



Law

Advanced GCE

Unit G155: Law of Contract

Mark Scheme for June 2013

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.

All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

OCR will not enter into any discussion or correspondence in connection with this mark scheme.

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Annotations

Annotation	Meaning
+	AO2+
2	Point 2 (Q7-8)
	Point 3 (Q7-8)
4	Point 4 (Q7-8)
5	Point 5 (Q7-8)
19	AO2
AL	Alternative reasoning in Q7-8
	Case (Q1-6) / reference to statutory provisions
	Expansion of developed point (Q1-Q6)
	Case - name only
222	Not relevant
	Repetition/or where it refers to a case this indicates that the case has already been noted by examiner
	AO1 / Point 1 (Q7-8)
N 1	Sort of / Accurate facts but wrong case name or no name (Q1-Q6)

G155/01

Subject-specific marking instructions

Before you commence marking each question you must ensure that you are familiar with the following:

the requirements of the specification

these instructions

the exam questions (found in the exam paper which will have been emailed to you along with this document)

levels of assessment criteria *1 (found in the 'Levels of Assessment' grid at the back of this document)

question specific indicative content given in the 'Answer' column $\ensuremath{^{\ast}_2}$

question specific guidance given in 'Guidance' column*3

the 'practice' scripts*4 provided in Scoris and accompanying commentaries

- *1 The levels of assessment criteria (found in the 'Levels of Assessment' grid) reflect the expectation of achievement for each Assessment Objective at every level.
- *2 The indicative content in the 'Answer' column provides details of points that candidates **may** be likely to make. It is **not** exhaustive or prescriptive and points not included in the indicative content, but which are valid within the context of the question, are to be credited. Similarly, it is possible for candidates to achieve top level marks without citing all the points suggested in the scheme.
- *3 Included in the 'Guidance' column are the number of marks available for each assessment objective contained within the question. It also includes 'characteristics' which a response in a particular level is **likely** to demonstrate. For example, "a level 4 response is likely to include accurate reference to all 5 stages of x with supporting detail and an accurate link to the source". In some instances an answer may not display all of the 'characteristics' detailed for a level but may still achieve the level nonetheless.
- *4 The 'practice' scripts are live scripts which have been chosen by the Principal Examiner (and senior examining team). These scripts will represent most types of responses which you will encounter. The marks awarded to them and accompanying commentary (which you can see by changing the view to 'definitive marks') will demonstrate how the levels of assessment criteria and marking guidance should be applied.

As already stated, neither the indicative content, 'characteristics' or practice scripts are prescriptive and/or exhaustive. It is imperative that you remember at all times that a response which:

- differs from examples within the practice scripts; or,
- includes valid points not listed within the indicative content; or,
- does not demonstrate the 'characteristics' for a level

may still achieve the same level and mark as a response which does all or some of this. Where you consider this to be the case you should discuss the candidate's response with your supervisor to ensure consistent application of the mark scheme.

G155/01

Awarding Assessment Objectives 1 and 2

To award the level for the AO1 or AO2 (some questions may contain both AO1 and AO2 marks) use the levels of assessment criteria **and** the guidance contained within the mark scheme to establish which level the response achieves. As per point 10 of the above marking instructions, when determining which **level** to award start at the **highest*** level and work down until you reach the level that matches the answer.

Once you have established the correct level to award to the response you need to determine the mark within the level. The marks available for each level differ between questions. Details of how many marks are available per level are provided in the Guidance column. Where there is more than one mark available within a level you will need to assess where the response 'sits' within that level. Guidance on how to award marks within a level is provided in point 10 of the above marking instructions, with the key point being that you start at the **middle*** of each level and work outwards until you reach the **mark** that the response achieves.

Answers, which contain no relevant material at all, should receive no marks.

* Remember: when awarding the <u>level</u> you work from <u>top downwards</u>, when awarding the <u>mark</u> you work from the <u>middle outwards</u>.

Awarding Assessment Objective 3

AO3 marks are awarded based on the marks achieved for either AO1, AO2 or in some cases, the total of AO1 and AO2. You must refer to each question's mark scheme for details of how to calculate the AO3 mark.

Rubric

What to do for the questions the candidate has not answered?

The rubric for G153 instructs candidates to answer **three** questions; one from Section A, one from Section B and one from Section C. For the questions the candidate has not answered you should record NR (no response) in the mark column on the right-hand side of the screen. Do **not** record a 0.

What to do for the candidate who has not complied with the rubric either by answering more than three questions or by answering more or less Section A, B or C questions than is permitted?

This is a very rare occurrence.



Mark Scheme

Mark all questions the candidate has answered. Scoris will work out what the overall highest mark the candidate can achieve whilst conforming to the rubric. It will **not** 'violate' the rubric

Blank pages and missed answers

Sometimes candidates will skip a few pages in their answer booklet and then continue their answer. To be sure you have not missed any candidate response when you come to mark the last question in the script you <u>must</u> check every page of the script and annotate any blank pages with an annotation.

