Tuesday, April 24, 2018

Taft University, Santa Ana Ca

Baby Bar Mini Series Review 6:00 to 7:00 p.m.

INSTRUCTOR: Welcome to tonight's baby bar series. First I want to point out that the session is being recorded, so if you want to go back and listen to a lecture, or if there is one you can't attend, go to the student section in the Taft website and click on the lecture series. Everything will be posted there for your convenience.

Our primary focus tonight is to go over the subject matter of contracts. In regards to the Black Letter law, which the examiners assume you know the law as well, the key thing here is for to have an understanding of when the concept is tested to be able to identify it, whether it's in essay or multiple choice question. So we are looked for your skill on the issue and your analytical skills. That makes the exam a little surer.

We want to be sure you understand the law and be able to address it. Remember if you have any questions, place it in the Q and A question-and-answer box, and I'll help you however I can.

First of all, the one thing you will see with contracts -- and that's what I like about the subject matter -- is it follows the checklist. Take the checklist in order. If the call says is there a breach of contract, you will never start with breach, you start with formation, with the actual contract and break it apart and go from there. You will use it and methodically break it apart and see where you are going to address it and start the actual exam. You start off with Point One on the checklist.

When you do see a contract question, what I want you to look for, first of all, ask your was there contract between the parties? A lot of times they use the term, "there was a contract between Mary and Joe", but guess what they never said it was valid, so I might have to prove the validity of the contract. Once you find there is a contract, you ask yourself, is there any reason this contract isn't being enforced? So we look for fraud, mistake, and things of that affect. And then you look and see if there any conditions in the contract. Look to see who is bringing the contract. Is there a 3rd party or delegation? Yes, I can, and if you find there is validity of the contract, is or has there been a breach and what are the applicable remedies?

So you set your self up in the exam this way: What are the conditions under the contract? Who is bringing the lawsuit? And who is the breaching party? And what is the viable remedies I can obtain? That's what you are looking for in the exam.

Remember in the baby bar, you are responsible for the UCC, the Uniform Commercial Code. I recommend that you get the Gilbert sales, because it's going to be tested on the multiple states and the essay portion, and it's something we don't get into until our 4th year in law school.

Notice on the checklist, first thing you will ask yourself is does the UCC apply? If the answer is no, don't bring it up on the exam, just go to the whatever is the next issue. If the answer the yes, you bring it up, and UCC deals with criminal transaction goods.

What they are testing here is what is called a goods versus services test. You have to do both on the essay exam, when you have goods versus services contract under the good versus majority good factor, so -- do give an example, Pauline went to purchase fencing in the store. And the facts say the cost was $350 and $150 to install. They told you it was $350 and the installation was $150, so the UCC would apply under the majority rule. If she is suing because you didn't install it properly, so then what is under the lawsuit is the service.

You will find that one rule will put you in UCC, and one will not. They want you to make a distinction between common law and UCC. What does that mean? When the UCC applies, you will still go include common law. You will still talk about common law and if it falters, then you bring up UCC.

Now in regards to UCC, obviously applies to transaction of goods you want to see if it applies to merchants. There is special rules for merchants. Couple things when you go and practice, a business school is considered a merchant. If you have a preliminary negotiation, when you see that, you will see a advertisement. Are we dealing with an offer? How do I make a distinction? If they give you definite certain terms you will argue it's an offer. Now a buyer is talking to you about an offer for his home. Is that an preliminary negotiation versus an offer? You will go from there and it will dictate the next issue.

It is important, though they say the conclusions don't matter, you have to understand when it's an offer versus a preliminary negotiation, if you classify it wrong, you might write yourself out an issue such as frauds. You might pay attention to that.

Termination of offer comes up a bit in regards to formation exams. They will ask you was a valid contract formed? So my checklist, formation and defenses to formation is primarily the only the issues I'm going to address. That means I'll break it apart and determine what are they testing here? Is there a counteroffer? There a lapse of time counter? Was there a rejection or revocation? So I'll break it apart in great detail and see if these are being tested actually.

You might consider your counteroffer, you need to develop and understand when I know which to jump on a counter offer and the grumbling acceptance. With your revocation, remember you have a direct or indirect revocation where you learn from the 3rd party. Or then you have when either party dies. That's another determining.

