

OXFORD CAMBRIDGE AND RSA EXAMINATIONS

Advanced GCE

LAW

2574

Law of Contract 1

Thursday **19 JANUARY 2006** Morning 1 hour 30 minutes

Additional materials:
16-page Answer Booklet

TIME 1 hour 30 minutes

INSTRUCTIONS TO CANDIDATES

- Write your name, Centre number and candidate number in the spaces provided on the answer booklet.
- Answer **two** questions, one from Section A and one from Section B.
- Read each question carefully and make sure you know what you have to do before starting your answer.
- 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 your answer booklet.

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 **100 (50 per question)**.
- **All questions should be answered in continuous prose. You are reminded, therefore, that you will be assessed on your ability to organise and present information and arguments logically and coherently, and to communicate clearly and accurately, taking into account grammar, punctuation and spelling.**

This question paper consists of 2 printed pages.

Answer two questions, one from Section A and one from Section B.

Section A

Answer one question from this section.

- 1 Assess the problems which may arise through the termination of an offer. [50]
- 2 There are occasions when terms are implied into contracts which have not been discussed by the parties.
Critically consider the circumstances in which this is likely to occur. [50]

Section B

Answer one question from this section.

- 3 Jane, a college student aged 17, visits Hairdo to have her hair cut and coloured. She also buys an expensive hair extension for a party to take place on the following day. Jane finds herself short of money so leaves without paying, promising to return later. She does not do so.

On the way home Jane is hungry so she calls at Ken's Café where she orders sandwiches and coffee to take home. She takes the food promising to pay later that day but does not do so.

Still short of money, Jane enters into a six month contract with Beautiful Babes. She agrees to sell cosmetics on their behalf. She takes delivery of a selection of cosmetic goods and visits customers in the local area to sell products for Beautiful Babes over the next three weeks. She then finds that the work is taking up so much time that she has difficulty with her college course. Therefore she does not do any more work for Beautiful Babes.

Advise Jane whether any of these three contracts are enforceable. [50]
- 4 Nolan visits his local gym for a fitness session. He leaves his briefcase with Peter the receptionist who gives Nolan a receipt and promises to take good care of the briefcase.

Nolan completes his fitness routine and takes a shower. On leaving the shower area, Nolan trips on an uneven patch of flooring, and sprains his ankle. He is unable to work for a week following this injury.

When Nolan leaves the gym he hands over his receipt to collect his briefcase but is told by Peter that it is missing. Peter points out a notice near to the reception counter which states:

'The management of this gym do not take any responsibility whatsoever for injury to clients, however caused. Equally, the management will not be held responsible for loss of, or damage to, clients' possessions.'

Advise Nolan whether he may claim compensation from the gym managers for the injury that he sustains and for the loss of his briefcase. [50]