

BOWEN UNIVERSITY, IWO, OSUN STATE
COLLEGE OF LAW
FIRST SEMESTER EXAMINATION, 2021/2022 SESSION
PCL 201- LAW OF CONTRACT I

INSTRUCTIONS: Answer any two questions from **Section A** and any two questions from **Section B**

Time allowed: 3 hours

Each question carries 17^{1/2} Marks

LOGICAL AND GRAMMATICALLY CORRECT PRESENTATION OF ANSWERS ARE IMPORTANT

Section A

1. In the course of a conversation, Aminat offered to sell her car to Adimula for #50,000.00. Adimula replied that he would like to have some time to think it over, and Aminat responded, "All right I'll give you seven days". In fact, in the evening of that same day, Adimula made up his mind and posted a letter to Aminat, enclosing a cheque for the sum of #50,000.00, being the price demanded by Aminat. Three days later, while Adimula's letter had not yet been received by Aminat, both of them met at a friend's birthday party. Aminat immediately informed Adimula that she had sold the car to her new boyfriend for double the price. Adimula is furious and wants to bring an action for breach of contract. **Advise Adimula, stating clearly the issues of law involved.**
2. *'It is not in all situations where there is an agreement that the parties have an intention to create legal relations.'* **Discuss this opinion with the aid of relevant judicial authorities.**
3. Mr. Tinkerbell, agreed to pay Mr. Seashell N100,000.00 provided he continues to do his job as a ship captain from London seaport to Burutu seaport in Delta State, Nigeria. Mr. Seashell did his job as a ship captain till the ship arrived at Burutu seaport. Mr. Tinkerbell has refused to pay Mr. Seashell the N100,000.00 he promised. **With the aid of decided cases, write an opinion on whether or not Mr. Seashell is entitled to the sum of N100,000.00.**

Section B

4. Mr. Obi supplied 4 pairs of shoes at N6,000:00 (Six Thousand Naira) per pair to 14-year-old Akeju, the son of a top civil servant. Akeju has refused to pay for the shoes, claiming that although he contracted for the shoes, he did not use them but gave them to his older brother, Yusuf, who made use of the shoes. Akeju also contends that as at the time of the sale and delivery of the shoes, he had an adequate supply of shoes, suitable for his condition in life. Mr Obi wants to recover the full price of the shoes from Akeju and, knowing you as a brilliant law student of Bowen University, has consulted you for legal advice on the matter. **With the aid of statutory and judicial authorities, advise Mr Obi.**
5. Mr. Balogun wanted a cow for breeding purposes and decided to buy one from Mr. Alapata, a veterinary doctor who also sells cows. Mr. Alapata sold a cow to Mr. Balogun, assuring him (Mr. Balogun) that the cow was very good for breeding purposes. He also advised Mr. Balogun to have the cow examined by another veterinary doctor if he was in doubt. Mr. Balogun, without paying any attention to Mr Alapata's advice, purchased the cow but discovered one week later that it was unsuitable for breeding purposes. Mr. Balogun intends to sue Mr. Alapata for damages and repudiation of the contract because, according to him, the statement of assurance made by Mr. Alapata was a term of the contract that induced him to entering into the contract. **With the aid of judicial and statutory authorities, advise Mr. Balogun on his chances of success or otherwise in court.**

6. Mallam Musa's truck was involved in a ghastly accident while transporting tomatoes to Lagos for Mrs. Ebuka, causing the loss of the tomatoes. Mrs. Ebuka had carried out this transaction on a number of occasions with Mallam Musa, and on some occasions, she had signed documents exempting Mallam Musa from liability for loss, while on some occasions, she had not. On the occasions she signed the documents, she never bothered to read them, and even on the particular occasion that gave rise to this issue, she didn't bother to read the documents. Mrs. Ebuka has approached the court to recover damages from Mallam Musa for the loss of the tomatoes. **Citing appropriate authorities, discuss the liabilities of parties.**

7. **With the aid of statutory and judicial authorities,** evaluate briefly the following statements:

- a) A party to a contract is liable if he signs a document incorporating by reference another document containing an exclusion clause.
- b) By sections 2 to 9 of the Sale of Goods Act, 1893, certain terms are implied in all contracts for the sale of goods unless expressly excluded.
- c) "One party's superior knowledge" is by far the most successful of the three independent tests designed by Cheshire and Fifoot for the purpose of distinguishing between a term of the contract and a mere representation.
- d) Section 4 of the Sale of Goods Act, 1893, provides that where necessaries are sold and delivered to a person "who by reason of mental incapacity or drunkenness is incompetent to contract, he must pay a reasonable price therefor."