Another thing on the checklist which goes on a sub-issue. We have a UCC, a firm offer. Remember an option contract is an offer supported by consideration. That means that offer will remain open for the stated period of time as long as you provide consideration. This is comes up on multiple-choice questions. I have an option, or not and you will sell it to somebody else. That is a problem because if I exercise the option, that's a problem because you are supposed to keep it open for that period of time.

Number one, it needs to be in writing. The offerer must be a merchant, not the offeree. One party must be offerer, and it be open for a reasonable period of time not to exceed ninety days. They like to test you and say it's open for 180 days.

You have an issue of acceptance. You have the terms of the offer. One area they like to test is method of acceptance. Remember the offerer is the master of his offer and he can dictate how it takes place. And so I place an ad on Facebook, and I say "I can't post, send me an email." Well, you just dictated the method of acceptance. It's subtle, it doesn't jump off the page but it's worth points. So remember the offer so I can dictate. Remember the grumbling inquiry. I offered on the car and hoped you will take lesser price. Was that an acceptance or you are going to argue that it's a grumbling acceptance? Another example would be if Mary offered to sell the car to Peter for $15,150. And he accepted the offer, that is assent to the offer. "I do hope you will detail it." She offers to sell the car for $15,150. That's a counteroffer. I will have to bring up the issue as to acceptance because I have an assent to the first portion of the statement because you had no counteroffer.

The more we look at practice exams and stuff, you will see whether I have to do acceptance versus counteroffer, look at the language that is in the facts, that will dictate for you.

You also have testable areas called "the mailbox rule". You will see that on the multiple-choice questions. Couple things I want you to remember about it, one, the mailbox rules doesn't apply to offers. There is an option if I mail my acceptance and the day before the option, and it doesn't get to you three days later do I have a valid contract? The answer is no. They will give you a question such as, you give me an offer, I put an acceptance in the mail, mail it out. And I call you before you get the acceptance and say, I don't want it, do we have a valid contract? And the answer is yes. So if we have an offer and I send an acceptance, we prove the offer and acceptance you can't go back up the chain. So follow that checklist and see where they are trying to trick you.

And a lot of students get fooled. I can give you the same answer, and they give you facts of reliance. And the offerer relied on your rejection and do you still have an offer? So dealing with the mailbox rule and the rejection, did it come first, in the middle, or after? And you have to understand how that game is applied. You will see questions on this area because students are weak in this area.

Acceptance underneath the UCC method, is any reasonable manner. The big area that you have to be careful of is what's called "battle of the form". That's rule 2-207. You have an offer on the table and the table accepts but there is added terms. Now if I add terms, obviously common law that is a counteroffer. Under the terms, they can be part of the contract unless you can show the materially alter the terms of the contract, obviously in a reasonable period of time, and the one accepting expressly makes it conditional on those terms. So the acceptance is expressly conditional on those terms. That's the rule dealing with additional terms. Material alteration -- what's an example of how you would see that come up? I fax you an order form and I say I want 5,000 Goodyear tires, and you fax to me, and say you accept except you will sell me 4,000 of Goodyear and 1,000 of another type of tire. Now you accept, but the issue is you changed the brand name. Is that a material alteration? Did I object in a reasonable period of time? And you go through that. And you go through the facts, and it might not be material versus if it's a different brand, then that may be material based on the facts.

Another area they play with this is an arbitration clause. Any time you are giving up a legal right, it's material. You are waiving the warranties, you are limiting your remedies, that's material.

The other thing that comes out under 2-207 battle of the forms is what is called "different terms". Guess what? We have a different rule. With different terms you have the knock-out drop-out rule. So you have a term that is different. Example how I have seen that tested is I send you a contract to buy the tires, and it has basically that California law will govern the contract, you send over an acceptance saying New York will govern the contracts. Those are different terms. We have two different states you want jurisdiction of the terms. So we don't have -- we have a contract, but we don't know which law is going to dictate that contract in and of itself. That's different terms.

Have they tested it? Yes, they have. You want to be familiar with that. I would be aware of it. To me, it's an area where I know I can hurt a lot of people. It's UCC weakness for people taking the baby bar, because they know you haven't had full structure of it in any school. I recommend the Gilbert, so you can match it to your checklist so I know the difference between common law and acceptance and UCC. That's important. I would get familiar with the battle of the forms.

