

On March 1, Bella, an art dealer, called Sharon, a renowned nature photographer, and said, "I am interested in purchasing your photograph of Florida panthers hunting at night that I saw at your exhibition last summer. What is the price?" Sharon replied, "I will sell it to you for \$22,000." Bella replied, "OK, it's a deal; send me the paperwork this week."

The photograph Bella had seen at the exhibition was named "Panthers One." Four months after Bella saw Panthers One at Sharon's art exhibition, Sharon photographed panthers again and exhibited one of these photographs, which she named "Panthers Two."

On March 10, Sharon sent Bella a document typed on Sharon's letterhead:

"I agree to sell Bella my panther photograph for \$32,000. Payment to be made by April 10. In the event that either party fails to perform this contract, the non-breaching party shall be entitled to damages in the amount of \$5,000." Sharon did not sign the document. She added a handwritten note "Please sign and return to me." Sharon's assistant, who typed the letter, erred in typing \$32,000 instead of \$22,000. Sharon did not notice the error.

On March 15, Bella received the document. Bella did not notice the price was \$32,000. She did not sign or return the document to Sharon.

On April 10, Bella arrived at Sharon's studio and tendered \$22,000. Sharon tendered to Bella the photograph called "Panthers Two," which Bella rejected. Sharon terminated the transaction and demanded \$5,000 based on the March 10 letter.

On May 14, Bella retained the services of Laura, a lawyer. Laura has an associate named Andrew. Five years ago, while associated with Laura, Andrew represented Sharon in the formation of a limited liability company for her photography business and in other matters involving the company. Laura knew of Andrew's prior work for Sharon, but did not disclose it to Bella.

Prepare a memorandum discussing Bella's potential claims, any arguments that Sharon may raise, and the likely outcome of the matter. Also discuss any ethical issues posed by Laura's representation of Bella.