This will demonstrate that every page of a script has been checked.

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You <u>must</u> also check any additional pages eg A, A1 etc, which the candidate has chosen to use. Before you begin marking, use the Linking Tool to 'link' any additional page(s) to the relevant question(s) and mark the response as normal.

SECTION A

Question	Answer	Marks	Gui	idance	
1*	Potential answers may :		AO1 Levels	AO1 Marks	
	Assessment Objective 1 – Knowledge and understanding	05	5	21–25	
	Assessment Objective 1 – Knowledge and understanding	25	4	16–20	
	Explain the rules of privity:		3	11–15	
	 that a contract can only be enforced by and against the parties to the 		2	6–10	
	contract, Tweddle v Atkinson, Dunlop v Selfridge, Price v Easton		1	1–5	
	• Candidates may explain that the rule comes from the need for the parties to		Responses will be		
	have given consideration to the agreement in order to enforce it. Explain statutory exceptions:		achieve the follow	ving Levels without	
	Contract (Rights of Third Parties) Act 1999; allowing a party who was		Level 5 – being a	ble to cite at leas	
	intended to benefit from a contract, or who has been conferred a benefit,		relevant cases ac		
	which they were not a party to, to enforce the contract in their own right		to support their a	gument and mak	
	• Cite cases where the act has been used, for example in <i>Nisshin Shipping Co</i>		reference the rele		
	Ltd v Cleaves where it was used to enforce an agents fee in a ship charter		Level 4 – being a		
	That a defence which would have been available against one of the main		relevant cases to		
	contracting parties will also be available against a third party		argument with ac		
	That the contracting parties may not vary or rescind the contract rights		some factual des		
	without consent of the third party		reference to the r		
	Credit to be given for explaining other statutory exceptions such as the Married Warsen's Dreparty Act and the Dead Treffic Act		Level 3 – being a relevant cases to		
	Married Women's Property Act and the Road Traffic Act. Explain the exceptions developed by the courts in order to avoid the application of		argument with cle		
	the rule:		and some relevar		
	 Collateral contracts; where a new contract was imposed by the court between 		reference to the r		
	a person making a representation and the person who acted on that		Level 2 – being a		
	representation, Shanklin Pier v Detel Products		relevant case alth		
	Restrictive covenants; where a seller places a restriction on the use of land		described rather t		
	which binds subsequent purchasers, Tulk v Moxhay. Credit will be given for		cited and make re		
	mentioning attempts to broaden this doctrine to cover things such as ships,		relevant statute.		
	Strathcona Steamship v Dominion Coal, Taddy v Sterious		Level 1 – some a		
	• The trust device, where a trust can be implied in order to give rights to a		of fact but there n		
	presumed beneficiary of the contract, Les Affreteur Reunis v Walford		reference to relev		
	• Credit can also be given for any other discussion of ways that the rule of agency may be avoided at common law: assignment, agency, suing under		may be confused		
	the law of negligence				
	Explain special cases, Jackson v Horizon Holidays, Linden Gardens v				

Question	Answer	Marks	Gui	idance	
	 Lenesta Sludge Credit any other relevant point(s). Credit any other relevant case(s). Assessment Objective 2 – Analysis, evaluation and application Discuss problems that existed before the 1999 Act: There was no general right for a third party to enforce a contract and so they had to rely on fitting into one of the exceptions that had been developed by Parliament or the courts The exceptions had developed to cover specific situations rather than a general principle of enforceability by a third party intended to benefit from the contract The availability of exceptions to the rule depended on the judge being willing to be creative with common law exceptions such as trust devices and collateral contracts However some exceptions by the common law has retrospective effect. Discuss the extent to which the 1999 Act has removed these problems: Statutory exceptions are prospective and therefore receive greater publicity before coming into force The general rights given under the act are easier to understand and apply than a series of common law exceptions There is still potential for uncertainty however in identifying the third parties who are intended to benefit from a contract Also it may not always be clear when a contract purports to give an enforceable right to a third party That the act does not do away with the doctrine of privity and only deals with certain situations which arise, for example it may not apply when goods are purchased to be given as a present Credit any other relevant point(s). 	20	Level 5 – a discu good use of case arguments based reasoning and wit between cases. Level 4 – a discu case law cited to points and analys decision in these Level 3 – a discu points and making cases which have area of law being Level 2 – a discu reasons for the de cases and include least 1 cited case	ving levels without ssion which makes to develop clear on judicial th critical links ssion which uses make 3 developed es the basis of the cases. ssion of at least 3 g reference to the been used for the considered. ssion of the ecision in some e comment on at reness of the area	

Question	Answer	Marks	Guidano	e
	Assessment Objective 3 – Communication and presentation			
	Present logical and coherent arguments and communicate relevant material in a clear and effective manner using appropriate legal terminology. Reward grammar, punctuation and spelling.	5		
			AO1 + AO2 Marks 37-45 28-36 19-27 10-18 1-9	AO3 Marks 5 4 3 2 1

