

# FIRST YEAR EXAMINATION FOR THE AWARD OF THE DEGREE OF BACHELOR OF LAWS FIRST SEMESTER, 2022/2023 (SEPTEMBER-DECEMBER, 2022)

LLBK 113: CONTRACT LAW I

STREAM: LLBK Y1 S1 TIME: 2 HOURS

DAY: MONDAY, 9:00 - 12:00 P.M. DATE: 05/12/2022

#### **INSTRUCTIONS**

1. Do not write anything on this question paper.

- 2. Answer Question ONE [Compulsory] and any other TWO Questions.
- 3. Illustrate your answer with relevant cases and statutory provisions where applicable

#### **QUESTION ONE**

"[W]here a document was executed as a result of misrepresentation as to its nature and character and not merely its content the Defendant was entitled to raise the plea of non-est factum on the basis that his mind at the time of the execution of the document did not follow his hand."

- a. With the aid of case law, discuss the types of misrepresentation (15 marks)
- b. Using case law where relevant, discuss the remedies available for the various types of misrepresentation. (15 marks)

### **QUESTION TWO**

A young couple agreed to live with older relatives and help look after them. In exchange, the relatives promised the young couple that the house and all the contents inside it would be left to them. The living arrangement did not work out, forcing them to move out. The young couple subsequently sued their relatives for damages.

- a) In the couple likely to succeed in its claim for damages? (10 marks)
- b) Suppose the young couple was asked by the relatives to provide Kshs. 1000 for the agreement and did so. Additionally, they had sold their own house in order to move in with the relatives. Would they be likely to

## **QUESTION THREE**

With the aid of case law, discuss ways in which an offer may be terminated (20 marks)

# **QUESTION FOUR**

- a) "...To create a contract there must be a common intention of the parties to enter into legal obligations, mutually communicated expressly or impliedly."

  Discuss briefly (5 Marks)
  - b) Akello placed an advertisement in the newspaper that read:

Reward of KSH 50,000 for precise location of Toyota Vitz KCX 437E, stolen from Kisumu on 20 Sept 2022. Call 071 234 567.

Jared, a detective, began a search for the missing car. He discovered that the car had been seen along Lumumba drive in Nairobi. In excitement, he rang Akello to tell her this. Akello immediately replied that she was withdrawing her offer. She boarded a bus to Nairobi and on 1<sup>st</sup> October, she discovered the car herself along Lumumba Drive. The car had been wrecked and abandoned along the road. Jared had incurred expenses of Ksh 10,000 in tracing the car. Advise Jared on the legal issues. (15 Marks)

## **QUESTION 5**

In Currie v. Misa, Lush J. stated as follows:

'a variable consideration may consist of some right, interest, profit or benefit accruing to the one party or some loss, forbearance, detriment or responsibility given, suffered or borne by the other.'

Using the above quotation as a starting point, discuss the rules relevant to consideration in relation to contracts. (20 Marks)