

**OXFORD CAMBRIDGE AND RSA EXAMINATIONS**

**Advanced GCE**

**LAW**

**2574**

Law of Contract 1

Wednesday      **19 JANUARY 2005**      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 paper/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.

**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.**

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**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 'An intention to be legally bound is a requirement in forming a contract; the presumption for or against this intention can give much needed protection.'

Analyse the reasons for requiring an intention to be legally bound in the light of the above statement. [50]

- 2 'The law will only imply terms into contracts for good reasons. These reasons can range between plain good sense and vital protection for one party.'

Assess the truth of this statement. [50]

### Section B

Answer one question from this section.

- 3 Logan, a shoe manufacturer, notices an advertisement in a trade journal for equipment to be sold by auction. At the auction Logan finds that the particular item in which he is interested has been withdrawn from sale. He is angry at having wasted his time and money on this journey.

Logan then places an order with Manesh via the internet on 2nd May for a quantity of leather. Due to office reorganisation, Manesh only sees the order on 11th May. Manesh replies by email immediately, agreeing to supply the leather. However, before Logan receives the email he places an order for the leather with another firm. On 17th May Manesh delivers the leather and requests payment.

Nigel, an engineer, says that he will service some machines for Logan for £300, but Logan rejects this. However, finding that other engineers charge even more, Logan later contacts Nigel, claiming to accept his offer to do the work for £300. Nigel states that he is now fully booked and cannot service the machines at all.

Apply the principles of offer and acceptance to each of these situations. [50]

- 4 Pat enjoys visiting IceSports skating rink. She pays to skate on entry to the rink and takes a ticket. Pat explains to an attendant, Ron, that her bag is too large for the lockers provided. Ron takes a payment of £1 and assures Pat that the bag will be looked after.

When Pat is leaving the ice a steward, Tim, skates past so fast that he collides with her, causing her to fall into a barrier, injuring her nose and mouth. Pat is further dismayed to find that Ron has given her bag to another skater.

When Pat recovers she contacts the manager of the rink to claim compensation. The manager points out a large notice at the corner of the rink. It reads as follows:

'IceSports skating rink will not be responsible for any injury to users of the premises, however caused. Similarly IceSports will not be responsible for any damage to, or loss of, property belonging to users of the rink.'

Advise Pat whether IceSports may rely on these exemption clauses. [50]