

## SAMPLE MIDTERM EXAM QUESTIONS – MOS 2275

1. Don is an employee of Acme Produce Inc. In the course of stocking the shelves at Acme, Don negligently injured a customer, who was doing nothing out of the ordinary at the time. Which of the following is true:

- (a) Acme Produce Inc. will be liable for the customer's injuries.
- (b) Don will not be liable because of contributory negligence.
- (c) Acme Produce Inc. will not be liable because of causation.
- (d) Acme Produce Inc. will not be liable because it did not owe a duty of care.

2. Which of the following is not true:

- (a) The liability of a professional to his or her client may arise through contract law.
- (b) The liability of a professional to his or her client may arise through negligence.
- (c) The liability of a professional to his or her client may arise through both contract law and negligence.
- (d) A professional may be liable to his or her client for a pure economic loss.
- (e) A professional may be liable for negligence regardless of causation.

3. John agrees to sell 50,000 batteries to Tom for \$5,000, and Tom pays John the \$5,000. John only delivers 45,000 batteries, causing Tom to have to find the remaining 5,000 batteries elsewhere. Tom finds the 5,000 batteries, but is forced to pay \$1,000 for them. If Tom sues John, he will get damages of:

- (a) \$5,000.
- (b) \$2,000.
- (c) \$1,000.
- (d) \$500.
- (e) \$0.

4. Frank is suing Bob for the intentional tort of defamation. Which is true:

- (a) The Trial will be heard by the Federal Court of Canada (Trial Division).
- (b) Frank is entitled to full disclosure of all documentary evidence that Bob intends to use at trial.
- (c) Frank is required to make a reasonable offer to settle or his case will be dismissed.
- (d) Frank can appeal the trial court decision if he disagrees with the findings of fact made by the trial judge.
- (e) Frank must choose whether to ask the court for damages or an equitable remedy because he cannot ask for both.

5. On July 12, Bob offered to buy Al's trampoline for \$400. In the written offer, Bob promised to hold his offer open until July 19. On July 17, Bob called Al and left a message saying that he was revoking his offer. Al did not get the message until the evening of July 18, but on the morning of July 18, Al mailed a letter to Bob accepting the offer. Which is correct:

- (a) Bob and Al have a contract. Assume the postbox acceptance rule applies.
- (b) Bob and Al do not have a contract.
- (c) Bob was required to hold his offer open until July 19.
- (d) Al's acceptance constituted a counter-offer which put an end to Bob's offer.
- (e) Bob's acceptance is not effective because it was not made by telephone.

6. Judy agreed to buy a boat from Don for \$11,000. Unknown to both of them, at the time that they entered into the agreement, the boat had been destroyed by fire. Which is correct:

- (a) The contract is terminated because of frustration.
- (b) The contract is void because of mistake.
- (c) The contract is voidable because of misrepresentation.
- (d) The contract is void because of undue influence.
- (e) The contract is valid and enforceable.

7. Marge is Susan's room-mate. Marge is very abusive towards Susan, and has threatened her numerous times with physical violence. Recently, Marge threatened to punch Susan in the head if Susan did not sign a renewal agreement for their apartment lease, which Susan did not want to sign because she is afraid of Marge and does not want to live with her. As a result, Susan signed the renewal agreement. Which is true:

- (a) The renewal agreement is void.
- (b) The renewal agreement is voidable.
- (c) The renewal agreement is enforceable.
- (d) The renewal agreement is a unilateral contract.
- (e) The renewal agreement is a collateral contract.

8. Ron is supposed to deliver 8,000 shingles to Andy by Wednesday at 5:00 p.m. Andy has told Ron that he must have the shingles by 5:00 p.m., because after that he will no longer be at the job site, and once he has left the job site, he will not be returning, so the shingles will be of no use to him at all. Ron delivers the shingles at 6:15 p.m. on Wednesday. Which is correct:

- (a) The contract is terminated because of frustration.
- (b) The contract is void because of mistake.
- (c) The contract is voidable because of misrepresentation.
- (d) The contract is breached and Andy may treat the contract as ended.
- (e) The contract is breached, but Andy may not treat the contract as ended.

9. Bill signed a contract in Ontario with Ryan when Ryan was 14 years old, although Ryan showed Bill identification saying he was 18 years old. Bill believed that Ryan was 18. The contract is for the purchase of a high end stereo. Which is correct:

- (a) The contract is void because of illegality.
- (b) The contract is void because of lack of capacity.
- (c) The contract is voidable because of lack of capacity.
- (d) The contract is valid but unenforceable.
- (e) The contract is valid and enforceable.