Question	Answer	Marks	Gui	dance
2*	 Potential answers may: Assessment Objective 1 – Knowledge and understanding Explain the ways in which a contract may be frustrated: Impossibility of performance, <i>Nichol and Knight v Ashton Eldridge</i>, but not mere difficulty or extra expense Radical change of circumstances, <i>Krell v Henry</i> Illegality of performance, <i>Fibrosa v Fairbarn Lawson, Denny Mott and Dickinson v James Fraser</i> Supervening event, <i>Metropolitan Water Board v Dick Kerr</i> Explain the circumstances where the courts will decide that frustration will not apply. Where performance would be possible but more difficult or expensive than originally anticipated, <i>Tsakiroglou v Noblee Thorl</i> Where the change of circumstances is not sufficiently radical, <i>Herne Bay v Hutton, Davis Contractors v Fareham</i> Where the potentially frustrating event was anticipated by the parties, <i>Amalgamated Investment v John Walker</i> Where the impossibility of performance was due to the fault of one of the parties or due to their choice to use other means to perform a contract, <i>The Super Servant 2, Maritime National v Ocean Trawlers</i> Explain the provisions of the Law Reform (Frustrated Contracts) Act 1943: Section 1(2) where money paid in advance of the frustrating event may be reclaimed minus just expenses Section 1(3) where a party has to account for any unjust enrichment they would have gained because of the frustrating event. Credit any other relevant case(s). 	25	AO1 Levels 5 4 5 4 3 2 1 Responses will be achieve the follow Level 5 – being a relevant cases ac to support their an reference to the r Level 4 – being a relevant cases to argument with ac some factual dese reference to the r Level 3 – being a relevant cases to argument with cle and some relevar reference to the r Level 2 – being a relevant case alth described rather t cited and make re relevant statute. Level 1 – some a of fact but there n	AO1 Marks 21–25 16–20 11–15 6–10 1–5 e unlikely to ving levels without: ble to cite at least 8 curately and clearly rgument and make elevant statute. ble to cite at least 5 support their curate names and cription and make elevant statute. ble to cite at least 3 support their car identification at facts and make elevant statute. ble to cite at least 3 support their ar identification at facts and make elevant statute. ble to cite at least 1 ough it may be than accurately eference to the ccurate statements may not be any ant cases or cases

Question	Answer	Marks	Gui	dance
	Assessment Objective 2 – Analysis, evaluation and application			
		20		
	Discuss whether the basis for finding a contract to be frustrated is just:		AO2 Levels	AO2 Marks
	That the rules on self-induced frustration may be just in principle but lead to		5	17–20
	harsh outcomes as in Super Servant case		4	13–16
	Discuss the reason for not finding frustration in the change of circumstance		3	9–12
	cases such as Davis Contractors v Fareham; that the parties take a risk in		2	5–8
	taking on the particular obligations that may or not may not turn out to be profitable.		1	1–4
	Discuss whether the basis for finding a contract to be frustrated is predictable:		Responses will be	e unlikelv to
	• That the essence of frustration is lack of foresight and so there will always be an element of uncertainty			ving levels without
	That parties can allocate risks in advance with force majeure terms		Level 5 – a discu	ssion which make
	• The rules on impossibility are clearly delineated and allow the parties to know what risks to insure for		good use of case arguments based	s to develop clear on judicial
	• That the rules on illegality are clear however foresight of the risks is likely to be unpredictable in times of war		reasoning and with critical links between cases. Level 4 – a discussion which use case law cited to make 3 develop points and analyses the basis of t decision in these cases.	
	• That there may be uncertainty in terms of radical change of circumstances – that the judgement in <i>Krell</i> seems to be focussed on fairness between the parties and there may in fact be little real difference in cases such as <i>Krell v</i> <i>Henry</i> and <i>Herne Bay v Hutton</i>			
	Discuss the extent to which the statutory provisions are just and predictable:		Level 3 – a discu	ssion of at least 3
	• That section 1(2) allows money paid in advance to be reclaimed because there has been a failure of consideration, but the expenses claimable by the other side may only be claimed if there actually has been some form of advance payment. Also the application of section 1(2) is discretionary and there is no guarantee that a party will recover all their losses under this section		points and making reference cases which have been used area of law being considered. Level 2 – a discussion of the reasons for the decision in so cases and include comment of	
	• That section 1(3) does not give any recompense for work done before the frustrating event, only the benefit gained by the other side after the frustration. This can leave a party out of pocket if they have done considerable work but the other side has gained little real benefit		least 1 cited case Level 1 – an awa of law identified b	reness of the area
	• Discuss whether the rules are clear enough that a sensible party can insure against losses that would not be recoverable.			
	Credit any other relevant point(s).			

