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CENTRAL UNIVERSITY
END OF SEMESTER EXAMS

BUSINESS LAW

2021/2022.

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1. Fiifi and Dickson lost their dad last year through covid-19. Their dad left a house without indicating how they were to share it. What maxim is applicable
 - a. Equity regards as done that which ought to be done
 - b. Equality is equity
 - c. Fairness is justice
 - d. Equity follows the law
2. Which court was created to handle equity?
 - a. High Court
 - b. Chancery Court
 - c. Common Law Court
 - d. Royal Court
3. Obeng was sued in a court of equity for defaulting in a loan repayment. Which of the following will preside over the case
 - a. Judge
 - b. Lord Justice
 - c. Chancellor
 - d. Royal Magistrate
4. Rockson offered his house to his church to support their mission activities in 1999. He was sacked by the Church on 2000 for living a 'dirty life'. He did not ask for the return of the keys and eviction of the church until 20 years later because he was seriously praying about how, as a person, he could live a clean life. He has sued the church at the moment. What maxim can possibly help the church in defending itself in court
 - a. He who comes to equity must clean hands

- b. Delay defeats equity
- c. Equity acts in personam
- d. Equity will not allow a wrong to be without a remedy.

Use the passage below to answer questions 5, 6, and 7

Alex was invited to talk to a group of young people about the freedoms and liberties that every person enjoys under the constitution of Ghana, domestic violence, and other areas of law which were of interest to the audience. He read from article 12 of the 1992 Constitution, the Criminal Act 1960, the Domestic Violence Act 2007. During the question and answer time he was asked questions on the maxims of equity which he explained and cited several examples to the satisfaction of the people.

5. Which of these laws is an existing source of law in Ghana
6. Which of these laws is the supreme law of Ghana
7. Which of these laws is common law of Ghana
8. What is the name given to the practice where a body other than the parliament are given powers to make law in Ghana
 - a. Delegated laws
 - b. Delegated authority
 - c. Delegated legislation
 - d. Delegated sources of law
9. A Regional Tribunal is presided over by
 - a. Magistrate
 - b. Judge
 - c. Chairman
10. The Court of Appeal is constituted by
 - a. One judge
 - b. Three judges
 - c. Five judges
11. The jury assist the court in the trial involving indictment in the
 - a. Supreme Court

- b. High Court
- c. Court of Appeal

12. The type of remedy granted by the court that compels a defaulting party to perform exactly what he has contractually agreed to perform is

- a. Rescission
- b. Specific performance
- c. Quantum meruit

Read the passage below to answer questions 13 to 20

Okyere, a civil servant, desperately needed a land to purchase in Accra. He approached Berko an estate developer for assistance, who immediately linked him to Oppong, a land owner. On the 12th of December 2020 Oppong took Okyere to Bortinaor, a suburb of Accra to inspect several acres of land. He indicated to Oppong a particular site which is situated near the beach and indicated his preparedness to purchase that site. An amount of \$8,000.00 was proposed, but Oppong turned that down and called for \$12,000.00. That was negotiated down by Okyere to \$8,500.00. This was not accepted. Oppong finally pegged the firmly at \$10,000. Okyere did not have a problem with the price and agreed to pay same. Upon speaking to his bankers he realised that his bank balance was \$9,000.00. Okyere called Oppong on the 14th of December 2000 to reduce the consideration to enable him purchase the land. On the 15th of January 2020 Oppong returned Berko's call to say he may be willing to consider the amount anyway. On a second thought, Oppong felt forced to sell the land to Berko on the 16th of December 2020 for an amount of \$9,500.00. This was after Berko woke up to see 80 missed calls from Oppong. Berko needed this land to construct a factory to create job opportunities in the community. Sometime in January 2021 after Berko had commenced works on the plot of land Okyere showed up at Oppong office with an amount of \$10,000 to pay for the land only to be informed that the said land has been bought by Berko. Okyere is furious and threatens a legal action against Oppong

