

# CENTRAL UNIVERSITY



**END-OF-SEMESTER I SEPTEMBER 2018/2019 EXAMINATIONS**

**CENTRAL BUSINESS SCHOOL**

**DEPARTMENT OF MANAGEMENT AND PUBLIC ADMINISTRATION**

**BUSINESS LAW (3 Credits)  
(CBFW 203)**

**Duration: 3Hours**

**INSTRUCTIONS: ANSWER ALL QUESTIONS UNLESS EXPRESSLY  
INSTRUCTED OTHERWISE**

**ANSWER IN THE ANSWER BOOKLET PROVIDED**

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

**Lecturers:**

*Lawyer Frederick Asamoah • Lawyer Kwasi Opare-Wiredu • Lawyer Alex Owoo*

**SECTION A - (COMPULSORY PROBLEM QUESTIONS)**

**ANSWER ALL THE QUESTIONS UNDER THIS SECTION**

**QUESTION 1**

Paa Solo, a native of Tetrepuhah a village in the Satrogah District, has always dreamt of becoming a Judge in one of the Courts in Ghana. As the only educated youth in the District he enrolled at the law school and successfully completed his legal education and was called to the Ghana Bar Association in the year 2000. While practising as a lawyer he was nominated for an appointment to the Supreme Court bench by the President of the Republic in the year 2012. News about this nomination was carried by most media houses in their midday news bulletin. While the Chief and people of Tetrepuhah received the news with joy and organized a thanksgiving service and a durbar in Paa Solo's honour, his ex-wife Eno, was unsettled by the news. According to Eno, Paa Solo does not deserve an appointment as a Judge because he has three children by three different concubines, (none of the concubines is above eighteen (18) years). Eno further alleged that Paa Solo had at one time impregnated his own house help Araba Lucy and yet refused to take responsibility for that pregnancy. For these reasons he (Paa Solo) was once suspended by his church, the "Holygos Faya Spitting Church International" for his immoral conduct after an intensive and thorough investigations by the church's disciplinary committee. Eno personally sent a copy of the report of the disciplinary committee to the parliamentary committee that was set up to vet Paa Solo. The vetting committee disregarded the report and went ahead to recommend Paa Solo for appointment as a Justice of the Supreme Court. The recommendation was confirmed by the President who accordingly appointed Paa Solo as a Justice of the Supreme Court.

Eno strongly thinks that the appointment of Paa Solo, in the face of all these issues, is very unfortunate and unconstitutional. Eno plans to send the case to Court of Appeal for legal recess

From your basic legal knowledge discuss the legal matters in the above case under the following headings:

- i. Legal Issues (*highlight at least two legal matters in the case. There will be extra marks for candidates who raise more than two valid issues*)
- ii. State in very simple terms what the law says about the issues you have raised under (i) above

**[20 Marks]**

## QUESTION 2

Azoka Security, a private security company in Accra was contracted by AleKow Company owned by Alex and Ekow to provide security services at their factory premises. As part of their contract the security company was to deploy ten (10) guards to the premises from 8m to 5pm daily.

On the 6th of March the factory informed the security company of a planned birthday party in honour of Fred, the Board Chairman of the company at the premises on the 26th of March 2018. Azoka Security, anticipating more work to be done on that day requested for extra allowances for the additional security work that would be carried out that day. This proposal was agreed upon by the parties.

On the day of the party, 26<sup>th</sup> March 2018, the Azoka Security worked from 8am to 8pm and had to increase the number of guards on the premises from ten (10) to thirty (30), due to the large number of guests who thronged the company premises for the party. On the 27th March 2018 Azoka Security presented a bill of €3000 to the AleKow Company to pay. The company refused to pay on grounds that the Azoka Security had done nothing more than what it is already under a contractual duty to do for AleKow Company. The company further stated that Azoka Security provided no consideration for the company's promise to pay an extra allowance.

Azoka Security has threatened to sue AleKow Company to compel it to pay the bill that has been presented.

You are the lawyer for AleKow Company, advise the company on its liabilities or otherwise using the following

- i. The area of law
- ii. Legal issues
- iii. Analysis and advice to AleKow Company

[20 Marks]

SECTION B - (CASE DRILL AND FILL-INS)

ANSWER ONLY ONE QUESTION UNDER THIS SECTION

QUESTION 3

WRITE THE BRIEF FACTS AND THE HOLDING OF THE FOLLOWING CASES

- i. *Gibson v Manchester City Council*
- ii. *Carlill v Carbolic Smoke Ball*
- iii. *Balfour v Balfour*
- iv. *Fisher v Bell*
- v. *Boots v Pharmaceutical Society of Great Britain*

[10 Marks]

QUESTION 4

COMPLETE THE FOLLOWING STATEMENTS

- i. A void contract is usually said to be void ab initio
- ii. Agency by Ratification is said to have a retrospective effect
- iii. A counter-offer is said to do two things. First, it terminates the original offer and second, it brings on board a new offer
- iv. The Court of Appeal has only one jurisdiction. This is Appellate Jurisdiction
- v. A false statement which is made before, or during the execution of a contract, with the intent that other party is induced by it is called fraudulent misrepresentation
- vi. A fundamental or material term is a term of a contract which is very fundamental. It goes to the root of the contract and a breach can entitle the aggrieved party to terminate the contract.
- vii. A contract which exists between two parties authorizing one party to represent the other in his dealing with third parties is called Agency
- viii. He who comes to equity must come with clean hands
- ix. Equity acts in accordance with fairness, justice and conscience
- x. An expression of willingness to negotiate whereby one person invites another to make an offer without intending to be bound as soon as the invitation is accepted by the invitee is called invitation to treat

[10 Marks]

SECTION C

ANSWER ALL THE QUESTIONS UNDER THIS SECTION

- A. The challenge of the election of the President of Ghana is the exclusive jurisdiction of which Court *Supreme Court of Ghana*
- B. Three ways by which a contract may be discharged are *Per. performance, Agreement, Frustration*
- C. State any three (3) conditions for a valid ratification by a Principal *Consent, full disclosure, full knowledge*
- D. State briefly two fiduciary duties of an Agent *Duty of loyalty, Duty of care*
- E. The agency relationship whereby a person will be held responsible for another's unauthorized transactions retrospectively is called *Ratification*
- F. State three (3) conditions for the creation of an agency by necessity *Emergency situation, impossible for principal to act, Agent's actions are reasonable*
- G. The principle that a "past consideration is valid if the consideration was provided based on a previous request" is illustrated in case of *Lampleigh vs. Braulworth*
- H. Name any 2 methods of Alternative Dispute Resolution *mediation, Arbitration*
- I. The Regional Tribunal has jurisdiction in civil cases.  
i. True  
 ii. False
- J. A Counter-offer has two effects  
i. Termination of the original offer  
ii. Creation of a new offer

[10 Marks]