THE UNIVERSITY OF THE WEST INDIES

EXAMINATIONS OF

DATE AND TIME:

INSTRUCTIONS TO CANDIDATES: This paper has 3 pages and 6 questions.

Answer THREE (3) questions, at least ONE (1) of which must be selected from SECTION B. Answers may be confined to the law of any jurisdiction in the Commonwealth Caribbean unless the context indicates otherwise.

SECTION A

1. Critically discuss the circumstances in which a party to a contract is entitled to rescind the contract for breach.

2. Critically examine the circumstances in which a misrepresentation would entitle a party to a contract to seek redress from the other party.

3. “In order for an intervening event to effectively frustrate a contract, the event must be one which is unforeseen by the parties.”

Critically discuss this statement in light of the cases.

PLEASE TURN OVER
SECTION B

4. The Anti-Crop Theft Act of Caribados provides that any supply of fruits and/or vegetables weighing in excess of 100 pounds must be accompanied by an invoice. It also provides that where a vendor fails "without reasonable excuse, to provide such invoice on delivery of the supply or as soon as possible thereafter", he would be subject to a penalty.

In addition, any trader of fruits and/or vegetables who is not a registered farmer, may be required under the Act to provide proof of purchase to the relevant authorities. Failure to do so "without reasonable excuse" invites a penalty.

Mark is a registered small farmer who has supplied fruits and vegetables to Dizzy Dollars supermarket for the past two years. On Friday morning Dizzy Dollars places an order for the immediate delivery of 400 pounds of watermelons.

Mark is unable to print an invoice as his printer is broken and delivers the watermelons to Dizzy Dollars without an invoice.

On Saturday, Dizzy Dollars is charged with failing to provide proof of purchase of the watermelons by an agricultural inspector.

Dizzy Dollars refuses to pay for the melons.

Advise Mark whether Dizzy Dollars can avoid its contractual liability to him.

5. In May 2011, Peter agrees to buy Mike's fishing-boat from him for $10,000.00. He borrows the money from I-Bank Ltd.

Under a government scheme designed to promote the fishing industry, Peter's obligations under the loan facility from I-Bank Ltd are secured by a guarantee dated 21st May 2011 given to I-Bank Ltd by Island Fisheries Authority, a statutory corporation.

Unknown to any of the parties, the boat caught fire and sank prior to the contract for sale. Furthermore, Mike has gambled and lost the money received from the sale.

In June 2011, the Supreme Court rules that the Island Fisheries Authority does not have the legal capacity to issue guarantees.

I-Bank now seeks to recover its outlay of $10,000.00.

Advise I-Bank.
6. Big Bucks Ltd is building the new Central Bank Building for the Government and subcontracts some of the work to Small Fry Ltd.

Under the contract, Small Fry Ltd has agreed to execute the works within three months but actually takes six months to complete the work. A clause in the contract provides that for every additional day that Small Fry Ltd takes to complete the work, it would pay $500.00 in liquidated damages to Big Bucks Ltd.

Big Bucks Ltd had calculated that the work allocated to Small Fry Ltd would take eight months to complete. It prepared its own work-programme accordingly. Big Bucks therefore incurred no delays under its contract with the Government.

Big Bucks withholds an amount for damages, calculated in accordance with the contract clause, from its payment to Small Fry Ltd.

Advise Small Fry Ltd.