



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF LAW, DEPARTMENT OF COMMERCIAL LAW
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi – Abuja

COURSE CODE: CLL233

COURSE TITLE: LAW OF CONTRACT I

CREDIT UNITS: 3

- INSTRUCTIONS:**
- (a) Indicate your Matriculation Number clearly
 - (b) Attempt Question one (1) and any other three (3) questions
 - (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 straightforward, coherent and orderly manner.

TIME ALLOWED: 3 Hours

QUESTION 1

Mr. Paul after work informed his friends that he had an LG Double door fridge for sale and asked if anyone was interested in buying as he was moving out of town and wanted to dispose of some household items. He offered to sell the Fridge for N60, 000.00. Mr. Akin said he was interested but will confer with his wife to find out if she wants it. Upon getting home, he calls Mr. Paul and offers him the sum of N45, 000.00. Mr. Paul refuses and says the least amount of money he can accept is the sum of N55, 000.00.

Mr. Akin responds via a text that he will pay the sum of N55, 000.00. He sends the money to Mr. Paul's account and requests that Mr. Paul deliver the Fridge to his house the next day. Mr. Paul sends his houseboy to deliver the Fridge and on arrival at his house, Mr. Akin finds that there are some damages on the Fridge door and at that point he tells Mr. Paul that he will pay only N50, 000.00 and wants the sum of N5, 000.00 back.

Mr. Paul refuses to give Mr. Akin the money and tells Mr. Akin that he cannot return the Fridge as the agreement had been sealed at the point where Mr. Akin paid the money into his account. 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.

QUESTION 2:

Akpan posts on a social media group on Whatsapp that he has 30 iPad Pros. Jesse replies and tells him to bring 20 to his office for his staff. He contracts to pay the sum of N200,000.00 for the 20. Akpan supplies the 20 iPad Pros and Jesse has refused to pay the agreed sum of N200,000.00 claiming it was too expensive at that price and he has found a cheaper supplier.

Akpan accepts N150, 000.00 as full and final payment in place of the earlier agreed N200, 000.00.

Akpan has come to meet you for legal advice, stating he wants to enforce the payment of N50, 000.00 to make up the initial N200, 000.00 agreed between them.

Write a letter to Akpan analysing the issues raised and any remedies available to both parties.

QUESTION 3:

Victoria placed an order from Island Rice Company for the supply of 50 bags of Ofada rice. Upon delivery she finds that the bags contain Long grain brown rice. She had also ordered a gas cooker from Sean, but he delivers an Electric Cooker.

What are her rights under the Law of Contract?

QUESTION 4:

Mubarak spent the last Sallah holidays at his Uncle's house in Ilupeju. 4 days to the end of his holiday, his Uncle's wife asks him if he can stay at their place for 3 extra days to take care of their 3-year-old son since they had to travel for 2 days. She promises to sponsor him for his postgraduate studies if he accepts to stay. He has now graduated and has gained admission into the Massachusetts Institute of Technology (MIT). He sends his admission letter to his Uncle's wife and she sends him only 10 percent of the school fees. He stands a chance of losing his spot if he doesn't pay the balance before school resumes.

Mubarak has asked you for legal advice. Write a legal opinion highlighting his remedies under Contract Law.

QUESTION 5:

Contract is defined as the meeting of minds, which means that there must be present critical elements as affirmation of consensus of the parties in any contractual arrangement. One of such elements is acceptance. Discuss exhaustively the principle of acceptance capable of supporting or vitiating the legality of a contract.

QUESTION 6:

Define an Unconscionable Bargain and explain the Statutory Considerations to be taken in determining one.