Question	Answer	Marks	Guidanc	e
	Reach a sensible conclusion			
	Assessment Objective 3 – Communication and presentation	5	AO1 + AO2 Marks	AO3 Marks
			37-45	5
	Present logical and coherent arguments and communicate relevant material in a		28-36	4
	clear and effective manner using appropriate legal terminology. Reward grammar,		19-27	3
	punctuation and spelling.		10-18	2
			1-9	1

Question	Answer	Marks	Marks Guidance		
3*	Potential answers may :		AO1 Levels	AO1 Marks	
	Assessment Objective 1 – Knowledge and understanding	25	5 4	21–25 16–20	
	 Assessment Objective 1 – Knowledge and understanding Explain the requirements of an actionable case in misrepresentation: That there has been a false statement of fact, made to the other side, which induced them into the contract That is meant by a false statement of fact; that it must be current fact <i>Edgington v Fitzmaurice</i> and that it must not be mere opinion <i>Bissett v Wilkinson</i> That non-disclosure of a potentially material fact will not amount to a misrepresentation in most cases, <i>Fletcher v Krell, With v O'Flanagan</i> That it must have induced the other party into the contract and that if a party carries out their own investigation this will not be seen as an inducement <i>Attwood v Small</i> That it is not necessary that a reasonable person would be induced into the contract, that the test is subjective <i>Museprime v</i> Adhill. Explain the different kinds of misrepresentation and the remedies that can be obtained for each: Fraudulent misrepresentation where all consequential losses can be claimed, <i>Derry v Peak, Smith New Court v Scrimgeour Vickers</i> Negligent misstatement where a duty of care is owed in relation to professional advice and foreseeable damages can be claimed, <i>Hedley Burn v Heller</i> Statutory misrepresentation where the false statement of fact was not made on reasonable grounds and damages can be claimed subject to proximity between the statement and the loss, section 2(1) Misrepresentation Act 1967, <i>Howard Marine v Ogden, Royscot Trust v Rogerson</i> Innocent misrepresentation where there were reasonable grounds for having made the statement, no damages may be claimed That for all kinds of misrepresentation rescission may be claimed, subject to certain bars, and that a judge has the discretion to leave a contract in place but award damages in place of rescission, section 2(2) Misrepresentation Act. 	25	4 3 2 1 Responses will be achieve the follow Level 5 – being a relevant cases act to support their and reference to the referenc	16-2011-156-101-5e unlikely toving levels without:able to cite at least 8curately and clearlyrgument and makeelevant statute.able to cite at least 5support theircurate names andcription and makeelevant statute.able to cite at least 3support theircar identificationat facts and makeelevant statute.able to cite at least 3support theirear identificationat facts and makeelevant statute.able to cite at least 1hough it may bethan accuratelyeference to theaccurate statementsnay not be anyvant cases or cases	

Question	Answer Marks		Gui	dance
Question	Answer Assessment Objective 2 – Analysis, evaluation and application Discuss whether the grounds for claiming misrepresentation may lead to justice: That a statement which looks like a false statement of fact may in fact be seen as mere opinion and not actionable That there are only a few occasions where silence about a material fact will amount to a misrepresentation That a statement of future intent, as opposed to current intent, may look like a statement of fact but will not be actionable That a statement which is not relied on or believed by the other party will not be seen as inducing them into the contract and will not lead to a successful claim of misrepresentation. Discuss whether the classifications of the different kinds of misrepresentation, and the remedies available, may lead to justice: That fraudulent misrepresentation is very hard to prove, although if it can be proved the measure of damages can be very high That it will be very difficult to resist a claim for damages once a false statement is shown as most will fall into the category of statutory misrepresentation, so this does not present much of an obstacle That, even for an innocent misrepresentation, a judge has the discretion to award damages in lieu of rescission, which again can make it easier for a victim of a misrepresentation to claim damages That there are several ways in which the remedy of rescission can be lost, and if the defendant is able to show an innocent false statement this may prevent a satisfactory remedy being awarded. For example the victim may lose the right to rescind by affirming the contract if they are unaware of the	Marks 20	AO2 Levels 5 4 3 2 1 Responses will be achieve the follow Level 5 – a discu good use of cases arguments based reasoning and with between cases. Level 4 – a discu case law cited to points and analys decision in these Level 3 – a discu case swhich have area of law being Level 2 – a discu points and making cases which have area of law being Level 2 – a discu reasons for the decases and include least 1 cited case Level 1 – An awa of law identified b	AO2 Marks 17–20 13–16 9–12 5–8 1–4 e unlikely to ving levels withou ssion which make s to develop clea on judicial th critical links ssion which uses make 3 develope es the basis of th cases. ssion of at least 3 g reference to the been used for th considered. ssion of the ecision in some e comment on at ureness of the are

Question	Answer	Marks	Guidanc	e
	Assessment Objective 3 – Communication and presentation			
	Present logical and coherent arguments and communicate relevant material in a	5		
	clear and effective manner using appropriate legal terminology. Reward grammar,	5	AO1 + AO2 Marks	AO3 Marks
	punctuation and spelling.		37-45	5
	punctuation and spelling.		28-36	4
			19-27	3
			10-18	2
			1-9	1

