

**LAW**

Paper 3 Law of Contract

1 hour 30 minutes

You will need: Answer booklet (enclosed)

- Answer **three** questions in total:

- ## INFORMATION

- The total mark for this paper is 75.
- The number of marks for each question or part question is shown in brackets [].

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[Turn over

Answer **at least one question** from Section A.

Answer **at least one question** from Section B.

Answer **one other question** from **either** Section A **or** Section B.

Section A

- 1** Silence can never amount to an actionable misrepresentation.

Describe this rule and assess the validity of the statement above. [25]

- 2** Explain the postal rule for the acceptance of an offer and assess whether it continues to be relevant. [25]

- 3** The intention to create legal relations is an essential element in the formation of a contract.

Explain the approaches regarding legal intent and assess the validity of the statement above. [25]

Section B

- 4 Lola is opening a new restaurant in London and is keen to create a great reputation with diners and the wider public. She promises her head chef, Mary, that she will give her £1000 in addition to her monthly wage if, during the first few weeks of business, she can be especially 'creative' and 'delight' the customers with her menu. Mary agrees.

Within a month of opening, Lola's restaurant receives much praise on social media because of the quality of the food on offer. A review by a respected food critic in a national newspaper is highly complimentary about the taste and presentation of the food provided.

When Mary asks for the additional £1000 promised, Lola refuses to pay.

Advise Mary of her rights, if any, in contract law. [25]

- 5 Gina, who lives in London, books a holiday to Paris with Fun Tours on the basis that its brochure promises: 'a city centre hotel close to all the tourist attractions and entertainment in the restaurant every night'.

Gina also plans to attend a concert on the evening of her arrival, paying £100 for the ticket.

Gina books ABC Taxis to pick her up at 12:00 to take her to the airport. The taxi driver, however, arrives over an hour late and she misses her flight. Gina is forced to pay an extra £200 to catch a later flight and she arrives after the concert has finished.

She discovers that the hotel is located on the outskirts of Paris and the restaurant is closed for the duration of her stay as it is being redecorated.

On her return home Gina complains to Fun Tours that she is disappointed that the holiday did not live up to her expectations and demands compensation. In addition, she insists that ABC Taxis reimburse her for the £200 cost of the later flight and her unused £100 concert ticket.

Advise Gina as to her rights and remedies against Fun Tours and ABC Taxis in relation to the law on damages. [25]

- 6 Paula is a fitness enthusiast and has seen a running treadmill advertised on the website of Runztec. This seems perfect for her needs. Paula completes the online order form, which states Runztec's terms and conditions, including:

- *Runztec accepts no liability for any injury to users of our products, however this may arise.*
- *Runztec cannot be held liable for any losses arising from delay to delivery of our products due to the unavailability of the customer to receive them on the agreed delivery date.*

Runztec gives Paula a delivery date and she takes a day off work to be at home when it arrives. However, when delivery was attempted, Paula was having a shower and delivery could not be made. Paula has to take a second day off work to take delivery.

She uses the treadmill on the day it is delivered but receives an electric shock when she touches the hand rail, badly burning her hand.

Advise Paula of her rights in relation to the delayed delivery and the injury. [25]

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