



جامعة السلطان الشريف علي الإسلامية
UNIVERSITI ISLAM SULTAN SHARIF ALI
SULTAN SHARIF ALI ISLAMIC UNIVERSITY

Faculty of Shariah and Law
Semester 2, 2015/2016 Academic Session

Final Examination Question Paper

Course Code : LB 1304
Course Name : Law of Contract II
Course Level : Bachelor of Laws (LL. B) & Bachelor of
Shariah Laws (BSL)
Time : 3 hours

Note (s):

1. Answer any **FOUR** questions.
2. All answers, wherever relevant, must be supported by statutory provisions and case law.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

QUESTION 1 (15 Marks)

(a) Examine in detail the circumstances in which mistake affects the validity of contract.

(8 marks)

(b) A agrees to buy from B a certain horse. It turns out that the horse was dead at the time of the bargain, though neither party was aware of the fact. State the validity of the contract.

(3 marks)

(c) A man named Walid, adopted the name of Halim Sdn., Bhd., a non-existent firm, and by letters placed an order for some goods with the plaintiffs, who complied with the order by sending the goods. Walid sold the goods to the defendants, who acted in good faith. The plaintiffs sued the defendants for the value of the goods.

Advice the plaintiffs

(3 marks)

QUESTION 2 (15 Marks)

(a) Minors are incapable of entering into a valid contract. Discuss with reference to the decided cases.

(10 marks)

(b) A plaintiff by the name of H, who was a minor, was selected by the defendant D, a film producer as an actress in a film. The agreement was made with H's father F. Subsequently, D allotted that role to another artist and terminated the contract with the plaintiff's father F.

Decide the claim of plaintiff H.

(5 marks)

QUESTION 3 (15 Marks)

(a) Define “Coercion and Undue influence” and briefly explain the circumstances with suitable illustrations in which consent to a contract is said to be induced by undue influence. (10 marks)

(b) An old widow wholly illiterate was the owner of a considerable rent producing land property. She gifted all her property to her nephew who was helping her, leaving for her an income of only of about BND 30. The deed of gift was prepared with the help of lawyer .

Decide the validity of the gift deed.

(5 marks)

QUESTION 4 (15 Marks)

(a) What is a “wager contract”? Discuss the legality of wagering contract. (7 marks)

(b) Are the following wagering contracts:

(i) Insurance Contract (ii) Lottery (iii) Crossword Puzzles.

(3 marks)

(c) What is a “contingent contract”? How does it differ from “wagering contract”?

(5 marks)

QUESTION 5 (15 Marks)

(a) What is “misrepresentation”? What are its effects on contract? Distinguish misrepresentation from fraud. (8 marks)

(b) Discuss the elements of fraud and its effects on contract. (7 marks)

QUESTION 6 (15 Marks)

(a) Explain and illustrate the principle underlying the various remedies for breach of contract.

(5 marks)

(b) Mention the circumstances and limitation under which the performance of a contract may be void.

(5 marks)

(c) What do you understand by consent? It is necessary that the parties should be *ad idem* for a valid contract? When is consent said to be not free? Discuss.

(5 marks)

بالتوفيق والنجاح