Question	Answer	Marks	Gui	dance
4*	Potential answers may:		AO1 Levels	AO1 Marks
		0.5	5	21–25
	Assessment Objective 1 – Knowledge and understanding	25	4	16–20
	Events in the second second of the second field are set in the base in the tribute the tri		3	11–15
	• Explain the consequences of the court finding an actionable mistake, that it		2	6–10
	makes the contract void		1	1–5
	 Describe the different categories of mistake at common law, using cases to illustrate each. Cases where the parties are at cross-purposes; <i>Tamplin v James, Raffles v Wichelhaus, Scriven v Hindley, Smith v Hughes</i> Where one party has made a mistake which the other party is aware of (known as unilateral mistake, cross purposes mistake or mistake negativing consent): <i>Hartog v Shields, Centrovincial Estates v Merchant Investors, Phillips v Brooks, Ingrams v Little, Lewis v Avery, Shogun Finance v Hudson</i> Explain that the contract will not be void if the mistaken facts do not become a term of the contract <i>Statoil v Louis Dreyfus Energy.</i> Where one party has signed a contract and they claim to be unaware of the contents due to a misrepresentation <i>Saunders v Anglia Building Society, Foster v Mackinnon</i> Where a contract is not void at common law but a remedy may be provided in equity: Rectification of the contract terms <i>Craddock v Hunt</i>, refusal of specific performance <i>Webster v Cecil</i>, rescission <i>Solle v Butcher</i> (candidates may explain that rescission is now doubtful after <i>Great Peace Shipping</i>). Credit any other relevant point(s). 		Responses will be achieve the follow Level 5 – being a relevant cases act to support their ar Level 4 – being a relevant cases to argument with act some factual desc Level 3 – being a relevant cases to argument with cle and some relevar Level 2 – being a relevant case alth described rather t cited Level 1 – some a of fact but there n reference to relev may be confused	e unlikely to ving levels witho ble to cite at lea curately and cle gument. ble to cite at lea support their curate names ar cription ble to cite at lea support their ear identification of facts ble to cite at lea ough it may be than accurately ccurate stateme nay not be any rant cases or cas

OFOTION D

Question	Answer	Marks	rks Guidance	
	Assessment Objective 2 – Analysis, evaluation and application			
	 Identify the relevant areas of mistake in each area. In the case of Derek and Rusts Explain that Derek can only get the ring back from Rusts if the customer who bought the ring from Derek was unable to pass good title to Rusts Identify that the contract with the customer will not be void for mistake as the contract was made face to face and in such contracts the seller intends to deal with the person in front of them, regardless of how they describe themselves Identify that even if the contract is not void it will be voidable for misrepresentation as the customer represented that the cheque was valid when it was clearly stolen Identify that the contract was valid until Derek took action to avoid the contract and he probably did this when he contacted the police to enquire about the identity of the buyer Identify that if the ring had not been sold to Rusts at the time of the avoidance by Derek the seller would not have had good title to pass to Rusts Conclude that if Derek's actions were good enough to amount to avoidance, and if he avoided the contract may be void for mistake as to the able to recover the ring. In the case of Derek and Yolanda Explain that the contract may be void for unilateral mistake and Derek is entitled to recover the vase Identify that Yolanda is clearly aware of Derek's mistake as to the age and is herself aware of the true situation Conclude that the contract may be void for unilateral mistake and Derek is entitled to recover the vase Credit any discussion that suggests the price is merely a representation and not a term and as such the contract would not be void for mistake Credit any discussion regarding whether the contract may be void for mistake 	20	Level 5 – a discu good use of cases arguments based reasoning and wit between cases. Level 4 – a discu case law cited to points and analys decision in these Level 3 – a discu points and making cases which have area of law being Level 2 – a discu reasons for the de cases and include least 1 cited case	ving levels without: ssion which makes to develop clear on judicial th critical links ssion which uses make 3 developed es the basis of the cases. ssion of at least 3 g reference to the been used for the considered. ssion of the ecision in some e comment on at reness of the area

Question	Answer	Marks	Guidanc	e
	 different to what Zaki represented and there is a reasonable explanation for Derek having signed it in error Identify that even if there was a misunderstanding about the price the document is not very different to what Derek thought he was signing, a contract for computer programming services Identify that there is no good reason for Derek to have signed the document without reading it Discuss whether the contract could be made void under mutual mistake if it was substantially different to the contract Derek thought he was making and there was good reason to have made the mistake Credit any other relevant point(s). Reach a sensible conclusion. 			
	Assessment Objective 3 – Communication and presentation Present logical and coherent arguments and communicate relevant material in a clear and effective manner using appropriate legal terminology. Reward grammar, punctuation and spelling.	5	AO1 + AO2 Marks 37-45 28-36 19-27 10-18 1-9	AO3 Marks 5 4 3 2 1

