

CONTRACTS I

MILICH

OFFER & ACCEPTANCE #2

(1) Gus owns a nightclub. Al is a singer. The following conversation takes place at the club.

GUS: "I want you to sing at my club two weeks from tonight."

AL: "I might be interested. I'd have to check my schedule. How much?"

GUS: "\$500 for two sets."

AL: "Will you make it \$600 and a complimentary table for my friends?"

GUS: "Sure. I'll do that."

AL: "I'll get back to you."

Is there a contract?

The next day, Al calls Gus on the phone.

AL: "Hi Gus, this is Al."

GUS: "Sorry Al, I hired someone else."

Is there a contract?

What if ...

AL: "Hi Gus, this is Al. I accept."

GUS: "Sorry Al, I hired someone else."

Is there a contract?

----- Forget the phone call. The next morning, Al is walking over to the club to accept the engagement when he runs into Bob, another singer, who tells him that Gus just hired him for the night that Gus and Al had discussed. Al runs into the club, sees Gus and shouts, "I accept.!"

Is there a contract?

----- Forget about the phone call or meeting Bob. The day after his discussion with Gus, Al sends Gus a letter accepting the engagement. Gus receives the letter three days later and a few hours after he had given up on hearing from Al and hired another singer for the night in question.

Is there a contract?

(2) MicroApple sent Kerry a brochure detailing their prices on computer equipment. Kerry filled out the order form on the brochure, ordering a new computer system for \$2,000. She mailed the order on September 10.

MicroApple received the form on September 12 and sent an "Order Confirmation" to Kerry on September 13 which stated that Kerry's computer would be shipped to her in three weeks. The "Order Confirmation" was lost in the mail.

On October 1, having heard nothing from MicroApple, Kerry ordered another computer from a different vendor by phone and that order was immediately accepted. On October 3, MicroApple's computer arrived at Kerry's door.

Did MicroApple and Kerry have a contract?

(3) Mack had the following conversation with Lucy the house painter:

Mack: *"How much do you estimate it will cost to paint my house?"*

Lucy: *"I'll paint it for \$5,500, paint included."*

Mack: *"It's a deal; provided you can finish up by May 1."*

Lucy: *"I'll do my best."*

Mack: *"Great. I just hired a painter."*

Is there a contract? If so, what are its terms?

On Thursday, while Lucy is painting his house, Mack asks how much she would charge to wallpaper the kitchen?

Lucy: *"I'd do it for \$300."*

Mack: *"That's great. Can you finish it by Sunday?"*

Lucy: *"I don't know. I'm pretty busy. I'll see if I can fit it in."*

Is there a contract? If so, what are its terms?

Mack assumed Lucy would not have time to paper the kitchen before Sunday so he hired someone else to do the work on the preceding Saturday (for only \$250). But when Mack arrived home from work on Friday, Lucy was half finished wallpapering the kitchen. What should Mack do?