was "Mr. Norco," and when Bailey said "no," Protect testified that he told Bailey to contact Norco and "obtain approval" before clean-up started. Protect then saw Bailey make a phone call, and when the call ended, Bailey said he had received authorization to sign the contract. Bailey signed the contract believing he had authority to do so.

Protect mailed and faxed a copy of the signed contract and the invoice to Norco. Norco never responded, nor did it pay the invoice. Norco never "assert[ed] Bailey's lack of authority as the basis for non-payment," nor did Norco ever dispute the bill or the contract. Protect sued Norco for payment three months later.

What elements are required for a finding of apparent authority? Do you think Protect had a reasonable basis to believe that Bailey had authority to sign the contract on Norco's behalf? How do you think the court treated Norco's silence? Would Norco's failure to dispute the contract and the invoice be considered a "manifestation of acceptance"? [*Protect Environmental Services, Inc. v. Norco Corp.*, 403 S.W.3d 532 (Tex. App. 2013).]

5.3 Rodney and Ydonna Smith divorced in 1998. They had one child. In 1999, Ydonna went to work for Sears in its retail debt collections department, where she collected debts from existing Sears account holders who were behind on their payments. In that capacity, and for that purpose, Ydonna had access to a computer and password that allowed her to use a Sears information system to obtain certain information on customers from their credit reports. At the same time, Ydonna was trying to obtain child support payments from Rodney, but neither she nor the state of Mississippi could locate him. Ydonna used the Sears credit information system fourteen times to access Rodney's credit report in an effort to find his current address, in violation of the Fair Credit Reporting Act (FCRA). When Rodney discovered these inquiries, he complained to Sears, which fired Ydonna for violating its policy by accessing Rodney's credit report. Rodney subsequently sued Sears to recover damages for alleged violation of the FCRA, based on Ydonna's inquiries.

Is Sears vicariously liable for Ydonna's violations of the FCRA? [*Smith v. Sears, Roebuck & Co.*, 276 F. Supp. 2d 603 (S.D. Miss. 2003).]

5.4 Shortly after hiring Corte Adams, Goodyear Tires transferred him from his home near Houston to Bryan, Texas, to work on commercial trucks. After the transfer, Adams continued to live in Houston and commuted two hours each way to work. Although Adams owned his own car, Goodyear allowed him to use a company-owned pickup truck to commute to and from work. Once or twice a week, Adams either picked up tires at the Houston shop on his way to work and delivered them to Bryan, or he dropped off tires from Bryan at the Houston shop on his way home. With his boss's knowledge, Adams also used the Goodyear truck during working hours to run some personal errands.

After Adams left work in the company truck on a Friday, he delivered tires to the Houston shop at 7 P.M.; stopped for Chinese takeout; and then drove to his father's house, which was about ten miles from his home, where he ate dinner, drank a few beers, and fell asleep. At 1 A.M., he woke up and drove the truck to a store to buy cigarettes for his father. On the way back to his father's house, Adams fell asleep at the wheel and hit another car, severely injuring himself and the other driver. After the driver sued Adams and Goodyear, Goodyear's insurance company, Travelers Indemnity Company, refused to cover Adams or to defend or indemnify him in the lawsuit. Adams then sued Travelers and Goodyear. Travelers argued that Adams was not an "insured" under its policy with Goodyear because he did not have permission to use the truck when the accident occurred.

Did Adams have implied permission to use the truck? Is Goodyear (and therefore Travelers) liable for damages arising out of the accident? If so, on what basis? [*Adams v. Travelers Indemnity Company of Connecticut*, 465 F.3d 156 (5th Cir. 2006).]

5.5 H&R Block's tax-filing service allows customers to obtain faster tax refunds in two ways: (1) The customer can pay $25 for H&R Block to file the return with the Internal Revenue Service electronically, in which case the customer will receive the refund in two weeks; or (2) if the customer wants the funds even faster, H&R Block can arrange a loan from a third-party bank in the amount of the customer's refund through its Rapid Anticipation Loan (RAL) program. H&R Block benefited financially from each RAL in at least one way, and potentially in as many as three ways. First, H&R Block received a "license fee" of $3 to $9 for every RAL referred to a lending bank. Second, its affiliate, H&R Block Financial, purchased about one-half of the RALs from lender banks. Third, under an arrangement with Sears, Roebuck & Co., H&R Block encouraged RAL customers to cash their checks at Sears and received a fee equal to 15% of the check-cashing fee that Sears charged for cashing the loan checks. H&R Block did not disclose its financial participation in the RAL program to its customers.

Joyce Green filed a class-action suit on behalf of all Maryland customers who had obtained RAL bank loans, claiming, among other things, that H&R Block had breached its fiduciary duty by failing to disclose the benefits it received from the lending institutions to which it referred its customers.

What arguments will Green make? What arguments will H&R Block make in its defense? Could H&R Block have added language to its customer contracts to ensure that it would not owe any fiduciary obligations to its customers? Whether or not H&R Block is found to have had fiduciary obligations to its customers, were its actions ethical? [*Green v. H&R Block, Inc.*, 735 A.2d 1039 (Md. Ct. App. 1999).]

5.6 B.P.S., doing business as Wells Fargo Guard Services, had a contract with the city of St. Louis, Missouri, to provide guards at the St. Louis Convention Center. Security arrangements at the convention center included a number of television surveillance cameras scattered around the center, which were monitored on small screens in a central control room. The direction in which each camera