



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKWE EXPRESS
WAY, JABI - ABUJA
FACULTY OF LAW
DEPARTMENT OF COMMERCIAL LAW (CIL)
OCTOBER/NOVEMBER EXAMINATION 2016

COURSE CODE: CIL 234 (LAW 234)

COURSE TITLE: LAW OF CONTRACT

CREDIT UNIT: 4

TIME ALLOWED: 2 ½ HOURS

INSTRUCTIONS: ANSWER FOUR QUESTIONS ONLY.

QUESTION ONE IS COMPULSORY

- 1) Mr. Adeyeye is a car dealer who specialises in importation of tokunbo Toyota cars. Miss Anne is a banker who ordered for a Toyota Camry 2012 model from Mr. Adeyeye on the suretyship of payment by Perfection Bank in the sum of N1, 800,000.00 being the purchase price of the car. Perfection Bank made this undertaken for Miss Anne on the ground that she would work for Perfection Micro Finance Bank for a period of 4 years after her employment and that if she leaves the employment before the stipulated time, any subsequent employer of her will be liable to Perfection Bank in the sum of N1,800,000.00. Miss Anne got the car on the 6th day of January, 2014 and insured it in favour of Perfection Micro Finance Bank and she later secured another job at NOUN Bank in February, 2015. Perfection Micro Finance Bank applied to the insurance company for the claim of the insured car and Miss Anne is protesting against this action. With the aid of Judicial Decisions undertake the following exercise:
 - a. Identify and discuss the principle of law upon which the fact of this case is based
 - b. Examine the propriety of Perfection Micro Finance Bank to claim the car
 - c. Examine the propriety of Perfection Micro Finance Bank to apply for the insurance claim
 - d. The propriety of Perfection Bank instituting an action against NOUN Bank for the Liability of Miss Anne as agreed under her contract of employment with Perfection Bank
- 2) Mr. Alariwo a kolanut trader from Offa in Kwara State, he deals in exportation of farms product to Italy and one of his suppliers is Mr. Modaru based in the interior of Ile-Ife in Osun State. Mr. Modaru is doing farm products public sales of bags of Wallnuts. Mr.

Alariwo just had an order from Italy for the supply of kolanuts and being aware of the public sale of Mr Modaru, sent him a notice showing interest in the sales. Madam Pakurumo was offering for sale a Land Cruiser Jeep, brought from Germany which Mr. Alariwo accepted to buy for transporting his goods but with the expectation that the JEEP is a rugged 1979 Model. Mr Alariwo has now gone to Ile-Ife for Mr. Modaru's public sale and paid for twenty bags of the products which after opening it discovered it to be WallNuts contrary to the usual kolanuts which Mr. Modaru used to sell to him, being displeased he swore to take Mr. Modaru to Court. On getting to his house, he saw the landcruiser jeep which Madam Pakurumo has delivered to his place and left a note for him stating that the balance payment be paid into her Diamond Bank account. Mr. Alariwo was displeased because the Landcruiser jeep delivered is a new model which is not rugged enough for his business. Mr. Alariwo put a call to Madam Pakurumo making his complaint. Madam Pakurumo in defense stated that she supplied what Mr. Alariwo ordered for which is a Landcruiser jeep and that there was no particular specification attached. Consider the situations and issues in this matter and advice the parties using decided authorities.

- 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 authorities.
- 4) 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.
- 5) 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 authority 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.

- 6) Mallam Abdulahi Crook is a businessman based in Abuja and is legally married to Haji Mariam. He had bided for government contract several times but all to no avail. He approached the Personal Assistance to the Director General of NAFDAC where he is currently bidden for a contract for his assistance to get him a contract awarded to him, with the promise to give the Director General's Personal Assistance the sum of N 1,000,000,00 which he paid and also promised in addition to the sum of money offered that he will marry the over aged younger sister of the D.G's personal assistance. In anticipation of the contract, Mallam Abdullahi Crook approached the Registrar of FOUL PLAY UNIVERSITY, Abuja, soliciting for a honorary Degree which was agreed to be given to him only if he can make a donation of a laboratory to the university. Without delay, Mallam Abdullahi Crook gave the FoulPlay University the sum of Money enough to build the said laboratory but most unfortunate for him, the Senate of the University disapprove the award of Honorary degree to him. Also, the Personal Assistance of the D.G. of NAFDAC could not secure a contract for Mallam Abdullahi Crook and because of these developments; he has threatened to maintain a court action against The Personal Assistant to the Director General and the FOULPLAY University. Miss BADLUCK, the over aged younger sister of the Personal Assistant to the Director General had issued a court summon on Mallam Abdullahi Crook for breach of promise of marriage. Critically examine the issue involved in this case and advice the parties' accordingly with the aid of judicial authorities.