

FIRST DAY ASSIGNMENT, K 2020  
*Arbel*

For the first class, please read this part of the syllabus (AK=casebook, Ayres and Klass)

- AK 1-16
  - Section 1: Introduction
- Restatement (Second) of Contracts (hereinafter: R2K) §§ 1-2
- Uniform Commercial Code (hereinafter: UCC) § 2-102

and complete the following assignment. Please send, by email, your work by midnight, Sunday, January 5<sup>th</sup>. My email address is [yarbel@law.ua.edu](mailto:yarbel@law.ua.edu). Please include in the subject line: “Assignment 1 – [lastname]” (e.g., “Assignment 1 – Arbel). Keep your responses brief, this is not a writing assignment, but one of analysis.

**Mechanical Egg Cleaner Sale Agreement**

1. Read the following contract.
2. Next to each clause, note its function. Identify, where appropriate, the problem it is meant to solve. If there are unfamiliar concepts, research them. You can write your response on the margins of the sale agreement or use text in a different color. Brevity.
3. Suppose the machine is delivered with one of its latches broken. What are the consequences of this fact under the contract?
4. Where are the parties supposed to meet?
5. Suppose a lawsuit is brought against the seller, here in Tuscaloosa. Which law governs?
6. It is common in the egg cleaning industry to give a few packs of eggs with every unit sold. Is the buyer eligible to receive these packs?
7. Optional (hard): Suppose that on closing day, Yoko White seeks to pay with a credit card. Your first client, Eggscellent Products approached you a few days ago, telling you that they received a better offer for the cleaner. They want a way out. Can you help your client?

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Mechanical Egg Cleaner Agreement, dated \_\_\_\_ 2016, between Eggscellent Products Co., a Nevada corporation (“Seller”), and Yoko E. White, an individual residing at \_\_\_\_ (“Buyer”).

This Agreement provides for the sale of a Mechanical Egg Cleaner by Seller to Buyer.

Accordingly, the parties agree as follows:

1 Definitions. Terms that were defined in the preamble have their assigned meanings, and the following terms have the meanings assigned to them.

- a. “Agreement” means this Mechanical Egg Cleaner Sale, as amended from time to time.
- b. “Closing” means the consummation of the transactions contemplated in this Agreement.
- c. “Closing Date” has the meaning that Section 4 assigns to it.
- d. “Purchase Price” has the meaning that Section 3 assigns to it.
- e. “Mechanical Egg Cleaner” means the 2014 Sternberg Mechanical Egg Cleaner Egg-

Matic 3500

2. Purchase and Sale. Seller shall sell the Mechanical Egg Cleaner to the Buyer, and the Buyer shall purchase the Mechanical Egg Cleaner from the Seller, at the Closing.

3. Purchase Price. At Closing the Buyer shall pay Seller \$4,250 (the “Purchase Price”) by certified check.

4. Time and Place of the Closing. The Closing shall take place on \_\_\_\_, 2016, or such other date the parties agree upon (the “Closing Date”) at Seller’s offices at 12:00 PM EST.

5. Seller's Closing Deliveries.

a. Documents. Seller shall execute and deliver to Buyer at the Closing a bill of sale for the Mechanical Egg Cleaner. Seller shall execute and deliver to Buyer, either at or after the Closing and upon Buyer's reasonable request, any other instrument necessary to vest Buyer with good title in the Mechanical Egg Cleaner.

h. Mechanical Egg Cleaner and Manuals. Seller shall deliver to the Buyer the Mechanical Egg Cleaner and owner's manuals for operation of the Mechanical Egg Cleaner at the Closing.

6. Seller's Representations and Warranties. Seller represents and warrants to Buyer the following:

a. Ownership. Seller owns the Mechanical Egg Cleaner, and the Mechanical Egg Cleaner is not subject to any liens, claims, or encumbrances.

h. Maintenance. Seller has maintained the Mechanical Egg Cleaner in accordance with the Mechanical Egg Cleaner's owner's manual, and the Mechanical Egg Cleaner is in good operating condition.

7. Buyer's Representations and Warranties. Buyer represents and warrants to Seller the following:

a. Financial Information. The financial information Buyer has furnished to Seller is accurate and complete and fairly presents the financial position of Buyer as of the date of the information.

b. Funding. Buyer has sufficient funds to pay the Purchase Price to Seller at Closing

8. Seller's Covenants. Seller covenants the following from the date of this Agreement to the Closing:

a. Maintenance. Seller shall maintain the Mechanical Egg Cleaner until the Closing in accordance with the owner's manual for the Mechanical Egg Cleaner, and in good operating condition.

9. DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY PROVIDED IN SECTION 6 OF THIS AGREEMENT, SELLER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE MECHANICAL EGG CLEANER, INCLUDING, BUT NOT LIMITED TO, IMPLIED CONDITIONS OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE OR ANY OTHER MATTER. NO AGENT, EMPLOYEE OR REPRESENTATIVE OF SELLER HAS ANY AUTHORITY TO BIND SELLER TO ANY AFFIRMATION, REPRESENTATION OR WARRANTY EXCEPT AS STATED IN THIS AGREEMENT.

10. Conditions to Buyer's Obligations. Buyer's obligation to close the transaction this Agreement contemplates is subject to the satisfaction of the conditions below:

a. Representations and Warranties. Seller's representations and warranties must be true on the Closing Date.

b. Covenants. Seller must have performed all of the covenants required of it on or before the Closing Date.

11. Condition to Seller's Obligations. Seller's obligation to close the transaction this Agreement contemplates is subject to the satisfaction of the condition that Buyer's representations and warranties must be true on the Closing Date.

12. Miscellaneous

a. Entire Agreement. This Agreement is the final, complete and exclusive statement of the agreement of the parties on the matters this Agreement and supersedes all prior understandings, communications and agreements between the parties on those matters.

b. Modification and Waiver. No purported amendment, modification or waiver of any provision of this Agreement shall be binding unless set forth in a writing that has been signed by both parties, or, in the case of waivers, by the party to be charged. Any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term of the Agreement, or of the same circumstance or event, should it recur.

c. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without regard to the rules of conflict of laws of Illinois or any other jurisdiction.

d. Confidentiality. Buyer agrees to keep the terms of this Agreement confidential.

To evidence their agreement to the provisions of this Agreement, the parties have executed and delivered this agreement on the date set forth in the preamble.

Eggcellent Products Co.

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By:

Its:

Yoko E. White