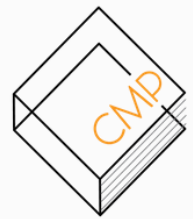


COMM 393

2020W1 Midterm Review Session



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Practice Problem 1

Dave has been working for the large, multi-national coffee chain SunBucks for many years. Unfortunately, Dave is almost 60 years old and cannot make customers' well stirred Grande Double Shot Salted Caramel Mocha Skim Milk Latte with 2 Pumps of Vanilla, Extra Foam, and a Scoop of Vanilla Bean Powder drinks as fast as some of his younger colleagues can. As a result, Dave's manager fires him for "being too old and slow." Dave isn't happy, and decides to sue SunBucks for \$50,000 in small claims court for age discrimination under the Canadian Charter of Rights and Freedoms.

- a) Will Dave be successful in his actions? Explain.
- b) Suppose before the trial, SunBucks proposes that it and Dave solve their differences by using a mediator instead of going to court. What is mediation and what are its advantages?



Practice Problem 2

Jasmine, who has just graduated from Sauder with her BCom, was very excited to receive an offer to the Big 4 accounting firm KMPG to be an Audit Associate. She received the offer by email on September 27th, and KMPG said in the email that Jasmine had to accept the offer by October 2nd, 11:59PM via email. Jasmine, however, waited until the last minute to accept her offer since she was celebrating with friends and couldn't get her internet to work, so she decided to accept the offer by "snail mail" instead on October 2nd at 10:00PM. In her rush, Jasmine neglected to sign the letter accepting her offer. The mail was not received at KMPG office until 3:00PM on October 3rd. Since KMPG did not receive anything from Jasmine on October 2nd, they gave the offer to their next choice candidate.

Jasmine claims that she and KMPG had already formed a contract on October 2nd pursuant to the postal acceptance rule, and that KMPG had no right to give her job away. Because of this, Jasmine is considering filing suit in B.C. court. KMPG, however, denies this is true and says that either way, because Jasmine did not sign the letter accepting her offer, the contract is not valid because contracts must be signed to be valid.

- a) Do Jasmine and KMPG have a binding contract? Explain your reasoning fully.
- b) Is KMPG correct in saying that because Jasmine neglected to sign her letter, there cannot be a contract between them? Explain.



Practice Problem 3

Frank's Corner Store is a convenience store that sells a variety of convenient goods. Business was booming, so the owner Frank decided he wanted to expand. He hired Christy's Construction to build an extension to his store. A contract was signed between Frank and Christy to build the extension for \$100,000, including materials and labour. Christy started work on time and all was going well, until about halfway through the project, when Christy realised she had underestimated how much the tile Frank wanted was going to cost her. She told Frank that it would cost an extra \$10,000 to complete the project, which Frank promised to pay her on completion of the project. Nothing was signed, but Christy was confident that her handshake agreement with Frank was all she needed.

Once the project had been completed, Christy gave Frank a tour of the new extension and he loved it! He promised to send Christy payment for the project by the end of the day. When Christy checked her bank account that evening, however, she noticed Frank had not included the extra \$10,000 they agreed upon, so she called Frank to ask where her extra money was. It turns out Frank was going through some money issues, and he told Christy that he wasn't going to pay the extra money. "The number in the original contract is the only the number that matters," he said. Christy, believing she is rightfully owed that \$10,000, sues Frank in B.C. Small Claims Court for the money plus costs.

- a) Who is correct? Will Christy be successful in her suit against Frank?
- b) Regardless of your answer in Part A, Christy is told by a friend that Frank has to pay the extra \$10,000 no matter what because of the doctrine of "equitable estoppel" (or "promissory estoppel"). Is Christy's friend correct?

BONUS!

What could have Christy done to ensure that she would be paid the extra \$10,000 for the tiles?



Practice Problem 4

16-year-old Emma is excited to get her first job at Goose Mountain, a local ski hill, leading hiking and snowshoe tours throughout the year. Because she is a minor, Goose Mountain has Emma's mother sign a form saying she has parental permission to work. On her first day of work, Emma signs an employment contract which she notices, as she reads it fully, contains a clause saying she cannot sue Goose if she is injured while she is performing her job. Emma has been doing some reading on B.C. Law, and thinks because she is a minor, a contract made by an adult is unenforceable against the minor but is enforceable by the minor against an adult.

Emma works for 4 years at Goose and loves her job! A few days after her 20 birthday, however, Emma trips over a log while leading a snowshoe tour and hurts her back. She learns later that a Goose Mountain employee negligently left the log there after they finished cutting down a tree earlier in the month. Emma decides to sue Goose Mountain for her lost wages and for damages. In court, Goose Mountain argues that Emma cannot sue because she signed away her rights to sue when she signed her employment contract. Emma (who decides to represent herself in court because she foolishly chose not to follow the instructions she received in her COMM393 class to always hire a lawyer when going to court) argues that since she was a minor when she signed her employment contract, it is not enforceable by law and thus she can sue Goose. Who is correct?

Practice Problem 5

As a new student wellness initiative, the UBC Business Student Society has funded a massage parlour called “Business Student Wellness Massage” inside of the business building. Molly has been employed at Business Student Wellness Massage for 6 months and is considering leaving since there are not enough business students who want massages.

Molly heard that the UBC Science Student Society is also opening up a science student massage parlour, Science Rules!, just 5km from the business building. There are almost 3 times as many science students as business students so Molly thinks that she will be more money working at the science massage parlour.

When Molly hands in her two-weeks notice to the Business Student Society so she can work with at Science Rules!, the Business Student Society threatens to sue, claiming that Molly signed a non-compete clause in her employment contract.

The contract had said that, “for a period of five months after the termination of your employment, you can not engage in massaging or providing any wellness services either alone or in association with or as an employee of any persons within UBC or within 20 kilometers thereof”.

Can Molly work for Science Rules!? Or is she bound by the restrictive covenant from her employment contract with Business Student Wellness



Practice Problem 6

Liz and Rob are recently married, and are looking to buy their first home! Because times are tough, they decide to not hire a realtor and buy the home on their own. Keep in mind, Liz and Rob are teachers with no legal experience with contracts or buying homes.

Liz and Rob find a home they absolutely love, and talk to the realtor selling the home to learn more about it. Rob is a pretty easy going guy, but he is a little superstitious and has one rule: he won't buy a home that anyone has died in. Because of this, Rob asks the selling realtor, Jim, if anyone has passed away in the home. Jim swears up and down to Rob that to the best of his knowledge, no one has died in the home. This isn't true, Jim knows for a fact that the previous owner of the home passed away due to old age, but he thinks that doesn't matter. "It's not like it was murder or anything," Jim thinks.

Liz and Rob decide to buy the home, and meet Jim to sign the sales contract. It is thick, hundreds of pages of complicated legal writing, but Jim urges them to sign. "It's all the usual stuff, nothing out of the ordinary, you can read it if you want to but I wouldn't even bother." Liz and Rob trust Jim (for some reason), so they sign the contract and take possession of the home on January 25th, 2019.

A year passes, and Liz and Rob are very happy with their home. On February 28th, 2020, however, Rob is talking to one of his neighbours, who mentions in passing how much he misses the previous owner of the home. Rob asks what happened to them, and the neighbour tells Rob that they passed away in the house, and their son Jim (a realtor) sold the home shortly after. Rob is angry, and storms off home to talk to Liz.

Liz and Rob decide to sue Jim. What type of remedy is available to Liz and Rob? Explain fully.

