

**REMEDIES MIDTERM EXAM
PROFESSOR COYNE
SPRING 2008**

He who seeks equity must do so with equity.

Use your social security number on the blue book. Write legibly and coherently.

Your knowledge and ability to analyze the issues should be clear from the manner you express those thoughts on this test.

Write no more than six (6) handwritten pages using only one side of each paper or four (4) typed double spaced pages. I will not read anything that exceeds the page limitation.

PART 1

FIRSTYEARSUCCESS, Inc., a Massachusetts corporation located on Washington Avenue in Plymouth, Massachusetts, produces study review materials for law students and runs a website called FIRSTYEARSUCCESS.COM. All of FIRSTYEARSUCCESS' employees have signed non-compete/non-disclosure agreements precluding them from using any of the proprietary information belonging to the company and from working for any company in the same business in the United States for one year after they leave FIRSTYEARSUCCESS, Inc.

For an initial fee of \$500.00 and for \$10.00 per month, law graduates/students can sign up online with FIRSTYEARSUCCESS.COM to study for their examinations over the internet and place a description of themselves on the website to find suitable dates. The description provides their educational background and standards for dating. The contract that students execute online requires all disputes be resolved by binding arbitration in Omaha, Nebraska

In a short period, its proprietary and copyrighted study review materials and software has allowed FIRSTYEARSUCCESS, Inc. to become a leader in the field of study review materials. Unfortunately, its dating service has not been nearly as successful and there are many dissatisfied students who claim it is a scam. Two students have even been raped by their dates who were not law students but exconvicts who enrolled in the program while in prison. The students were badly beaten and suffered significant damages including medical expenses and lost wages. FIRSTYEARSUCCESS.COM's insurer has denied their claim for damages saying that the policy precludes claims for criminal activity.

Recently, Peter Peters, one of the founders of FIRSTYEARSUCCESS, Inc., left and started a competing company at 10 Franklin Pierce Place in Salem New Hampshire. Peters took customer lists, software and other proprietary material from

FIRSTYEARSUCCESS when he quit. He has also been encouraging a number of employees to leave FIRSTYEARSUCCESS, Inc. and join him at LawschoolU.com.Inc. Two of these employees, Sally Stone and Natasha Dean, recently left and joined LawschoolU.com.Inc.

Malguti, Stone and Dean, a real star of the study preparation business, reside in Salem New Hampshire. Peters encouraged Stone to break her contract and agreement with FIRSTYEARSUCCESS by giving her a salary of \$75,000 per year, allowing her to continue to work from home and submit her study examination questions, material and software programs through the Internet, as she had done with FIRSTYEARSUCCESS. Stone and Dean deny having any written agreement with FIRSTYEARSUCCESS.

FIRSTYEARSUCCESS, Inc.'s revenues have recently started to decline significantly because of the loss of the employees and the poor performance of its dating business. FIRSTYEARSUCCESS, Inc. consults with you and asks you to help. They want you to drive LawschoolU.com.Inc out of business at whatever cost.

Please discuss how you would proceed and why. Discuss what you expect is likely to happen and explain the procedural steps you would expect on this matter.

PART 2

Define the following terms and then, if applicable, apply the terms to the fact pattern on the first page.

93A and 176D actions

WangTest

Evidentiary Hearing

Expectancy and Reliance Damages

Bond
