

Write Your Exam Code Here: _____

Return this exam question paper to your invigilator at the end of the exam before you leave the classroom.

**THIS FINAL EXAM CONSISTS OF THREE (3) PAGES, INCLUDING THIS PAGE
PLEASE ENSURE THAT YOU HAVE A COMPLETE EXAMINATION**

**THE UNIVERSITY OF BRITISH COLUMBIA
PETER A. ALLARD SCHOOL OF LAW**

FINAL EXAMINATION – December 2018

**LAW 211.003
Contract Law**

**Professor Erez Aloni
Invigilator: Professor Efrat Arbel**

TIME ALLOWED: 75 minutes

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NOTES:

1. This exam is open book. Students may bring in the course's textbook, instructor's slides, self-prepared course outlines, and any student-prepared notes, *but nothing else*. No books, commercial outlines, or other texts are permitted.
2. This exam has one (1) question, worth a total of 100 points.
3. If anything in any question seems ambiguous or erroneous to you, say so clearly in your answer and indicate any assumptions you are making to resolve the alleged ambiguity or error in order to address the question. If you feel additional information is required to answer a question, please indicate the additional information you feel is necessary and explain why that additional information is necessary.
4. The fact pattern takes place in a hypothetical jurisdiction that follows the legal directives applicable in the province of British Columbia (BC). You should not assume that any other statutes pertaining to contracts have been adopted in this jurisdiction, unless the question tells you otherwise for purposes of that question. Much like BC, when relevant and appropriate, this jurisdiction uses the law of other jurisdictions as a persuasive authority. In case of a new precedent, where its reception and application are still unclear, it is a wise practice to rely also on previous, more established precedents and doctrines.
5. Good luck!

Facts

Wilma and Barney have been best friends for twenty years. Since they were in college together, Wilma has been entrepreneurial, always starting up new businesses and always trying to interest Barney in her latest enterprise.

Even though they now live on opposite coasts of Canada, every year Wilma calls Barney to tell him about her latest venture and try to drum up his business, and every year Barney declines to make any purchases, primarily because he hates mixing business with pleasure. But things changed in 2018.

On January 3, 2018, Wilma called Barney and told him about her latest product idea: the iCat. The iCat is a palm-size device that slips around a cat's neck and plays soothing noises to calm the cat during times of stress, such as thunderstorms and when the cat is travelling. Barney, who is a cat-lover and has many other feline-admirer friends, thought the iCat would be the perfect gift for the holiday season.

Barney: "Sounds like a great holiday present for cat-lovers. How much does it cost?"

Wilma: "It's \$100 per device."

Barney: "Do you think you could get them finished by Christmas?"

Wilma: "You can get them by December 23, 2018."

Barney: "Great, then! I would like to have 10 of them."

Wilma: "Cool. You'll get them by December 23."

Barney: "Wonderful."

Wilma: "Talk soon—give my regards to your mom. Ciao." She then hung up.

The day after, Wilma started to work frantically on the iCat. Unfortunately, producing the iCat turned out to be much harder than she'd thought. On December 22, 2018, at 7:00 p.m.¹, Wilma called Barney. After some small talk, she got down to business.

"Look, Barney," she said. "The iCat was more difficult to produce than I expected. In fact, the devices are only ready now. Unfortunately, if I send them by express mail it will cost me a lot. So, you'll get your devices after the holidays. I'm sorry."

"What?" Barney replied angrily. "You said I'd get them by December 23. My friends will never forgive me if I don't give them timely Christmas presents. I need the iCats tomorrow!"

¹ All times in the exam are Wilma's time zone (equivalent to EST).

“Well, I can overnight them to Vancouver for an additional \$250,” Wilma replied.

“Let me think about this,” Barney said, feeling resigned.

“Okay,” stated Wilma, “but bear in mind that the latest time that I can ship overnight is 8:30 p.m. tonight. I will assume that you want me to ship this overnight, unless I hear from you before 8:20 p.m. Okay?”

“Fine, whatever,” Barney replied and hung up the phone.

A few minutes after he hung up, Barney got upset, feeling that Wilma was a con person, unethical, and not a good friend. He decided that sending the gifts in a timely manner was overrated and, in any event, wasn’t worth \$250.

At 8:15 p.m., he sent Wilma a text message, as follows: “Do NOT send the iCats overnight. I don’t care when they arrive. Send via regular mail.”

Two hours later, Wilma responded with her own text: “Sorry, mate. Only seeing your text now—I don’t check texts regularly. When I didn’t hear from you by 8:20 p.m., I went out to send iCats so they would arrive tomorrow. iCats are on their way. You’re gonna love them xoxo.”

Indeed, on December 23, Barney received the iCats via express shipment to his Vancouver apartment. Despite liking the iCats, Barney felt deceived. On December 24, he sent \$1,000 to Wilma via PayPal.

A few days later, he received another text from Wilma, as follows: “Hi, honeybun. You forgot to send me the \$250. Happy holidays, Bestie.”

Question

On December 28, Barney storms into your law office, where you’re finishing up work on a few matters before you depart for your New Year’s vacation in Bermuda. “You have to help me,” Barney cries. “My friend has mistreated me all year, forcing me to pay an extra \$250 because she’s a lazy slacker. I’m pissed off. Do I really have to pay her 250?” You ask Barney to calm down, and he tells you all the details above. Write him a memo explaining your analysis of his position and predicting what result a court would reach if his dispute with Wilma were to come before it. Make sure to predict and evaluate all the arguments that Wilma will likely submit. As noted on the exam cover page, the jurisdiction in which this dispute takes place uses the law of other jurisdictions as a persuasive authority where relevant and appropriate. Your analysis should do the same.”

Assume, in your answer, that the Sale of Goods Act does not exist. That is, you must *not* discuss anything in relation to the Act.

END OF EXAMINATION