- 13. Who was the offeror on the 12th of December 2020
- 14. Who was the offeree on the 12th of December 2020
- 15. Who was the offeror on the 16th of December 2020
- 16. Who was the offeree on the 16th of December 2020.....
- 17. Was there a breach of contract of sale on the 14th of December 2020?
 - a. Yes

b. No

18. Was there an offer on the 15th of December 2020?

a. Yes

b. No

19. Was the sale on the 16th of December 2020 in anyway vitiated by duress?

a. Yes

b. No

20. Will specific performance, as a remedy be available to Okyere?

a. Yes

b. No

21. "Promises are meant to be broken", and so are husband and wife contracts. Contractual promises between couples are not meant to create legal relations?

a. True

b. False

22. The term of a contract which goes to the root of the contract, whose breach can terminate a contract is termed as.....

23. *Currie v Misa* is widely known for its definition of the contractual ingredient of

a. Offer

b. Capacity

c. Consideration

24. The kind of legal relationship where one person appoints another to deal with other for and on their behalf is termed as

25. Consideration is either past or executory or

26. The display of goods on the shelves of self-service shop constitutes

27. A counter-offer and an out-right rejections have the same effect on offers in law

a. True

b. False

28. *Carlill v Carbolic Smoke Ball* is known as authority for

- a. Unilateral offer
- b. Intention to create legal relation
- c. Acceptance

29. The Postal Rule is applicable under

- a. Offers
- b. Acceptance
- c. Consideration

30. Which type of agency takes retrospective effect

- a. Necessity
- b. Ratification
- c. Implied

SECTION B

COMPULSORY QUESTION

Frimpong and Ken, two level 100 class reps in the Accounting Department of CBS, convinced their mates to organise a party on February 14 to celebrate Valentine's Day. Each student was to contribute GHC200.00 which was to be used to buy gifts, book a venue and engage a disc jockey (DJ). The two guys visited the Junction Mall in Accra and had a good time moving from one shop to the other enquiring on what possibly will be a good package as gifts for the occasion. After about two hours of gallivanting at the mall, they decided to abandon their mission as either the items were too pricy or simply not suitable for the occasion. Just when they were exiting the premises they were called back by one shop attendants who stated that her manager wanted them to return and check out some package.

In the shop the two friends met the manager who stated *"young men, I'm told you need some gifts for your mates in school. Come, and let me show you around to our shop floor upstairs"* the manager took them upstairs, which was not previously visited earlier when they visited that same shop that morning. The manager took them from one shelf to the other when various items were displayed with their price tags on them. The manager added *"these items were imported from Britain and are of a high class. We have neatly arranged them upstairs here for special customers. For this valentine we have decided to offer all the items at a 10% discount to students. Please feel free to accept our offers which come with two weeks guarantee."* The two friends then walked from shelf to shelf and selected a number of items into their trolleys.

At the counter they observed that they were running out of money and may not have enough money to book the party venue and pay 50% of the disc jockey's fee.

They therefore decided to return some of the items and pay only for the items in Ken's trolley. Just when they were returning the items the manager stopped them and indicated that items picked from the shelf were not returnable. Especially because the two friends were his first ever customers for the day and did not want any bad luck by returning the items. He went on to say that "I told you when you entered the shop that the items offered to you are quality items and so I don't see why you even want to reject them". The two friends resisted this and insisted on paying for items in one trolley. This degenerated in a heated argument making the two friends finally deciding to walk out of the shop without even paying for the other trolley. In the course the argument Ken's students ID card fell on the floor without his knowledge.

Two weeks later, the manager used Ken's ID card to track him to the campus and served him with a court action. Ken and Frimpong are worried and have consulted you for legal advice. Please advice him with the aid of legal cases

(15 marks)

SECTION C

ANSWER ANY THREE QUESTIONS FROM THIS SECTION

(15 MARKS)

1. State and briefly explain the three types of misrepresentation as a vitiating factor in contract.
(5 marks)
2. Explain what "Existing Law" is as a source of law and give three examples of it.
(5marks)
3. State and explain three fiduciary duties of an agent
(5 marks)
4. Define and explain a contract of sale
(5 marks)
5. State and explain 3 exceptions to the "Nemo dat quod non habit" rule under the sale of Goods Act.

(5marks)

6. State and explain 3 remedies for breach of contract.

(5marks)