Next you have consideration. It's an easy rule, bargain for exchange. They love the existing duty rule. Those are good buzzwords for an essay. Is it a substitute for consideration? If consideration is lacking, you want to look for it. You have requirements for output contract. If you see that it's your job to determine if it's requirement output contract, they are not going to tell you. It's not that hard, whatever I manufacture, I'm going to only buy what I require based on my business. Versus output, whatever you manufacture, I have to take. They are not the same. They are based on good faith.

In regards to the actual area here, consideration, besides the preexisting duty rule what they like to test is past consideration. They test with people retiring, and you have the big party and a pension, and the boss says, you did such an awesome job, I want to give you an extra $500 a month. That's a past consideration; now you have a problem because they bought a condo based on the extra monthly income and are depending on the extra income.

The whole 2- 207 is only between merchants. You have to be a merchant for it to apply. You will make the distinction for the reader.

Now in regards to the consideration that should give you a good idea in how it's tested. You want to pay attention to that because it will come up on the multiple states. I have gone through everything, offer and consideration, and acceptance; has there been a valid contract formed?

If you are in a fact pattern, it's an essay or multiple choice, because that will help you narrow down the issue they are testing. Ask yourself, if it's a valid written contract, that tells me there is no formation issues. So the offer and acceptance is off the table. That doesn't mean there is no defense to formation, such as fraud or whatever it is. Just because there is a valid written contract doesn't mean a defense could not come up. Further if a signed writing is between the parties, I still have formation issues and can I do much assent, how will I know? If they don't spell out the definite terms, I'm heading on a mutual assent. They want me to go the long way, offer, acceptance, and consideration.

This will help you in regards to timing. When they say there is written agreement don't make the assumption it's valid. I have to break it apart and go through it.

Now your defenses formation, the biggest one they like to test is statute of frauds. For some reason, I don't know why, students have a hard time with this concept of how to write it. The statute the frauds applies to any oral agreement. We know that, and most of us remember that, but it also applies to incomplete writings. I faxed over an order form to you and you faxed back an acknowledgement. That would trigger the statute the frauds. It's any oral or incomplete writing. It's when we didn't have it embodied into one document. It applies to marriage, or for the sale of goods over $5,000 or more. The two they love to test is the contract that is not performed within a year. Or the sale of goods of $500 or more. They don't usually test marriage but they could.

When you see it at issue, show me how that contract fits in the purview of the statute. You need to show me why does the statute apply? Once you get it in, obviously to the statute, then your next issue is how do I get it out? That would be your exceptions. Now the one that works for them all is sufficient memo. It's a memorandum with the essential terms, like definite certain terms signed by the party to be charging. If I'm saying the contract is not enforceable -- remember the premise of the statute of frauds is to prevent fraud -- if I'm saying there is a contract and you are saying there is not, if I have a memo, then there is a contract. The realty or interest in land, or you move in and pay property taxes or do major construction; and regards to the debt of another, the main purpose doctrine is for you somehow. And you show for performance of the memo. And for the UCC of goods of $5,000 or more, full performance. You want to memorize them that way. There is another one they love to test, that works as well. It's called the estoppel. It takes release by conduct. You wouldn't have done it unless you felt there was an actual contract. Look for estoppel, it applies to any oral or incomplete writings, show me how you get into it and show me how you get out.

The other thing I see with this issue is people deal with first note, UCC does that apply? No. You just combine the UCC and the statute the frauds. It's a separate issue. You told the reader you don't quite understand.

You other thing we mess up with the statute of frauds is modification. If the original contract requires to be in writing but then you orally modify, that's violating the statute of frauds. That's again by looking at model answers, you will start seeing how it's laid out. That's why issue spotting and reviewing helps out.

Statute of frauds is highly testable. You have the incomplete writings and the issue in regards to exceptions and of course the estoppels.

Mutual mistake comes up. And where you are going to be tested is the contract void or voidable. Unilateral mistake is voidable by whom? It's only going back to be where one party is under a mistaken belief, then we can void the contract.

Remember with fraud you need reliance. You have parol evidence. Remember with the parol evidence rule, you need a written contract, any oral or written evidence made us prior to, you look for the exception.

Hint, whenever I see preliminary negotiations, I follow through and see where the offer and the formation of the contract took place. And if I see that preliminary negotiation, you know it's a parol evidence issue. You will see something stated prior to but it wasn't put in the actual contract itself.

Illegality doesn't come in. But when minor enters in the contract, it's void in the minor's discretion. One thing you need to understand is he doesn't get off scot-free unless it's necessaries. I'm 17 and I buy a car, and I turn 18 and I want to disaffirm the contract, I can do that. Again with the capacity of minors, disaffirm of minors is what they like to test.

