

Contract and Business Law Problem Questions

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Problem 1

- a. Charlie goes against the agreement which had made with Ali. According to the agreement, Charlie was not expected to open a flower shop for two years and within a distance of 2 kilometres. Charlie went t against the contract and opened a new flower shop 1kilometere away from the old flower shop which he had sold to Ali at \$45,000. (New Zealand Parliament, 1993)
- b. The legal rules related to the problem are contracted breaching. Charlie is not royal which an essential virtue in binding the agreements. Enough information and evidence are required before one person sues another. There should be legal documents that indicate when the understanding between the two people was laid down and the terms and conditions related to the issue.
- c. The case of the problem is disloyalty or contract breaching. Charlie did not wait for the expiry of the period they had agreed. He also set up the flower shop 1 kilometre away, and they had decided the business should be 2 kilometres from Ali Flower Shop.
- d. No. It is clear from the information that during the negotiation of the terms and conditions to be written formally in the agreement, the two used their solicitors. They did not go to court to agree on the precise conditions which should be included in the contract. Ali will not win due to lack of official written document to prove that they decided on the matter. The agreement was also not made to be legally binding and taking legal issues would be difficult to handle the problem.

Problem 2

- a. I need to consider Nick did not pay as they had agreed with the station sergeant. The security service was provided to all people who attended the party, and the event was successful. The safety of the game was facilitated the police and should be paid because they were providing private security but not public security.
- b. The legal rule that is relevant to this case is the failure to pay for the services which were provided. The agreement had been made, and Nick should have adhered to the binding terms and conditions. They had agreed that Nick would pay the cost of \$1000 if the police officers are stationed at the entrance for the whole night.
- c. The leading case is the breaching of the contract. Nick who had been provided with the security for

the entire night refused to pay the charges which they had agreed with the sergeant of the station. Nick was issued by the Police Department because of a contract breach. He refused to pay for the service which was provided under the payable agreement. (New Zealand Parliament, 2017)

d. Nick will not win the case because he was provided with services but refused to pay. If police were to undertake patrol alone, they would not have asked for any money. In this case, the police officers stayed at the entrance during the party that took place the whole night. The party for the Student Union is a private affair, and they were expected to pay for the services. Nick will not win because he agreed to the proposal for funding for the securities provided by the police officers.

Problem 3

a. The issue of consideration is Mike is expected to pay Helen her money by 24th June 2018, but unfortunately, Mike who is a motor mechanic has lost his job, and he lacks hopes for getting another job. Helen tells Mike to bring \$1000 by the date they had agreed and check on her BMW which had a steering problem. Mike agreed to the conditions provided by Helen, but later, she sued Mike for the remaining amount, though Mike had worked for her.

b. The legal rules for this situation are the recovery of debts and conditions under which one individual can sue another because of failure to pay the debts. In the case, Helen wants to be paid the debt twice because at the first time they agreed that if Mike checks the steering of BMW which belongs to Helen and pays \$ 1000, then the case will be over.

c. The leading fact is Mike being unable to pay the debt which was expected to be cleared by 24th June 2018. However, Helen agreed with Mike if he brings \$1000 and checks the steering of her BMW then she would not sue him. They decided to work and cancel the debt after checking the steering of the car. Later, Mike learns that Helen issuing though they had finished the case.

d. Helen will not win the case because the debt was compensated by repairing her car and being given \$1000. Mike had worked for her, and they had agreed on all issues underlying the situation. Secondly, Mike could not pay the debt because he had lost his job and Helen was aware of the condition. Mike had earlier informed Helen of what had happened to him and given a logical reason why he would not be able to pay the debt accordingly.

Problem 4

a. The issue is Lizzie hiring a DVD and failing to return on time. Lizzie was a member of the local video, and she had paid \$100 as a membership fee for the contract. Lizzie was expected to enjoy all kinds of movies from the regional store for the next three months. After she borrowed the DVD, she becomes sick and could not return the DVD. The DVD was to be replaced after one night of hire, and Lizzie could not come back on time.

- b. The legal rules for the situation are the DVD hired restricted for only overnight. The terms and conditions require it to be replaced by 3 pm and if not so the charges for each day is \$20. Lizzie had read and agreed to the terms and conditions before becoming a member of the local video. When one fails to return the DVD on time, then the charges must be paid according to the laid down rules.
- c. The principal case is the failure to adhere to the standards and regulations of the local movie store. The terms and conditions indicate the charges that are imposed after one fails to return the movie on time. Lizzie could not make it to the film on time because she was sick.
- d. The store for the DVD would win the case because according to the rules and regulation, Lizzie had violated them. Before joining the Local movie Store, Lizzie was informed about the conditions and terms that bind the agreement, and all members should adhere. Despite being sick, she would pay the charges that were imposed because she could have sent someone to return the DVD.

Problem 5

- a. The considered issue is Tori's dress, which was damaged by the dry cleaner during the washing process. After the damage, the dry cleaner refuses to pay for the damage, and Tori decides to sue them. Tori had signed the agreement that shows that the dry cleaner was not responsible for any damage that occurred during cleaning. She did not read the instruction before signing as did not appear as if it had any obligations or agreement conditions.
- b. The legal rules related to the problem were the owner of the dry cleaner refuses to pay for the damage. Tori had signed the document that showed that the dry cleaner would not be responsible for any damage that would occur. If Tori had agreed to the terms and conditions, she should not claim any compensation.
- c. The leading case is damage of Tori's dress by the dry cleaner. Tori took the dress to the laundry because it was filthy after a party. She signed the agreement, and if the suit is damaged or lost, the owner of the dry cleaner will not be responsible. Tori wants to sue the owner of the dry cleaner because of the damage, but she had entered into an agreement that no compensation would take place for the damage or loss.
- d. Tori will not win in the court because she had already agreed that if the dress gets damaged or lost, then the dry cleaner will not be responsible. She will not be compensated because the agreement signed is apparent. She will pay for her carelessness in signing the document before she reads the information contained in it.

Problem 6

- a. Consideration is made on the fact that Mr Smith advised according to the copier she knew was the

best. Mr Smith did not force Sandra to buy such a Copier. He only recommended, and Sandra was free to choose the type of equipment she should buy. During the buying process, Sandra did not involve Mr Smith to help her pick the best. However, the copier purchased by Sandra was very slow and could not handle the volume of work as she expected it to do.

b. Good Act relevant to the sections deals with buying and selling of goods or services to a person who has mental problems. Sandra was well, but she was not very conversant with the copier or the equipment she needed. (Sims, 2016)

c. The leading case is the recommendation of material that is slow, cannot handle the amount of work that the owner needed it to do and overheats continually. The copier which Mr. Smith recommended to Sandra cannot perform the functions that Sandra needs. When Sandra tries to inform Mr Smith about the copier, he said the issue is between Sandra and the manufacturer. He had finished his duty of recommending the best equipment according to his understanding.

d. Sandra has no right against Mr Smith because he supports the type of copier Sandra will buy. The case should be between the manufacturer and Sandra because they are the ones who were involved in the buying and selling agreements. It does not concern Mr Smith because he was not involved in any terms and conditions regarding the type of copier. If the copier has the warrant, it should be returned to the manufacturer, who will handle the case of the speed, volume of the work that the machine performs and cracks on the glass.

Bibliography

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