



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKWE EXPRESS WAY, JABI – ABUJA
FACULTY OF LAW
JANUARY 2018 EXAMINATION

COURSE CODE: CIL 233

COURSE TITLE: LAW OF CONTRACT I

CREDIT UNIT: 4

TIME ALLOWED: 2 ½ hrs

INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER THREE QUESTIONS.

1. Discuss the consequences of a contract entered into by 17 year old Andrew.
2. On Monday morning, Oluwole was passing by Queen's drive in Ikoyi, he saw a beautiful house for sale. He agreed with the seller to reserve the house for him till the next day to give him sufficient time to consult with his accounts officer to see if he could access a loan to buy the house. Later that evening, Agraval, Oluwole's friend posted a picture of the house on their whatsapp group chat saying he had just bought the house that evening. The next day, Oluwole went back to Queen's drive where he was informed that the house was sold to a buyer who has upfront cash. Advise Oluwole.
3. Ralia is in need of a nanny to babysit her triplets. She agreed with her Auntie Iyabo to bring her 15 year old daughter Amaya to act as the nanny and Ralia will pay Iyabo N5,000 monthly, send her son Ben to Europe without paying for a visa and going through the desert and also send Amaya to tailoring school after six months. Ralia stopped paying the money after five months. It has been one year since the agreement and Ralia stopped paying the agreed N5,000 seven months ago neither has she sent Amaya to Tailoring school. Iyabo is unhappy and has discussed the issue with her friends. They blamed Iyabo for entering such an agreement. Bimpe said "How could you agree for just N5000, when people are paid N30,000 for the same job". Discuss the legal issues and advise the parties.
4. The Chief Executive of Hermonie Ltd, Emeka is happy with his staff and has decided to reward them with Christmas bonuses including a bag of rice each. He contacted Abakalicks company Ltd to supply 15 bags of rice for their 15 staff on 18 December, because he wanted to present the rice on 18th, the day of the company's Christmas party and because the company will close for the year on 20th December. Abakalick Ltd delivered the rice on 19th of December

due to technicalities. Emeka has refused to pay the full balance of the purchase of the rice because of the default by Abakalick Ltd. Discuss the legal issues.

5. Discuss the validity or otherwise of the following transactions,
 - (a) Duckling agreed to give his wife N50,000 monthly, but stopped when his wife got into a physical battle with his mother.
 - (b) the State Governor during his annual visit to Ajangba community agreed to use 50 million naira to engage the services of XYZ Ltd to build the communities major road. XYZ ltd based on the Government's acceptance of their quotation carried out the construction.
 - (c) Sofia went to Burgendy Automobile services to hire a Toyota Camry for a week. She agreed with the manager that she will hire the car on the condition that the glasses were tinted. The Manager had the glasses tinted but Sofia refused to hire the car.
6. What are innominate terms? What is the distinction between a contract term and a mere representation? What is a mere puff?