Make sure you look for the defenses. They are highly testable. And we tend to blow right through them and we can't do that.

So you have 3rd party beneficiaries and you have assignments and delegation. Now you can have this canned up, but we have some exams, and the more you read them, you can have this stuff canned up for your writing. If I see 3rd party beneficiary, that's all canned out. And you need to show, "Pursuant to Lawrence and Fox we don't need --" you had the intent to benefit me, you have to classify, did you write invest and majority rules. And when you step in the shoes, meaning any rights we have in terms of the contract, I have the right to assert against you as well. You have to see there is a contract for the benefit of the another person, the 3rd party itself. Their status and being needs to be known at the formation stage of the contract versus an assignment or delegation. An assignment is the right under the contract, versus delegation and its obligation.

I don't know why people mess this up. And this is tested on assignment and delegation. They don't necessarily go together, they can, but they don't have to. And the call even said was the duty delegable? . You have a canned approach. Is the right assignable? Is it present sometime? Is it a valid assignment and what are the effects? What do they test here? Is the right assignable.

The law says, we like the freedom of contract, we like the assignability. We are going to allow the actual assignment. Unless the contract states you can't state, and it's null and void, and you sign this and we have no contract, the courts will enforce it. The assignment is benefit or right you are receiving versus the delegation, that's dealing with the obligation under the contract and that's different. Again with the delegation, which is nice because it's similar to the assignment, obviously you will define it as, is the duty delegable? Was it assumed? And what were the effects?

Now with the delegation what do they like to the test? An ovation issue. You will know if there is an ovation or not. That will determine who is liable based on the actual contract. That's an area they like to test.

How it comes up and I want to make sure you are aware, if I tell you A interest in the contract with B to do landscaping and I'm charges $10,000 to do landscaping. And a lot of times they use the word "assign", which B assigned, you determine, was it an assignment or delegation or both? They are always going to use the word "assign".

Okay, now let's say something goes wrong, and A doesn't pay. So now, in this case you have C that planted all the plants and he wanted to be paid but how can C go after A, C would go after A based on the delegation. But if I changed on you, because the plants are defectively how does A go after C. That's where it raises 3rd party beneficiary. Because that delegation between B and C gave rights to A as 3rd party bidding because it's interested in A's property. That would be the 3rd party benefit. If the question is A sues C, what are the liabilities? I would have to prove the assignment versus delegation. And of course remember too at this point, once I show there are rights between the parties, same defenses apply to the original contracting parties. Any defense that A and C could bring up we could throw at A in this case. It's 3rd party through the back door, it comes up a lot in the multiple-choice questions. It's tricky.

You ask yourself, who is suing? And am I going across the B to get C? That would be a 3rd party beneficiary that mean I have a contract to prove up first to show A's rights. So it's highly testable. It will be on the multiple choice questions. It could come up on the essays, they tested this more on the baby bar more than anything else.

In regards to the UCC, remember, applies to the transaction of goods. When you are dealing with whether or not it's $500, you need to have it in writing. So you and I -- sorry, we are lay people, it still needs to be in writing. The sufficient memo works for lay people, but the written confirmations is between merchants, because then you waive the statute of frauds as a defense.

All right. Another big area that's testable is conditions. There are setups for the conditions. What are they? First, you want to type the condition. Is it express or implied? What they are testing lately express condition versus -- is it merely an express promise or condition? The courts don't like express conditions because they are harsh, if we can steer away from that, that's what we will do.

Is it an express promise versus an express condition? An express condition has to be explicitly stated. If I promise to paint your house by July 1st, that's an express promise, because you didn't make the language time of the essence. It wasn't made clear to me if I don't do it in time, I don't get paid.

Once you have a condition, express let's say, if you want that express condition to be excused, see if the performance can be excused then after you find two or three arguments, then see if I can see implied in law. The only one is implied in fact, that you will work in workmanlike manner and in good faith. Say you contract somebody to paint the interior of the home, you didn't state that they couldn't damage your car, pet, or stuff like that. That's implied in fact. Implied in law is the courts make it up, you and I agree that you are going to plant my garden in exchange for $5,000. Who goes first? We didn't say. It's implied in law that you will plant first before any obligation to pay you, it doesn't say that, but the courts say, obviously you have work first before she has to pay.

