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END OF SECOND SEMESTER EXAMINATIONS: 2016/2017

FACULTY OF LAW

LAW 106: Law of Contract II
Wednesday 7th June 2017

LEVEL 100 & 200

TIME ALLOWED: 2 ½ HOURS

STUDENT ID No.....

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INSTRUCTIONS

1. There are a total of six (6) questions. Candidates are to answer three (3) questions only.
2. **Question One (1) is compulsory.**
3. Answer Sheets will be provided. Each answer must begin on a fresh page.
4. Any extra answer sheet should be properly tied to the original answer sheet. Write your index number on any extra sheet you use.
5. Marks will be awarded for good presentation, clarity in legal arguments and proper use of legal authorities.
6. Please write legibly.
7. **Candidates are allowed 10 minutes to preview the questions before the start of the examination**

DO NOT TURN OVER THIS PAGE UNTIL YOU HAVE BEEN TOLD TO DO SO BY THE INVIGILATOR.

Examiners: Mr. Benjamin Barfo-Bonney, Mrs. Susanna Afutu & William Kofi Owusu Demitia

Good Luck

QUESTION 3

What is misrepresentation in law and explain the role inducement plays in the doctrine of misrepresentation?

QUESTION 4

Kofi Kyei is the Chief Executive Officer of All Weather Construction Company Limited. In February 2015, the company signed a contract with Farimount Limited for the construction of its head office building. The contract sum was GHS200,000 and Farimount was required to pay 60% of the contract sum upon signing the contract. The remaining 40% was payable upon completion of the building. In January 2016, when almost 90% of the construction work had been done, the economy took a nose dive and this led to an increase in the cost of building materials. Due to worsening economic conditions, the construction company wrote a letter to Farimount requesting for a 20% increase in the contract sum and this request was rejected by Farimount. All Weather Construction Company is therefore contemplating cancelling the contract on grounds of frustration and instituting a suit for the payment of expenses incurred which exceed the 60% initial deposit Farimount paid.

Advise All Weather Construction Company

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QUESTION 5

F was a prostitute who had just moved to Accra. She leased a flat in a fashionable part of town from Asante, agreeing to pay GHC5, 000.00 a week rent. Asante did not know that F was a prostitute. He guessed that she might either be a very highly paid executive or a prostitute, he was not sure which. F arranged for George to refurbish the flat for GHC28, 000.00, which included GHC12, 000.00 for a luxurious bed. F bought food and wine from H which cost GHC4, 500.00.

F bought a large car with a specially constructed rear seat from J. J did not know that F was a prostitute, though the request for a large back seat was unusual. F has paid for none of these items. K paid for GHC12, 000.00 in advance for 48 "love sessions" at GHC250.00 each. After four sessions, F refused either to perform with K or return his money.

Advise F.

What difference, if any, would it make to your advice if F was only 17 years old?

QUESTION 6

"A party who does not perform the whole of the contract is not entitled to any payment"

Discuss.

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