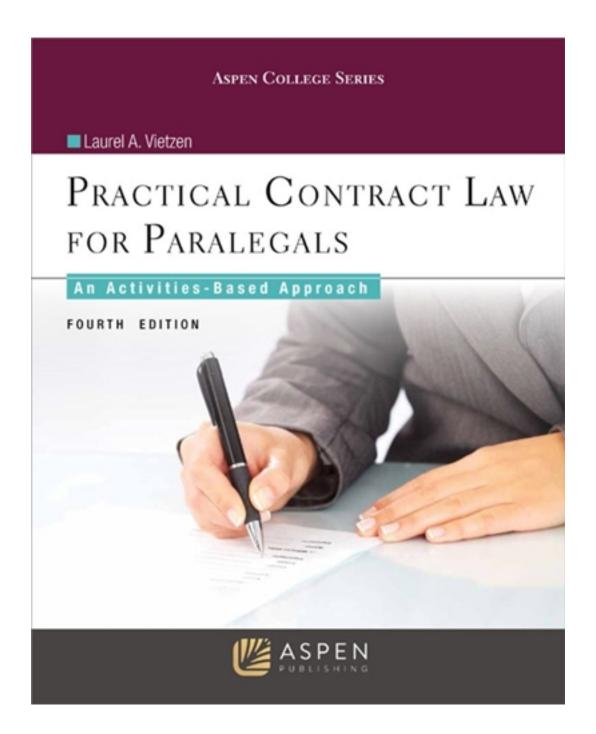
Test Bank for Practical Contract Law for Paralegals 4th Edition by Vietzen

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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?