There are quite a few of these, but some that they love to test, one, you have impossibility. It must be what? Impossible. Nobody in the world could do it. Say I can't lecture today I'm sick. It's not objectively impossible because somebody else could do the lecture. It won't get me off the hook. And impracticable. And it's a hardship, it's it is ten times rule. If you force me to do this, it's going to cost me $20,000, and I'm only getting my $5,000, then I court might let me out.

What they like to test is your purpose must be known at the formation stage of the contract. An example, if you hire a tutor for the baby bar and say basically I want it to be a promise between you and I. The condition is that I will pass the baby bar, right, and that's great, you pass it. But then of course the baby bar comes up you get sick and you take it and don't pass. And you have an unforeseen event. But did you tell the tutor that it was this specific baby bar? It's very, very important that that purpose need to be known at the formation stage. It has to be clear.

That's the cluster they tend to go together when you see them on essay. You have repudiation, and have voluntary disablement. Somehow I can't perform anymore. Say I tell you my entire output of tires, I don't have any left. So then I go sell to somebody else. And I'm going to say, I'm not going to sell it you anymore. I just disabled myself, I have nothing. Those go together. You have substantial performance. That comes up once in a while. You can't argue that, don't tell me it doesn't apply, they don't want to see that. With substantial performance, you have to show that you got what you bargained for, and you got reimbursed. And you were unjustly enriched. You want to look as those elements. You can have a condition satisfied by rescission, or divisible -- or modification, with divisibility, what they like to test is installment contracts. These are not divisible. Was the contract bargained for as a whole? If I contract for you for a year to deliver so many pounds of meats each week, it's not divisible because I contracted for the meat for the year. That's the element they like it test. So was it bargained for as a whole. They test these on the installment contracts. You have to break these apart.

Again with the conditions, you want to show me what type of condition it is, expressed or implied in law. Then go through the excuse to try to take it back out. That tells me that I have the condition that makes my performance excused. It's important to go through and see if there is any way to excuse that performance because obviously that will dictate who the breaching party is going to be because they didn't perform under the terms of what they are supposed to do. That's very important to understand that.

In regards to your conditions, I want to make sure under, learn them in clusters, in essence, look for them together. If you see one most likely you have the others. Repudiation, and voluntary disablement.

It can't come up after formation, it has to be known at the formation stage of the actual contract. You can modify conditions, and you can waive them. I have a right and say it's dealing with the specific flooring I wanted, but you can say, I can put it in but it will take six months, because the manufacturer is out of stock on that. I can waive my right and say let's do this. And that comes up once in a while. Those are your conditions, you can see, there is a good approach to break it apart. Type the condition and see if you can excuse it.

The only one we can't excuse is implied in fact. You either do it or you don't. You can have express promise and express condition. I want you to be aware of that in case it comes back and is tested.

What's next on the checklist, is breach. I have a note on mine that says UCC terminologies, before I get to breach, what is that going to encompass, one, warranties. So you have warranty of title, you have express or implied warranties for fitness. Purpose, implied warranty. The language is different in regards to a person or any foreseeable consumer or user. So you want to use the natural language. In regards to issue of warranties under the UCC, we need privity, which the answer now is no. But it can come up, I haven't seen it tested on the baby bar on the essay in 15 years. But they did. In multiple-states, it could pop up. So you need to know that.

What else would you put in terminology? Stuff you are responsible for, risk of loss, destination contracts versus shipment contracts because that is about who bares the responsibility.

Now in regards to remedies before acceptance of the goods versus after. That will come up because that will dictate what the viable remedies is. That is an area I want you to work on and practice to get more exposure besides the Gilbert and look for the ones that are UCC. There are questions that will help you in this specific subject matter. You want to understand how it's tested. You can't go in and wing it, you will get hurt. It's specific rules.

Prior to acceptance, you didn't get the goods, can I stop the goods in time? Can I sue for the terms of the contract? Can I resell the goods and hold you responsible for the contract?

Now we can get to breach. With breach, breach is not a big issue. You will know when it's tested. It's the major versus minor. You will know. If I contract to build a shopping center, and I had to have 100 acres, but the land you sold me has less than that, that might be argued as a major breach. That's a problem. Versus if my purpose wasn't known, and you are shy an acre. The facts have to tell me. You can't really hide that issue from me. Generally breach is what I call "get in and get out." One area on the multiple states, I guarantee there will be a question there are for you, it's called the repudiation. What is it? It's similar to what we talked about under conditions to excuse a performance. It's repudiation expressly stated. But under breach it's different, we go a step further. The issue becomes can you sue under the terms now or do you have to wait and see?

