This examination consists of two pages
Please ensure that you have a complete paper

The University of British Columbia
Faculty of Law

December Examination - December 2016

Law 211
Contracts

Section 1
Professor Bruce MacDougall

Total Marks: 100

Time Allowed: One Hour

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Note: 1. This is an open-book examination. Students may take any written material into the examination room except UBC library books.

2. There is one question.
Annie Arbor is in the landscaping business. Annie designs interior and exterior landscapes for clients and also supplies landscaping materials. Annie sees a trend developing for people wanting exotic fruit trees, especially citrus fruit trees for their gardens, homes and offices.

Beautiful Blossoms Ltd. is a greenhouse company that claims to have developed orange trees that will survive in Vancouver's climate or in offices and that will bear edible, aromatic fruit.

Annie gets Beautiful Blossoms to supply it with hundreds of these trees and Annie then begins to solicit customers for the trees. Annie does this by sending out advertising flyers to prospective customers. The flyers are provided to Annie by Beautiful Blossoms. The flyers show a picture of an orange tree bearing fruit. The flyer also has a scratch-and-sniff section. If one scratches and sniffs this section a fragrant orange smell is emitted and the following words appear: “You too can have the fragrance of the citrus south in your garden off office. Beautiful Blossoms guarantees it.”

Annie sends one of the flyers to her best friend and yoga partner, Gunter Guertner. Gunter has a garden that he began as a hobby. It became so large and magnificent that Gunter now lets the public come to see it at certain times and upon voluntary payment of a donation. Gunter is interested in getting some of the orange trees from Annie and immediately phones Annie to place an order. Gunter says on Annie's answering system, “Do your friend a favour and send me 50 of your trees and let me have them for 10 percent less than the price you charge to Work Weeds Ltd.” Because Gunter mumbles, Annie does not hear the last part of the message clearly and thinks Gunter wants the plants for the same price as Work Weeds. She phones back the next day and says, “OK, I'll have them there tomorrow. You'll love them. Beautiful Blossoms stands by their word.” The trees arrive on time, but in a day or two they start to smell foul. Gunter phones to complain, but Annie says he has to complain to Beautiful Blossoms. She reminds him that he still has to pay. He says he shouldn't have to pay and then challenges her on the amount she asks for. The confusion about the message then emerges and Annie says, “OK. Then pay me the amount that is 10 percent less than I charge Work Weeds.” Gunter comes to see you for advice. Give advice with respect to the issues we have covered this term.

END OF EXAMINATION