

QUESTION 3

Peter is an avid baseball and football card collector. Peter's penchant for collecting these cards is well-known throughout the community. Peter recently hired Andy to assist him in finding and purchasing sports cards. Peter entered into an agreement with Andy, agreeing to pay Andy \$50 per week. In exchange, Andy agreed to attend at least three sports card memorabilia shows per month to look for cards for Peter. The agreement further provided that Andy was only authorized to buy baseball cards and that each card purchased must be individually priced at \$100 or less.

Shortly after being hired, Andy attended a local sports memorabilia show where he met Sam, a card dealer, at the show. He told Sam that he was authorized to make purchases on Peter's behalf. Sam was skeptical of Andy's claims and called Peter to confirm what he had been told by Andy. Peter explained to Sam that Andy was only authorized to purchase sports cards that cost \$100 or less.

Thereafter, Andy and Sam engaged in a discussion involving the purchase of five baseball cards. Sam was willing to sell each for \$100, but Andy thought the price was too high. Sam offered to throw in a sixth baseball card at no additional charge. Andy agreed to the deal and received five baseball cards for \$500 and a sixth for free. Andy then purchased another baseball card on behalf of Peter for \$125. Finally, Andy purchased a football card on behalf of Peter for \$80. Sam allowed Andy to take possession of the seven baseball cards and one football card, agreeing to submit the bill to Peter.

Andy delivered to Peter the five baseball cards which he had purchased for \$500, the one baseball card which he had purchased for \$125, and the one football card which he had purchased for \$80. Andy kept for himself the baseball card that Sam had provided at no charge and made no mention of that card to Peter. A few days later, Peter received a bill from Sam for five baseball cards at \$100 each, one baseball card at \$125, and one football card at \$80.

Peter decided he did not want to keep any of the cards which Andy purchased and refused to pay Sam.

QUESTION:

Discuss whether Sam can require Peter to pay for the baseball and football cards, and whether Andy may keep the "free" baseball card.