10. A decision of the Manitoba Court of Appeal is binding upon:

- (a) The Ontario Court of Appeal.
- (b) All trial courts in Manitoba but not in other provinces.
- (c) The Supreme Court of Canada.
- (d) All trial courts in Canada.

11. Tom has a judgment against Rhonda in the amount of \$750,000. Rhonda has no assets, no money owing to her and no prospect of receiving any money at any time in the foreseeable future. The best strategy for Tom is:

- (a) Seize Rhonda's assets.
- (b) Garnish money owed to Rhonda.
- (c) Insist that Rhonda attend an examination in aid of execution.
- (d) Do nothing.

12. Which of the following is not true:

- (a) The rights and freedoms guaranteed by the Charter of Rights and Freedoms are subject to reasonable limits.
- (b) The Charter of Rights and Freedoms applies only to government action.
- (c) All of the constitutional laws of Canada are contained in written statutes.
- (d) The Charter of Rights and Freedoms is part of the constitution of Canada.
- (e) The Constitution Act is part of the constitution of Canada.

13. Ms. Johnston was negotiating the terms of a shipping contract with Mr. Ramirez. Mr. Ramirez emailed an offer to Ms. Johnston, and she sent an email back to Mr. Ramirez accepting the offer. Which of the following is not true:

- (a) The offer from Mr. Ramirez is effective when it is sent.
- (b) The postal acceptance rule does not apply to Ms. Johnston's acceptance.
- (c) The acceptance from Ms. Johnston is effective when it is read.
- (d) Although there is an offer and acceptance, consideration is also needed for there to be a valid contract.
- (e) In order for there to be a valid contract, the offer and acceptance must contain all the essential terms of the contract.

14. Peter told Brian that his corvette could go 200 km/h. Brian said if Peter could prove it, he would buy the car for \$25,000. Peter accepted. In the attempt to prove his point, at which he was unsuccessful, Peter destroyed the car and seriously injured himself. Peter has sued Brian for \$25,000 for failing to buy the car as promised. Who will win the lawsuit:

- (a) Peter.
- (b) Brian.
- (c) Lois.
- (d) Stewie.

15. Suppose that you supply lighting products to various business customers, and you are drafting a sales contract to use with your customers. You want to protect yourself against the possibility that you will be unable to deliver products due to lightning, fire or flood. You are most likely to insert a clause into the contract dealing with:

- (a) Frustration.
- (b) Condition precedent.
- (c) Mistake.
- (d) Rectification.

16. In the course of negotiations, Joe told Bruce that his boat was two years old, in order to get Bruce to agree to buy the boat. In fact, the boat was four years old – Joe knew that, but he also knew that Bruce was looking for a boat less than four years old. Bruce offered to buy the boat for \$20,000 and Joe accepted. Which is true:

- (a) The contract is void because of mistake.
- (b) The contract is voidable because of mistake.
- (c) The contract is void because of misrepresentation.
- (d) The contract is voidable because of misrepresentation.
- (e) The contract is terminated because of fundamental breach.

17. Jill, a sales clerk, believed that John was shoplifting, even though John did not actually steal anything. Jill detained John until the police arrived. Which of the following is true:

- (a) Jill has committed the tort of malicious prosecution.
- (b) Jill has committed the tort of false imprisonment.
- (c) Jill has committed the tort of defamation.
- (d) Jill has conducted a lawful citizen's arrest.

18. Generally, parents of a minor will be legally responsible for:

- (a) Breaches of contract by the minor.
- (b) Torts committed by the minor.
- (c) Negligence committed by the minor.
- (d) Crimes committed by the minor.
- (e) None of the above.

19. John and Ted have a dispute regarding the performance of a sales contract. Neither of them want to go to court for various reasons. Which of the following would be a good method of dispute resolution for John and Ted:

- (a) Arbitration.
- (b) Litigation.
- (c) Rectification.
- (d) Rescission.
- (e) Repudiation.

20. Alice drove through a stop sign without stopping and crashed into a car driven by Jill. Jill has sued Alice for negligence, even though Jill was not wearing a seatbelt and the evidence has shown that Jill would not have been injured had she been wearing a seatbelt. What is Alice's best defence to Jill's claim:

- (a) Alice did not owe a duty of care.
- (b) Alice did not breach the required standard of care.
- (c) Voluntary assumption of risk.
- (d) Contributory negligence.
- (e) Consent.

*Answers on next page*

***ANSWERS***

1. a
2. e
3. c
4. b
5. a
6. b
7. b
8. d
9. c
10. b
11. d
12. c
13. a
14. b
15. a
16. d
17. b
18. e
19. a
20. d