

DEADEADEADEADEADEADEADEADEADEADEADEA
DEADEA



**NATIONAL OPEN UNIVERSITY OF NIGERIA
SCHOOL OF LAW
LAW 233 - LAW OF CONTRACT I**

DATE: FRIDAY 25TH JANUARY, 2013

1. "There are countless 'agreements' which are part of our daily lives but are largely social and do not constitute a legal obligation which is enforceable in law". Discuss
2. Give a comprehensive discourse on the High Trees Case paying particular attention to the following:
 - a. The facts of the case
 - b. The arguments of counsel
 - c. The court's decision
 - d. The doctrine which originated from the case
3. The Mo' Jazzy Crew engaged the services of Siwa Tavage to sing during their Calabar tour between 10th - 31st December 2012. Siwa agreed to be in Calabar on December 3rd to rehearse with the Crew but fell ill and was unable to attend rehearsals. After she recovered, she contacted the Crew Director in 19th December but was told that her services were no longer needed.
 - a. Advise the parties making reference to relevant cases.
 - b. Would your answer have been different if she attended rehearsals but fell ill on the 19th and so could not attend the grand tour opening on the 20th?
4. '... public policy requires ... that men of full age and competent understanding shall have the utmost liberty of contracting and that contracts when entered into ... voluntarily, shall be held sacred...' Discuss with reference to employment contracts
5. With the aid of relevant authorities, outline the privity rule giving 5 scenarios when the rule will not apply.
6. Mode Diamonds engaged the services of Eagle Security to guard their shop in 2008. In the Security Service agreement between Mode and Eagle Security, Eagle Security limited their liability in the event of burglary of Mode's

premises to N1,000,000.00. Mode's shop was burgled on new year's eve 2012 while the Eagle security guard on duty was watching fireworks display in the next street. As a result of the burglary, Mode lost goods worth over N20,000,000.00. Mode wishes to institute a suit against Eagle Security claiming the amount lost as a result of the burglary. Advise the parties.

7. Ajala walks into Sam Electricals where he sees a sign saying 'MASSIVE SALE: EVERYTHING MUST GO'. He chooses an LED Television with a sign saying 'Was N200,000.00. Now N150,000.00' and walks to the checkout to pay. On his way there, he sees the shop manager who tells him that he has made a good choice. He responds that he would like a discount. The Manager says to the cashier, 'He's our well known customer. We'll give him 10%'. At the counter, Ajala asks the cashier 'how much is my bill'? The cashier says 'N135,000.00, Sir'. Ajala searches his pocket and discovers that he only has N134,500.00. He says that is all he can pay in cash otherwise, he can issue a cheque for the full amount. The cheque is refused but Ajala is allowed pay N134,500.00 and go home with the TV on the condition that he will bring the balance N500.00 the next day. Ajala forgets to go back and pay the N500.00. After waiting for 2 weeks, the Manager instructs his staff to repossess the TV for Ajala's non-payment.

Citing relevant authorities, state the elements of contract constituted by the following:

- i. The sign saying 'MASSIVE SALE: EVERYTHING MUST GO'
 - ii. The sign saying 'Was N200,000.00. Now N150,000.00'
 - iii. The Manager's comment to the cashier that '... we'll give him 10%'
 - iv. Ajala's desire to either pay N134,500.00 cash or issue a cheque
 - v. The condition that Ajala may go home with the TV but bring the balance N500.00 the next day.
8. State the limitations on the doctrine of promissory estoppels.
 9. Citing relevant authorities, discuss the situation when a court may imply a term in the absence of an express term.