

Test Bank for Practical Contract Law for Paralegals 4th Edition by Vietzen

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Test Bank

Chapter 2: Sources of Contract Law

1. The UCC governs international contracts.
a. True
*b. False
2. Because contract law is one of the largest bodies of law, it is primarily federal law.
a. True
*b. False
3. Because a sale of a house involves a physical object (the house) and has a value of more than \$500, it is covered by the UCC.
a. True
*b. False
4. All of contract law can be found in the Constitution, statutes, and judicial decisions.
a. True
*b. False
5. Intentional breach of contract, knowing it will cost the party money, is a crime.
a. True
*b. False
6. The Restatement of Contracts is primary authority and is law in 50 states.
a. True
*b. False
7. A crop of soybeans growing in a farm field is considered "goods," covered by the UCC.
a. True
*b. False
8. A crop of peaches, picked and in baskets for sale is considered "goods," covered by the UCC.
*a. True
b. False
9. The UCC encourages fair play and imposes an obligation of good faith.
*a. True
b. False
10. A consumer is one who enters into a contract for business reasons.
a. True
*b. False
11. The UCC is an example of an executive order.

- a. True
- *b. False

12. Although the UCC does not specify that it applies to real estate contracts, most modern courts nonetheless apply UCC rules to such contracts.

- a. True
- *b. False

13. Minerals, in the ground, are “goods” for purposes of the UCC.

- a. True
- *b. False

1. The UCC:

- a. has been law without amendment for almost 50 years
- b. is identical in all 50 states
- c. is federal law
- d. two of the above
- *e. none of the above

2. Does not have a physical existence:

- a. common law property
- b. real property
- *c. intangible property
- d. personal property

3. Which of the following would be covered by the UCC:

- a. a contract to employ a lawyer
- *b. a bulk sale of inventory
- c. a famous artist’s contract to paint a portrait for \$25,000
- d. all of the above
- e. none of the above

4. An apartment lease is governed by:

- *a. common law
- b. executive order
- c. the UCC
- d. all statutory and common law governing negotiable instruments
- e. all of the above

5. If a contract is “mixed,” the governing law (UCC or common law) is determined by:

- *a. the dominant category
- b. whether services were performed
- c. whether there was liability relating to a negotiable instrument
- d. all of the above

6. Merchants:

- a. are often identified by the goods they sell
- b. are often identified by their occupation
- c. are treated differently by some provisions of the UCC
- d. two of the above
- *e. all of the above

7. This agency is most concerned with consumer contracts and prevents unfair methods of competition in commerce:

- a. Uniform Consumer's Commission (UCC)
- *b. Federal Trade Commission (FTC)
- c. American Law Institute (ALI)
- d. Office of Services, Housing & Accountability (OSHA)
- e. none of the above

8. The UCC frequently refers to this standard for performance:

- a. 10 years
- *b. reasonable
- c. the standard published in the federal register
- d. all of the above
- e. none of the above

9. The UCC

- a. dictates the contents and obligations in most commercial contracts
- *b. establishes presumptions to cover situations not addressed by a specific contract
- c. favors adherence to strict standards rather than vague notions of fairness
- d. has not yet been amended to cover warranties
- e. two of the above

10. In addition to covering the sale of goods, the UCC covers:

- *a. security interests in goods
- b. the mortgage industry, because it is closely related to banking
- c. performance of services if interstate commerce is involved
- d. none of the above

Type: F

1. This area of law concerns patents, copyrights, and trademarks: _____.

- a. intellectual Property

Type: F

2. Personal property is also called _____.

- a. chattel or goods

Type: F

3. Type of case, involving damages for injuries not resulting from a contract, _____.
a. tort

Type: F

4. A federal agency concerned with contract law _____.
a. merchant

Type: F

5. One who deals in goods of the kind involved in a transaction or who has (or holds self out as having) special knowledge or skills _____.
a. FTC(Federal Trade Commission)

Type: E

1. What do the initials UCC stand for? How did the UCC become law? What types of transactions are covered by the UCC?

Type: E

2. Explain the general differences between common law and the UCC,

Type: E

3. Why do some people think the UCC is out-of-date?

Type: E

4. What is the Restatement and what function does it serve?