

C 35903

Law School.

MAY EXAMINATIONS: 1897.

THIRD YEAR.

CONTRACTS.

PASS.

Examiner: R. E. KINGSFORD.

1. A., B. and C. agree to execute a bond to D. A. and B. execute the bond, but C. does not. D. sues A. and B. How far will C.'s non-execution be good as a defence?

2. What is the difference between the business of a commission agent buying abroad from that of a broker, and from that of a *del credere* agent respectively?

3. A. an infant (nineteen years of age) agrees with B to buy a share of A.'s business, pays \$500 down and agrees to pay \$500 each six months for two years. He pays the first instalment of \$500 when due, but does no more. B. waits until A. becomes of age, and then notifies A. to carry out his agreement. A. refuses, and sues B. to recover the \$1,000. Can he succeed? Why?

4. A. agrees with B. to sell to B. a farm. B. is at the time (but unknown to A.) of unsound mind. Subsequently B.'s committee brings an action against A. to compel A. to convey the farm. A. resists on the ground of B.'s insanity. Is it a good defence? Why?

5. The B. Company authorize their directors to borrow \$10,000 on debentures. The debentures are issued and bought by the X. Trust Company. The B. Company, when sued on the debentures, set up as a defence that the meeting at which the debentures were authorized was (as the fact was) irregularly called. How far is such defence good? Why?

6. A. agrees with B., by deed, to pay rent and to repair. B. verbally releases the liability to pay rent, and subsequently, by deed, releases the covenant to repair. B. subsequently sues A. on A.'s covenant to pay rent, and A. sets up the verbal release. Is it a good defence? Why?

7. A. leases his farm to B., who resides in Ontario. Subsequently A. moves to Michigan. In the lease there is no place for payment provided. What is B.'s duty as to payment to A.?

8. Explain *Novation*.

9. A., a farmer, sends a car-load of grain to B., a merchant, to sell on A.'s account. B. sells to C. C., when sued by A., claims to set off a debt due C. by B. How far can C. succeed in his alleged set-off.

10. State the requisites for a valid assignment of a *chose in action*.

11. A. signs a charter party with B., in which is contained a covenant that in case of dispute such dispute shall be referred to arbitration. A. sustains a loss, for which he sues B., without waiting for the arbitration. B. sets up the arbitration clause as an answer to the action. How far can B.'s defence on that ground succeed?

12. A., in Hamilton, agrees with B. to ship from Hamilton and deliver at Rochester, a cargo of pulpwood. A. does ship the cargo, but on arrival there the cargo is confiscated by the American customs on the ground that the American import duty had not been paid. A. refuses to ship another cargo, claiming that he had fulfilled his contract with B. Is he right? Why?

13. A. makes a contract with B. to deliver to B. certain machinery by the 15th May. On the 1st of May A. notifies B. that he does not intend to complete the machinery as agreed. What are B.'s rights?

14. A. executes a bond to B., the one penal sum being \$5,000, to secure breaches *a, b, c, d*. A. sues B. on this bond for breaches of *a* and *c*. In order that A. should succeed, what requisite in his action must he comply with?

15. A. and B., partners in business, borrowed money from C., the plaintiff, giving him as security their joint and several promissory notes and mortgage on partnership property. The partnership having been dissolved, A. assumed all the liabilities, as the plaintiff knew, and carried on the business alone. C. thereafter gave A. a discharge of the mortgage, and afterwards brings an action against B. on the note. Can he succeed? Reasons?

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