Question	Answer	Marks	Guidance	
5*	Potential answers may:		AO1 Levels	AO1 Marks
	Assessment Objective 1 – Knowledge and understanding	25	5 4	21–25 16–20
	Explain the approach taken to intention in social and domestic contracts:		3	11–15
	• Explain that there is a presumption of no intention in contracts between family		2	6-10
	 Explain that there is a presumption of no intention in contracts between family members <i>Balfour v Balfour, Jones v Padavatton</i> and between friends, <i>Buckpitt v Oats</i> Explain that the presumption can be rebutted where the contract is not made in amity, <i>Merritt v Merritt</i> Explain that the presumption can be rebutted in situations where there was reliance on the agreement, <i>Parker v Clark, Tanner v Tanner</i> Explain that the presumption can be rebutted where there is a commercial basis to the contract or in certain gambling agreements where the parties agree to split winnings equally, cite cases such as <i>Simpkins v Pays, Peck v Lateu, Albert v Motor Insurer's Bureau</i> Explain that in commercial cases there is a presumption that the parties intend to be legally bound, cite cases such as <i>Esso v Commissioners for Customs & Excise</i> Explain that the commercial presumption can be rebutted if clear words are used to show no legal intent, cite cases such as <i>Rose and Frank v Crompton, Jones v Vernon Pools</i> and compare <i>Edwards v Skyways</i>. Credit any other relevant point(s). 		1 Responses will be achieve the follow Level 5 – being a relevant cases ac to support their ar Level 4 – being a relevant cases to argument with ac some factual desc Level 3 – being a relevant cases to argument with cle and some relevan Level 2 – being a relevant case alth described rather t cited	1–5 e unlikely to ving levels without: ble to cite at least 6 curately and clearly gument ble to cite at least 5 support their curate names and cription ble to cite at least 3 support their ar identification at facts ble to cite at least 1 ough it may be han accurately ccurate statements

Assessment Objective 2 – Analysis, evaluation and application dentify that this scenario raises questions of intention to create legal relations etween Agnes and the others. In the case of Agnes, Belinda and the lottery money Identify that as they are friends the presumption of no legal effect will apply Explain that in this case there is a situation of reciprocity between the two in relation to the gambling, that they agree to be equally bound by the agreement Discuss whether this appears to be more than a merely casual agreement as the two shake hands on it Conclude that there is a binding agreement and that Agnes is liable to compensate Belinda for the trip to the theatre. In the case of Agnes, Belinda and the greeting cards Identify that the presumption of no legal intent between them can be rebutted if they make an agreement of a business nature Discuss whether the greeting card business seems to be business in nature and whether this would have the effect of rebutting the presumption of no	20	Level 5 – a discu good use of case arguments based reasoning and wi between cases. Level 4 – a discu	ving levels without ssion which makes s to develop clear l on judicial th critical links
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legal effect Discuss whether the wording in the emails prevent any rebuttal of the presumption of no legal intent Form any reasonable conclusion on the facts. In the case of Agnes and Danny Identify that as they are husband and wife there will be a presumption of no legal effect between the two of them Discuss whether the nature of the agreement could rebut the presumption, uplikely in this case as the agreement is domestic in nature and peither side		decision in these Level 3 – a discu points and makin cases which have area of law being Level 2 – a discu reasons for the de cases and include	ssion of at least 3 g reference to the been used for the considered. ssion of the ecision in some e comment on at
has relied on it in any commercial sense and it is not the kind of deal which would be commercial if it was not for their domestic status Conclude that there is no legal agreement between Agnes and Danny and			reness of the area
י ר	the case of Agnes and Danny Identify that as they are husband and wife there will be a presumption of no legal effect between the two of them Discuss whether the nature of the agreement could rebut the presumption, unlikely in this case as the agreement is domestic in nature and neither side has relied on it in any commercial sense and it is not the kind of deal which would be commercial if it was not for their domestic status	the case of Agnes and Danny Identify that as they are husband and wife there will be a presumption of no legal effect between the two of them Discuss whether the nature of the agreement could rebut the presumption, unlikely in this case as the agreement is domestic in nature and neither side has relied on it in any commercial sense and it is not the kind of deal which would be commercial if it was not for their domestic status Conclude that there is no legal agreement between Agnes and Danny and she is not liable to him for the magazines. Credit any other relevant point(s).	 Form any reasonable conclusion on the facts. the case of Agnes and Danny Identify that as they are husband and wife there will be a presumption of no legal effect between the two of them Discuss whether the nature of the agreement could rebut the presumption, unlikely in this case as the agreement is domestic in nature and neither side has relied on it in any commercial sense and it is not the kind of deal which would be commercial if it was not for their domestic status Conclude that there is no legal agreement between Agnes and Danny and she is not liable to him for the magazines. Credit any other relevant point(s).

