1. Jones bought a car under a conditional sales contract, which provided that if Jones defaulted in payments Finance Co. had a right to repossess this car. Jones defaulted, and Finance Co. instructed its employees Bull and Bear to repossess the car. They found Jones driving the car several miles from his home. They followed him in their car and hailed him. Thinking they were police officers, Jones stopped. Bull and Bear walked over to Jones' car and informed him to get out since the car was to be repossessed. Jones refused, and an argument ensued. Finally, Bear said to Jones, "You stay here. I will have an officer here in about ten minutes." Then Bear said to Bull, "You stay here, and I'll get an officer and have him locked up." Bear departed and returned in about ten minutes. Shortly thereafter, a tow-truck pulled up and Bear motioned to it to hook on to the front of Jones' car. Jones then started the motor in his car for the purpose of driving away, but Bear quickly raised the hood of the car and jerked off the distributor wire. Bull then climbed into the front seat of the car at Jones' side, and the tow-truck started pulling the car down the street. After about 75 feet Jones put on the handbrake and threw the car in reverse, thereby managing to stall the tow-truck.

While all this was going on, numerous cars were driven by, some of them stopping briefly so that their occupants could enjoy the show. About this time a passing policeman stopped and asked the meaning of the controversy. Finding that Jones had left his driver's license at home, the policeman placed Jones under arrest and took him away, while Bull and Bear departed with Jones' car in tow. After a brief interrogation at the police station, Jones was released.

As a result of these events Jones suffered loss of appetite and weight caused by nervousness and sleeplessness. What is the tort liability, if any, of Finance Co. to Jones? Why or why not?

2. A, the owner-driver of a taxicab having defective brakes, was carrying as a fare B, a young woman of twenty-five who apparently was under the influence of alcohol. B told A she was suffering from diabetes and would collapse unless she had insulin promptly, and asked A to stop at a drugstore and try to obtain some. A stopped the cab and went into a drugstore, leaving the motor running in violation of a criminal statute which forbade the parking of any automobile unless the motor was stopped and the brake set. B, who was not diabetic but intoxicated, drove the cab away. While B was driving, C, a child of six, ran into the path of the car. B applied the brakes and would have stopped in time if the brakes had been in working order, but because they were defective, hit and injured C and damaged the car. What are the liabilities, if any, of A and B? Why or why not?

3. T (a retired teacher) purchased from M a new house trailer manufactured by M. The contract of sale stated that "the only guarantee is the one attached," which guarantee did not refer to the bathtub and fittings. Shortly thereafter, T departed for a six-months journey in his car and trailer. T asserts that the trailer was improperly designed and equipped in that it had no adequate drainage pipe from the bathtub, that as a consequence the floor was constantly saturated during the entire journey, that the floor and sides buckled from the moisture, and that T's arthritic condition was severely aggravated by the damp conditions in the trailer. C, a guest who visited T at a trailer park near the end of the journey, asserts that she was injured from falling when she tripped over a protrusion in the buckled floor. What liabilities, if any? Why or why not?
4. S, desiring to sell his home, stated to M, a prospective buyer, that it was in excellent condition, that it would stand for the rest of M's life without major structural repairs, and that it is in a district zoned for residential use only. In fact the house is built on "filled" land, the foundations had begun to sink, and the zoning board had recently voted an exception to permit a church to be built across the street. M, who found another house he liked better, declined to purchase S's home. Subsequently S, making the same statements, offered the house to B, who happened to apply to M for a loan. M (stating that he would not lend more than 60% of the fair value of the property) agreed to lend $18,000 secured by a first mortgage. B bought the house from S for $31,250. B later defaulted on the loan, repaying only $1,000. The foundations having sunk farther and the church having been built, the house was sold to T for $15,000. What are the rights, if any, of B and M against S. Why or why not?