Sales Spring 2012

Initial Assignment

1. The Syllabus describes the plan of study and the required materials. It is posted on TWEN and available at the GMUSL website. The bookstore has been requested to order the required materials.

2. The first session will take place on Monday 9 January 2012 at 2:000 PM in room 329 hazel Hall (unless the room assignment is changed which will be noted on the screens). The assignment for this session consists of two parts:

   i. To study and be prepared to discuss in detail the following problem which is designed to provide a preview of the issues that will be discussed during the course. It is based on an actual assignment given to a law graduate in the first year of practice.

   ii. Read and be prepared to discuss Chapter 1 of Honnold and Reitz, *Sales Transactions* (3rd Ed.) (2006) [Note: NOT the 4th Edition].

3. All students are required to register on the TWEN system which will be used for emails and announcements.

4. Tentative future assignments will be announced with ample notice.

5. Note that the class will not be held on Monday 16 January due to Martin Luther King Day and on Monday 12 March due to Spring vacation.

Practice Problem for discussion on Initial Class:

Client currently rents a stockyard containing Italian granite slabs that are owned by it. It wishes to sell the slabs and has found an interested Buyer.

Client does not have a detailed inventory of the contents of the yard and does not want to inventory it. The buyer has already inspected the granite and wants to buy all of it for US$150k, with a $50k non refundable deposit (liquidated damages) and balance to be paid 10 days later.

Client does not want to give buyer further access to the yard until it is paid in full and Client also does not want to risk claims by Buyer that inventory has been removed from the yard before Buyer takes possession. Client does not want the risk of loss in the interim, either.

Also, the stock yard is leased from a 3d party on a month to month basis without a written lease. Client wants Buyer to assume the lease on delivery and indemnify Client against any liabilities with regard to lease.
Client also has a piece of equipment that Buyer is willing to take and sell on consignment, but Client wants to ensure that Buyer pays a 3% commission to a 3rd party who introduced Client to Buyer.