Question	Answer	Marks	Guidano	e
	Assessment Objective 3 – Communication and presentation			
	Dresent is given and each event even we are and expressionts relationst material in a	5	AO1 + AO2 Marks	AO3 Mark
	Present logical and coherent arguments and communicate relevant material in a clear and effective manner using appropriate legal terminology. Reward grammar, punctuation and spelling.		37-45	5
			28-36	4
			19-27	3
			10-18	2
			1-9	1

Question	Answer	Marks	Gui	dance	
	Assessment Objective 2 – Analysis, evaluation and application				
	Identify that the question raises issues of offer and acceptance and the postal rule	20	AO2 Levels	AO2 Marks	
			5	17–20	
	In the case of Manesh and Susan		4	13–16	
	 Identify that a bilateral offer was sent by Susan by email. 		3	9–12	
	• Explain that this would have the effect of excluding the use of the postal rule		2	5–8	
	 Identify that a letter from Manesh would take effect when it arrives not when he sends it 		1	1–4	
	 Conclude that as the letter never arrives there will not be an effective communication of acceptance, and so Manesh does not have a binding contract with Susan. 		Responses will be achieve the follow	e unlikely to ving levels without:	
	In the case of Manesh and Billy		Level 5 – a discussion which makes good use of cases to develop clear		
	Identify that Billy sent a bilateral offer to Manesh				
	• Identify that as the acceptance was sent by Manesh by email it will take effect at the time and place at which it is received		arguments based on judicial reasoning and with critical links		
	• Discuss the rule in <i>Brinkibon</i> that the time of acceptance becoming effective is subject to sound business practice and an assessment of where the risks should lie		between cases Level 4 – a discus case law cited to n	make 3 developed	
	• Discuss whether Mahesh's email should take effect at the time it is received or the time at which it is reasonable for it to have been read, probably at the start of business hours the next day. Discuss whether it is reasonable to apply the rule in <i>Brinkibon</i> in a private deal scenario		points and analyses the basis of the decision in these cases Level 3 – a discussion of at least 3 points and making reference to the		
	• Discuss whether the attempted revocation by Billy at 8.00 am could be seen as an effective revocation which occurs before acceptance takes effect		cases which have been used for th area of law being considered		
	Come to any reasoned conclusion on the facts.		Level 2 – a discu		
	In the case of Manesh and Dean		reasons for the de		
	 Identify that Dean has specified a particular method of communication he requires for acceptance. 		cases and include comment on at least 1 cited case		
	 Discuss whether a text message could have the effect of disadvantaging Dean compared to a phone call 		Level 1 – an awa of law identified b	reness of the area y the question	
	Come to any reasoned conclusion on the facts				
	Credit any discussion that when Dean emailed Manesh to ask whether he				
	wanted the coin this may be seen as an invitation to treat as it was				
	volunteering information about the coin rather than making a promise				

Question	Answer	Marks	Guidanc	e
	 Credit any other relevant point(s). Reach a sensible conclusion. Assessment Objective 3 – Communication and presentation Present logical and coherent arguments and communicate relevant material in a clear and effective manner using appropriate legal terminology. Reward grammar, punctuation and spelling. 	5	AO1 + AO2 Marks 37-45 28-36 19-27 10-18 1-9	AO3 Marks 5 4 3 2 1

SECTION C

Question	Answer	Marks	Guid	ance
(a)	 Potential answers may: Assessment Objective 2 – Analysis, evaluation and application P1 Reason that Leman has a legitimate interest in preventing their employees from taking trade secrets to other companies P2 Reason that as an engineer Gemma will have access to company secrets P3 Reason that she also holds a senior position which makes it more reasonable to restrict her from moving to another company P4 Reason that Leman has a legitimate interest in restraining Gemma from working for a competitor P5 Conclude that the statement is accurate 	5	AO2 Levels 5 4 3 2 1	AO2 Marks 5 4 3 2 1
(b)	 P1 Reason that the time and distance taken together must be seen as a reasonable restraint on Gemma P2 Reason that car racing is not a local activity and so customers may be willing to travel a long way for such specialist services P3 Reason that this must be balanced with the ability of Gemma to make a living doing what she knows how to do P4 Reason that in this case the restraint on Gemma may well be seen as too wide and too long P4a Reason that the restraint is reasonable to protect the interests of Leman or P5 Conclude that the statement is inaccurate P5a Conclude that the statement is accurate 	5		

(c)	P3 P4 P4a P5	Reason that Leman can only restrain Hannah if they have a legitimate interest to protect in terms of customers or trade secrets Reason that as head of IT Hannah is unlikely to have a great deal of contact with customers Reason that as head of IT there is a risk that Hannah will have had contact with Leman's clients Reason that unless the IT systems have been specially developed for Leman, Hannah's knowledge is likely to be of a general professional nature and not something that Leman can protect Reason that Leman do not have a legitimate interest in restraining Hannah from working for another company Reason that Leman do have a legitimate interest in restraining Hannah from working for another company Conclude that the statement is inaccurate Conclude that the statement is accurate	5	
(d)	P1 P2 P3 P4 P5	Reason that Leman can only blue pencil a part of Hannah's contract term if the remainder still makes sense Reason that in this case it would be unreasonable to restrain Hannah from working in IT Reason that there are other parts to the term which are reasonable – it would be legitimate to prevent her from contacting Leman's customers Reason that in this case if the section on working in IT was blue pencilled the term still makes sense Conclude that the statement is accurate	5	

