



NATIONAL OPEN UNIVERSITY OF NIGERIA

Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi – Abuja

FACULTY OF LAW

DEPARTMENT OF COMMERCIAL LAW

2020_1 EXAMINATION

COURSE CODE: CLL 233

COURSE TITLE LAW OF CONTRACT 1

CREDIT UNITS: 4

- INSTRUCTIONS:**
- (a) Indicate your Matriculation Number clearly
 - (b) Attempt Question one (1) and any other three questions – four (4) questions in all
 - (c) Question one (1) is compulsory and carries 25 marks; while the other questions carry 15 marks each.
 - (d) Using appropriate statutory and judicial authorities, present all your points in a coherent and orderly manner.

TIME 3 Hours

ALLOWED:

1. With your knowledge of Contract Laws, and with the aid of decided cases, analyze the issues raised for both parties and the remedies available to them, if any.
 - a) Kareem walks into a grocery shop and picks biscuits with price tags of N10.00. When he gets to the counter to make payment, he is told that the price is N11.00. Explain if there was an invitation to treat or an offer. (10 Marks)
 - b) Mr. Odion offered a car to Mr. Terseer for N400,000.00. Mr. Terseer replied saying he will pay N350,000.00. Is there still a valid offer leading to a contract between them? (7.5 Marks)
 - c) If Mr. Terseer accepts the offer by telephone. Is his acceptance valid? What are the methods for communication of acceptance? (7.5 Marks)
2. A promise cannot be a consideration for another promise, unless it is either a detriment to the plaintiff or a benefit to the defendant (**Currie v. Misa (1875) L.R. 10 Ex. 153**). In the light of the above statement, discuss using decided cases, the rules governing Consideration. (15 Marks)

3. A woman took her broken down fridge to an electrician and he promised to fix it in one week for N5,000.00. She paid in full and left the shop. The electrician noticing that he would not be able to deliver the fridge in a weeks' time, takes it to another electrician he knows to repair.

Analyze the above scenario to determine if there was an intention to enter legal relations by the woman and the second electrician. (15 Marks)

4. On February 15th, a company that manufactures metals for windows received an order from a builder. "Please ship 300 sheets of ¼ inch refabricated metal and deliver by April 1st. On March the 8th, the company shipped ½ inch refabricated metal to the builder. The builder has rejected the supply.

With your knowledge of Contract Laws, analyze and discuss any remedies available to the builder. (15 Marks)

5. Discuss the terms of a contract that are implied by law under the Sale of Goods Act. (15 Marks)

6. You recently contacted an agent to inspect a house you want to buy "subject to contract". While the house looked fabulous upon a closer look, you discovered that the house roof leaks, and the plumbing were bad. You informed the house agent that you would not be taking the house. The agent insists that you must buy the house as the owner had already accepted your offer.

Advise if the purchase can be enforced. (15 Marks)