

Law of Contract Quiz

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1. **What is a contract?**
 - A) A verbal agreement
 - **B) A legally binding agreement**
 - C) A casual promise
2. **Which of the following is NOT a requirement for a valid contract?**
 - A) Offer and acceptance
 - B) Consideration
 - **C) Written form**
3. **What does "consideration" refer to in contract law?**
 - A) The parties involved
 - **B) Something of value exchanged between parties**
 - C) The time frame for performance
4. **If a party fails to perform their duties under a contract, this is called:**
 - A) Performance
 - **B) Breach**
 - C) Novation
5. **Which of the following can make a contract void?**
 - A) Mutual consent
 - **B) Lack of capacity (e.g., minors)**
 - C) Both parties agree to the terms
6. **What are the essential elements of a valid contract?**
 - A) Offer, acceptance, consideration, legal capacity, and legality**
 - B) Offer, acceptance, negotiation, and agreement
 - C) Terms, conditions, and signatures
7. **What is a proposal to enter into a contract called - an offer**
8. The legal ability to enter into a contract – **capacity**
9. A contract formed by the actions or conduct of the parties is called an implied contract
10. **Which theory focuses on restoring the injured party to their original position before the contract? - Restitution Interest**
11. Which contractual liability theory seeks to reimburse the injured party for expenses incurred in reliance on the contract - **Reliance Interest**
12. **Which of the following is NOT a requirement for a valid offer?**

- A) It must be communicated to the offeree
- **B) It must be made in writing**
- C) It must be clear and definite in its terms

13. **What is "acceptance" in the context of contract law?**

- A) An acknowledgment of receipt of an offer
- **B) An agreement to the terms of an offer**
- C) A counterproposal to an offer

14. **Which doctrine states that an acceptance must mirror the terms of the offer?**

- A) The Parol Evidence Rule
- B) The Reasonable Person Standard
- **C) The Mirror Image Rule**

15. **What is an "invitation to treat"?**

- **A) A preliminary negotiation or invitation to make an offer**
- A) An offer that is open for acceptance
- C) A binding contract

16. Which landmark case in contract law involved a verdict regarding a product that claimed to prevent influenza? - **Carlill v. Carbolic Smoke Ball Co.**

17. In contract law, which Latin term best describes the concept that agreements must be kept?

- A) Caveat emptor: **let the buyer beware**
- B) Res ipsa loquitur **THE THING SPEAKS FOR ITSELF**
- C) **Pacta sunt servanda** - agreements must be kept.
- D) Quid pro quo – **SOMETHING FOR SOMETHING**

18. THE Latin word **Ad idem translates to what in English** - Of the same mind.

19. Which Latin term refers to the intention or mindset of parties to enter into a legally binding agreement? It emphasizes that both parties must intend for their agreement to create enforceable obligations and rights. - **Animus contrahendi**

20. What does the term "sanctity of a contract" refer to?

- A) The legal ability to change contract terms at any time.
- **B) The principle that contracts should be upheld and respected by the parties involved.**
- C) The requirement that all contracts must be in writing.
- D) The notion that contracts are only valid if signed by a notary.

21. **What is the other Latin name for a *pactum de contrahendo* - *pactum de negotiando* –**

22. **What is a binding legal instrument under international law by which contracting parties assume legal obligations to conclude or negotiate future agreements? *pactum de contrahendo* - *pactum de negotiando***

23. Which of the following is NOT considered an essential element of a valid contract?

- A) Offer
- B) Acceptance
- C) Consideration
- D) Length of the contract**

24. Which of the following is an example of a voidable contract?

- A) A contract for an illegal purpose.
- B) A contract signed under duress.**
- C) A contract that lacks consideration.
- D) A contract made by a minor with no exceptions.

25. Which of the following statements is true regarding void contracts?

- A) They can be ratified by the parties involved.
- B) They can be enforced in court.
- C) They have no legal effect from the moment they are created.**
- D) They are valid until one party chooses to void them.