



GCE A level

1254/01

LAW – LA4

**UNIT 4: UNDERSTANDING LAW IN CONTEXT:
FREEDOM, THE STATE AND THE INDIVIDUAL
OPTION 1: CONTRACT AND CONSUMER LAW**

P.M. THURSDAY, 23 June 2011

2½ hours

ADDITIONAL MATERIALS

In addition to this examination paper, you will need a 12 page answer book.

INSTRUCTIONS TO CANDIDATES

Use black ink or black ball-point pen.

Answer **two** questions from Section A and **one** question from Section B.

INFORMATION FOR CANDIDATES

Each question carries 25 marks.

The number of marks is given in brackets at the end of each question or part-question.

You are reminded that assessment will take into account the quality of written communication used in your answers.

You are reminded that this paper contains a synoptic element in Section B and will test understanding of the connections between the different elements of the subject.

UNIT 4 : UNDERSTANDING LAW IN CONTEXT
OPTION 1: CONTRACT AND CONSUMER LAW

SECTION A

Answer two questions from this section.

1. Critically evaluate the mechanisms available to consumers for enforcing their rights without going to court. [25]

2. Evaluate the approach adopted in English and Welsh law in assessing loss in damages claims for consumers. [25]

3. Critically discuss the role of licensing in promoting responsible consumer credit lending. [25]

4. Evaluate the extent to which the law promotes satisfactory quality as an obligation of the supplier in consumer contracts. [25]

SECTION B

Answer one question from this section.

5. Study the text below and answer the questions based on it.

Report of the Committee on Consumer Credit (Crowther Committee)

“The use of consumer credit ... enables individuals to enjoy the services of consumer durable goods sooner than they otherwise would and in a period of inflation offers them a real prospect of acquiring them more cheaply. Consumers in general are able to obtain a more satisfying basket of goods and services with the same income. Thus consumer credit may be said to enhance consumer satisfaction. Furthermore, some individuals, who lack the self discipline to save up for the purchase of a durable consumer good but are nevertheless unlikely to break their contract with a creditor, are able to buy a durable consumer good which might otherwise never be theirs.”

[Cmnd 596/1971 page 118]

- (a) Explain how consumer law protects consumers from overstressing their resources. [11]
- (b) Evaluate the mechanisms for the reform of consumer credit law in England and Wales. [14]

6. Study the text below and answer the questions based on it.

“The Present System in the United Kingdom

7. The present system of advertising control in the United Kingdom is predominantly self-regulatory. Its central instruments are the Code of Advertising Practice Committee (CAP Committee) and the Advertising Standards Authority (ASA) which oversees its work. Two-thirds of the governing council of the Authority, including the Chairman, are independent of the advertising business. The budget of the ASA is raised by means of a 0.1% levy on display advertisements ...

Department of Trade and Industry, *Consultation Document EC Directive on Misleading Advertising* (1985)

3. ... The Directive was adopted after many years of long and complex negotiations. These reflected a variety of attitudes among Member States towards the problems caused by misleading advertising and differing existing systems for dealing with it. In the UK the combination of a substantial body of legislation (for example on trade descriptions, consumer credit, medicines, broadcasting) and the well established self-regulatory system based on the British Code of Advertising Practice administered by the Advertising Standards Authority (ASA) appears to cope well with most problems which arise.”

[38th Report, HL Committee on European Communities (1978), p.iv-v]

- (a) Explain how English law promotes a duty of trade fairly. [11]
- (b) Evaluate the role of Europe in promoting the reform of consumer law in England and Wales. [14]