	Potential answers may:			
		_	AO2 Levels	AO2 Marks
(a)	Assessment Objective 2 – Analysis, evaluation and application	5	5	5
			4	4
	P1 Reason that Amber must provide a promise for the future in order to give	e	3	3
	good consideration for Lucy's promise		2	2
	P2 Reason that when Lucy makes the promise to pay, Amber's work had al been completed	ready	1	1
	P3 Reason that when Lucy asked Amber to work extra days there was an implied promise to pay			
	P4 Reason that Amber did provide good consideration for the promise to pa	av		
	P5 Conclude that the statement is inaccurate	.,		
(b)	P1 Reason that it is for Amber and Lucy to make their own deals	5		
	P2 Reason that Amber's consideration only needs to be sufficient and need be adequate	Inot		
	P3 Reason that working the extra Saturdays was clearly more than she was obliged to do and therefore has value	3		
	P4 Reason that Amber's work will be good consideration for the extra mone	ev.		
	P5 Conclude that the statement is inaccurate.			
(c)	P1 Reason that once Lucy is due to pay the rent only full payment will be go consideration to satisfy the debt	pod 5		
	P2 Reason that when Lucy promises to pay part payment of the debt this is good consideration unless it is accompanied by some other goods and services	not		
	P3 Reason that the value of the discount that Lucy gives Pearl does not ma as long as it is of some value	itter		
	P4 Reason that Lucy does give good consideration when she pays half the and gives the discount	rent		
	P5 Conclude that the statement is accurate.			

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(d)	 P1 Reason that estoppel will apply if Pearl has promised not to enforce a part of her contractual rights P2 Reason that Lucy has relied on Pearl's promise not to enforce half the rent P3 Reason that in this case Pearl's promise is not to enforce a part of a contract and so Lucy would be using estoppel as a shield. P4 Reason that Pearl would be estopped from going back on her promise to on enforce half the rent P5 Conclude that the statement is accurate. 	ct

APPENDIX 1

Advanced GCE Law Levels of Assessment

There are **five** levels of assessment of AOs 1 and 2 in the A2 units. The first four levels are very similar to the four levels for AS units. The addition of a fifth level reflects the expectation of higher achievement by candidates at the end of a two-year course of study. There are **four** levels of assessment of AO3 in the A2 units. The requirements and number of levels differ between AS and A2 units to reflect the expectation of higher achievement by candidates at the end of a two-year course of study.

Level	Assessment Objective 1	Assessment Objective 2	Assessment Objective 3 (includes QWC)
5	Wide ranging, accurate, detailed knowledge with a clear and confident understanding of relevant concepts and principles. Where appropriate candidates will be able to elaborate with wide citation of relevant statutes and case-law.	Ability to identify correctly the relevant and important points of criticism, showing good understanding of current debate and proposals for reform, or identify all of the relevant points of law in issue. A high level of ability to develop arguments or apply points of law accurately and pertinently to a given factual situation, and reach a cogent, logical and well-informed conclusion.	
4	Good, well-developed knowledge with a clear understanding of the relevant concepts and principles. Where appropriate candidates will be able to elaborate by good citation to relevant statutes and case-law.	Ability to identify and analyse issues central to the question showing some understanding of current debate and proposals for reform or identify most of the relevant points of law in issue. Ability to develop clear arguments or apply points of law clearly to a given factual situation, and reach a sensible and informed conclusion.	An accomplished presentation of logical and coherent arguments and communicates relevant material in a very clear and effective manner using appropriate legal terminology. Reward grammar, spelling and punctuation.
3	Adequate knowledge showing reasonable understanding of the relevant concepts and principles. Where appropriate candidates will be able to elaborate with some citation of relevant statutes and case-law.	Ability to analyse most of the more obvious points central to the question or identify the main points of law in issue. Ability to develop arguments or apply points of law mechanically to a given factual situation, and reach a conclusion.	A good ability to present logical and coherent arguments and communicates relevant material in a clear and effective manner using appropriate legal terminology. Reward grammar, spelling and punctuation.
2	Limited knowledge showing general understanding of the relevant concepts and principles. There will be some elaboration of the principles, and where appropriate with limited reference to relevant statutes and case-law.	Ability to explain some of the more obvious points central to the question or identify some of the points of law in issue. A limited ability to produce arguments based on their material or limited ability to apply points of law to a given factual situation but without a clear focus or conclusion.	An adequate ability to present logical and coherent arguments and communicates relevant material in a reasonably clear and effective manner using appropriate legal terminology. Reward grammar, spelling and punctuation.
1	Very limited knowledge of the basic concepts and principles. There will be limited points of detail, but accurate citation of relevant statutes and case-law will not be expected.	Ability to explain at least one of the simpler points central to the question or identify at least one of the points of law in issue. The approach may be uncritical and/or unselective.	A limited attempt to present logical and coherent arguments and communicates relevant material in a limited manner using some appropriate legal terminology. Reward grammar, spelling and punctuation.

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