

**ADVANCED GCE****LAW**

Law of Contract

G155

Candidates answer on the Answer Booklet

OCR Supplied Materials:

- 16 page Answer Booklet

Other Materials Required:

None

Tuesday 2 February 2010
Afternoon

Duration: 2 hours**INSTRUCTIONS TO CANDIDATES**

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the spaces provided on the Answer Booklet.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer **three** questions, **one** from Section A, **one** from Section B and **one** from Section C.
- If you use additional sheets of paper, fasten these securely to the Answer Booklet.
- Write the numbers of the questions you answer on the front of the Answer Booklet.
- Do **not** write in the bar codes.
- When answering the following questions you are required to demonstrate some synoptic thinking. In Section A this is achieved by relevant reference to precedent and/or statutory materials including the development of law and comments on justice or morality where appropriate. In Section B this is achieved by relevant use of precedent and/or statutory materials in the application of legal reasoning to given factual situations, including comment on the justice or morality of the outcome where appropriate. You are not required to demonstrate synoptic thinking in Section C.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **120**.
- Candidates are reminded of the need to write legibly and in continuous prose, where appropriate. In answering **Section A** and **Section B** questions you will be assessed on the quality of your written communication and your use of appropriate legal terminology (QWC). These questions are marked with an asterisk (*).
- This document consists of **4** pages. Any blank pages are indicated.

Answer **three** questions.

One from Section A, **one** from Section B and **one** from Section C.

You are advised to spend 50 minutes on Section A, 50 minutes on Section B and 20 minutes on Section C.

SECTION A

Answer only **one** question from this section.

- 1* 'The level of fault behind a misrepresentation is closely linked to the remedies for the innocent party.'

Discuss the reasons for having four different categories of misrepresentation in light of the statement above. [50]

- 2* 'The rule of privity can cause injustice but reforms in both statute and common law have helped to avoid this injustice.'

Discuss the extent to which this statement is true. [50]

- 3* 'The law on undue influence remains complex and outdated despite attempts to clarify it in recent cases.'

Discuss whether the law on undue influence is clear **and** relevant in today's society in light of the statement above. [50]

SECTION B

Answer only **one** question from this section.

- 4*** Sanjit bought goods for his flat on the internet. He ordered a sofa for £150 and a green table, both from Lux Home Products website.

After placing the order, he immediately received an email thanking him for the order and confirming that the goods would be dispatched the following day. However, the next day he received another email from Lux informing him that the sofa was wrongly priced and should have been £1500.

The table arrives two days later but Sanjit does not like the colour and wishes to return it.

Sanjit also visited an online auction site and placed a bid of £20 for a colourful rug. At the end of the auction Sanjit's bid was the highest but the seller emailed him to say that the price was too low and the rug has been withdrawn.

Advise whether Sanjit is able to buy the sofa for £150 and the rug for £20, and whether he is able to return the green table. **[50]**

- 5*** Bob and his friend, Alun, both entered a golf tournament for which the advertised prize was £10,000. They agreed to split equally any money that either of them won. The tournament organisers include a term that they do not accept any legal liability to pay winnings.

Bob won the tournament; however, the organisers said that too few people had entered the tournament and that they could only pay £5,000. Bob was upset at this and said he would not pay anything to Alun.

Bob had arranged with Laine, another friend, to get a lift home from the tournament. Bob said he would pay £5 towards petrol. When it was time to go home he found that Laine had gone without him and he ended up taking a taxi at great expense.

Discuss whether or not Bob has formed legally binding contracts with Alun, Laine, and the golf tournament organisers. **[50]**

- 6*** Sara, who owns a restaurant, has placed a number of orders with local traders. She ordered ten salmon from Tom but was annoyed when ten trout were delivered. Tom said that it was a usual term in the fish trade that if salmon were not available trout could be delivered instead. This was correct but Sara had never heard of that term.

When Sara took delivery of a case of wine from Henri she signed a delivery note. The note included a statement that any complaints about the wine had to be made within five working days. The wine turned out to be undrinkable but Sara did not discover this until two weeks after delivery.

Sara also placed an order with Bella, a baker, for 50 bread rolls to be delivered every day. She was surprised to find that the deliveries were made at 1.30 in the afternoon, too late to be used for lunch, which was when she did most of her business.

Advise whether Sara has a valid claim for breach of contract against Tom, Henri and Bella. **[50]**

SECTION C

Answer only **one** question from this section.

- 7 Django has a garden containing, amongst other things, an old bench and greenhouse. He would like to clear out his garden because he is planning a garden party. Django lives next door to Miles, who likes to play the trumpet in his garden. Miles has promised not to play the trumpet during the party.

Evaluate the accuracy of **each** of the four statements A, B, C and D individually, as they apply to the facts in the above scenario.

Statement A: If Miles agrees to remove the bench from Django's garden, this will be good consideration for Miles to keep it.

Statement B: If Miles agrees to buy the greenhouse for £10, this will be good consideration even if it later turns out to be worth £10,000.

Statement C: If, after the party, Django promises to pay Miles £50 because he did not play the trumpet, Miles will be able to enforce this promise.

Statement D: Any agreements made between Miles and Django would be unenforceable because they would not have an intention to create legal relations.

[20]

- 8 Jan has contracted to supply Bill's farm with animal food over a 1-year period. The contract includes the following terms:

- 1 The animal food shall be delivered undamaged;
- 2 Payment must be made within three days of each delivery;
- 3 It shall be a condition that the farm will provide workers to unload the delivery.

Evaluate the accuracy of **each** of the four statements A, B, C and D individually, as they apply to the facts in the above scenario.

Statement A: Term 1 is likely to be seen as a condition of the contract.

Statement B: If one delivery is 50% damaged when it is delivered this would allow Bill to reject it.

Statement C: If Bill is a week late in paying for one delivery this will allow Jan to end the contract.

Statement D: On one particular week the delivery consists of only one small sack. If Jan has to unload the sack himself this will allow him to end the contract with Bill.

[20]

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