If I contract with you to play at your club, on New Year's Eve knowing it will pack the house and you will make lots of money and then I call you on December 27th and say I won't do it. Do I have to wait until New Years to see if you show up? But you can have executory stages. Where neither of us has started or been paid, then the stages are not met.

What does executory mean? Neither of us has started or if one of us fully perform then I have to wait and see. Once you break it apart it's not hard, it's just people don't understand what that term means and they lose points. That's how breach is tested. Breach is not a big thing but it's down here on the checklist, you have to go and check first to determine who is the breaching party. You can't start there, have to start and see if you have to form the contract first and work from there.

The last area that you are responsible for is remedies. Remedies, really. Yes. Remedies, you have general is damages special damages, in contracts you have rescission, reformation, and restitution, and specific performance. Now first of all, how will I know that that's a trigger? Look to the call. They will tell you, is Melody liable to general damages? I know there is no restitution, or specific performance because the call dictated versus has Melody breached the contract and what remedies are available? Now I'm going to look for as many as I can get hold to. What was expected? If you contracted for the house to be painted for $10,000 and the painter didn't do the job, and you had to hire somebody for $15,000, that would be a $5,000 loss.

What you are looking at is the foreseeability. Was this foreseeable at the stages of the contract? I have to know what is going on, if I contract for you to paint my house so I can put it up on the market before June 1st, and I made that clear to you, then it was foreseeable in the formation stages, that I wanted to put it on the market, then you are liable for damages.

Another remedy you have is rescission which just undoes the contract. So I need fraud or mistake or --

Reformation, it's weird, if you see reformation, it's a mistake. Say my secretaries puts in the wrong price on the contract. That would be reformation, restitution is like you learned in torts, unjust benefit. And I want to take away that benefit based on what you have done. If you sell me a house, and you got more profit than you deserve then I want to take it away from you.

They are testing for performance. With specific performance, you need to understand it's an equitable remedy. For instance if I love your house, and you back out of your sale, that's a contract. If I offer to buy your house and I back out, money will make you whole. So specific performance won't make you whole on your side. You need to show how you got the equity.

Mutuality is abolished. Meaning the plaintiff and the defendant had remedy together. That's abolished now. Your defenses, which lapse, B F P and unclean hands, unclean hands means maybe you are dirty, so it's an illegal contract.

And laches is like a statute of limitations but it prejudices the defendant based on the facts. And the facts will dictate.

So those are your defenses to equity for specific performance general rule in regards tor specific services. It's like an involuntary servitude.

There are couple exams that way where they contracted you to install an air quality control system and they were the only ones able to do it, and then they breached. So that's an example where they will enforce the contract for services. Any other questions?

All right. That's your contract, shall I say in the nutshell. You want to go through your multiple states and essays to have an understanding of how they test the issues.

Of course, we have contracts, now you have to know up to now, so will I still review torts, you can't ignore it, now I add contracts. I don't want you to just be sitting there reading Gilberts all day, apply and do some multiple states; actually do a section of formation, but reading is not going to help you, that's passive. You know a lot of this, it's the application. That's why I don't get the answers correct. I had a student e-mailed me today, and she had 63 percent on contracts. She broke it apart by section, and I can see the areas she needed to work on. Versus I read the Gilbert and I understand the concepts. But that doesn't help you with the testing. Passive won't get you there.

Look for the essay question as well as the multiple choice, write it, send it in, and it will give me an idea of where our weaknesses are. And if there is any multiple states you don't understand, we will make sure to go over it as well. Any questions for me?

Now in regards to requirements for output, I will contract with you at say I'm a pottery business, I will buy whatever pottery you produce. That's a requirements -- an output you contract. Versus a retail contractor where I buy what I need. They contract you to supply all the packaging services for them for a year, I don't know how many packages you will collect from people, that is a services contract. I contract with you that you do all my delivery services, whatever I require, if I get ten customers versus fifty customers, you do whatever is required.

If anything comes up during preparations, email me any questions you have. Time is of the essence, and we have to get prepared and that will help you.

Talk to you next week. Please work on your issue spotting, and I expect you to write that contracts exam this weekend.

Good night.