6-2 Legal Applications Name Click here to enter text.

1. Gus walked into his local hardware store to buy exterior paint for his house. It was on sale for $35.00 a gallon. Gus wanted to check around but didn’t want to lose the chance to buy at the sale price. In response to Gus’s request, the manager of the paint department wrote Gus a note stating “Gus Almondson may buy up to 15 gallons of Old Dutch Exterior Grade paint for $35 per gallon anytime with the next two weeks.” The manager signed and dated the note. Is this offer binding? Click here to enter text.
2. Janson is a merchant who deals in children’s toys. On October 21, she makes an offer to sell thirty truckloads of Christmas toys to Lu Cheng at a fixed price. Jan‐son submits a firm offer to Cheng that is in effect for two weeks. On October 23, a national trucker’s union goes on strike and Janson learns that the market price of the toys has risen sharply. Is Janson required to keep the offer open? Explain.. Click here to enter text.
3. Jennifer offers to sell her collection of radio‐controlled cars to Tess for $1500.

Tess tells Jennifer she wants to think it over. Tess later phones Jennifer and says. “I think $1500 is too high for your cars. I’ll give you $1200 for them.” Jennifer tells Tess that she’ll think about it. Tess later learns that the cars are actually worth more than $1500, and she calls Jennifer back and accepts the original offer. Is Jennifer legally obligated to sell the cars to Tess for $1500? Explain your answer. Click here to enter text.

1. The Simmons’ son is deceased. When their son was in college, he took out a life insurance policy valued at $5,000, which was offered for free by the alumni association for nine months. The policy gave the option of continuing as a $25,000 policy after the initial coverage for an amount to be determined at a later date. Acceptance of the additional coverage was to be done by paying the premium, which the son did. Shortly before the policy expired, he received a letter offering him the additional coverage and stating the amount of the premium. He had been injured the day before he received the letter and died several weeks later without regaining consciousness. His lawyer later returned the premium, and the Simmons then filed for the $25,000. The insurance company refused to pay. Can the parents recover from the insurance company? Explain. Click here to enter text.
2. A signed, written offer made by a merchant is called a(n) Click here to enter text.
3. A person who regularly deals in goods is called a(n) Click here to enter text.
4. Contracts are agreements entered intoClick here to enter text. by the parties and subject to their control.
5. An agreement where the offeree gives the offeror something of value in return for a promise to keep the offer open is called a (n) Click here to enter text.