the ways in which an offer may be terminated?
6. If a person, without knowing of an advertised reward for information leading to the return of a lost dog, gives information that leads to its return, is she entitled to the reward?
7. Discuss how parties show mutual assent and what standard is used to determine agreement.
8. Discuss silence as acceptance of an offer.