



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**UNIVERSITY VILLAGE, PLOT 91, NNAMDI AZIKWE EXPRESSWAY**  
**JABI, ABUJA**  
**FACULTY OF LAW**  
**JULY 2017\_1 SEMESTER EXAMINATION**

**COURSE CODE: LAW 234**

**COURSE TITLE: LAW OF CONTRACT II**

**COURSE UNIT 4 UNITS**

**TIME ALLOWED: 2 ½ HOURS.**

**INSTRUCTION: ANSWER FOUR QUESTIONS INCLUSIVE OF QUESTION 1.**

[Question No.1 carries 25 marks and attempt is compulsory]

- 1) Examine the legal principles involved in the scenarios given below and with the aid of decided authority, discuss the legal implications involved therein. [25 Marks]
  - a. Pastor Tony bought a cargo of Anointing Oil which he and the seller thought at the time of the contract to be in transit from Israel to Nigeria, but unknown to them, had become contaminated and had already been sold by the master of the ship to a purchaser at a Stop-over Country in order to prevent complete loss. Pastor Tony has now sued the defendant for the contract price.
  - b. Madam Favour agreed to take a lease of a Warehouse from Elder Yakubu, though contrary to the belief of both parties at that time, Madam Favour was the real owner of the Warehouse and Elder Yakubu had no title to it at all.
  - c. Mr Paul a publisher buys twenty tons of white printing paper in the belief that it is of a very high quality, and without being mindful of that quality in the bargain, the Alhaji Rafat the seller supply papers found to be lower in quality to the expectation of Mr Paul, claiming the quality was not part of the bargain but a mere expectation. Mr. Paul has now threatened a legal action claiming void contract.
- 2) Princess Anne a cloth dealer in Asaba who particularly deals in the sale of Local Ankara Fabrics bided for bundles of Clothes at a Government auction sales believing that the auction was for Local Ankara fabrics but soon discovered after bidding that the bundles contain Local Kampala fabrics contrary to her expectation as contained in the auction particulars which was rather ambiguous. She has refused to pay and the auctioneer has threatened a legal

action against her. While this hullabaloo was on, Madam Bidemi showed Madam Anne some sample of Local Ankara fabrics given for sale by Miss Adaobi and due to the urgency situation for Princess Anne to get Local Ankara Fabrics supplied to her numerous customers she made order for them believing the fabrics to be Grade A and on supply she discovered them to be lower grade, she has refused to make payment under the guise of claiming invalid contract. Examine the legal issues arising from the claims of Madam Anne and advise her accordingly. [15 Marks]

- 3) In contractual relationships there are bound to be certain factors that can adversely affect the performance of contractual expectations. These vitiating elements which effects any contractual relationship can be remedied both in common law and equity and most of the time vitiating elements like mistake notwithstanding common law remedies are better attended to through reliefs in equity. Examines these FULLY in the light of decided authourities. (15 Marks)
- 4) Banjoko is a registered Estate Surveyor who is specialised in securing land for clientele outside the country. Banjoko had the instructions of Mr. White a Nigerian resident in Oklahoma to get him 6 plots of land at Ajah in Lagos State, and Dr. Brainerd a Medical Doctor who seeks 3 plots of land in Ikeja to build an international hospital. Banjoko approached the Olodo traditional family in Ajah for purchase of six plot of land in dry plain area for Mr. White and the Kolokolo traditional family of Ikeja for 3 plots of land for Mr. Brainerd. Chief Alaseju who is the head of the Olodo family with the authourity of the family sold a supposed 6 plots of land to Mr Banjoko who after payment has been made later discovered on inspection that the land is a water logged area contrary to specification. As regards the Kolokolo family, they handed Mr. Banjoko a document of 3 plots of land in GRA ikeja and money exchanged hand. Mr. Breainard started building and discovered that the land in question is 2.5 plot as against the 3 plots required. Mr. Banjoko on hearing Mr. Brainerd's complaint has instituted a suit against the Kolokolo family notwithstanding the fact that Mr. Brainerd had by a written note accepted the 2.5 plots as he was given. Examine the fact of this case, identify and analyse the issues involved therein. (15 Marks)
- 5) The Latin maxim " eodem modo quo oriter, eodem modo dissolvitur" stands to explain a certain process in the law of contract, examine this maxim in the light of its applicability, conceptual clarification and the general coverage of the process which it seeks to explain in the law of contract. (15 Marks)

- 6) The general rule under the law of contract as regards party expectation in a contractual dealings as established in the legal principle "Caveat Emptor" projects non-disclosure rule but not without exceptions in certain degrees of contractual dealings. Identify and examine the legal principle in this regard and those certain degrees of exceptions with the aid of decided authorities. (15 Marks)