

Name:

Date:

Class:

## **Lesson 4.2**

### **Practice Your Understanding**

1. For each of the following scenarios, determine the type of contract (sales contract, service contract, or lease) most likely to be employed. (4.2-1)

- a. A restaurant orders vegetables from a local farmer, and the owner of the restaurant needs to sign for the order.

Answer:

- b. Your business has a leaky faucet, and you contact a plumber to repair the problem. The plumber documented the work performed, time spent on the work, and cost of the work.

Answer:

- c. After time spent searching for an ideal location, you finally found a storefront you can afford to rent.

Answer:

2. Imagine a scenario in which you are considering becoming a licensor of a specific product. On a piece of notebook paper, prepare a chart listing advantages and disadvantages regarding the risks involved in creating a licensing agreement with a licensee. (4.2-2)

Answer: