



GCE AS/A level

1253/01

LAW – LA3

UNIT 3: Understanding Substantive Law:

Freedom, the State and the Individual

OPTION 1: Contract and Consumer Law

A.M. THURSDAY, 6 June 2013

1½ 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.

Candidates are required to answer **two** questions.

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.

Candidates are reminded of the need for good English and clear presentation. All questions should be answered in continuous prose. The quality of written communication will be assessed in all answers.

You are reminded of the importance of including knowledge from all areas of the course where appropriate including the Legal System of England and Wales. Part (b) of each question will test understanding of the connections between the different elements of the subject.

Answer two questions.

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

Colin, a wholesaler has entered into a contract to supply Pamela with 10,000 tons of potatoes every three months for two years at a fixed sum of £100,000 payable in advance. Pamela is a supplier of potatoes to the catering industry. After three months, the price of potatoes doubled because of a drought. Pamela, hearing that Colin was threatening to cancel contracts with other customers, suggests to Colin that she will be prepared to take 5,000 tons of potatoes every three months in satisfaction of their contract. Colin agrees and delivers for the next three months, 5,000 tons. Shortly thereafter the drought ended. Pamela is now claiming for the 5,000 tons shortfall in the potatoes delivered and 10,000 tons of potatoes for the rest of the contract period.

- (a) In the light of reported case law and other sources of law, advise Colin. [14]
- (b) Explain the importance of the doctrine of precedent in the development of the law of promissory estoppel. [11]

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

Bradford Services Ltd asked Poynters Ltd to quote for renewing their offices to include painting and decorating. In their letter it said that the required work was to be completed on 1 August and that it should be completed on their standard terms of business which stated that 'time was of the essence of the contract.' Shortly thereafter Poynters Ltd submitted a quote which stated that the quote was subject to their standard terms and conditions. Two days later Bradford Services Ltd accepted the quote on the basis of their standard terms and conditions which were materially different in terms of credit period than those anticipated by Poynters Ltd. There is now a dispute between the parties as to the terms and conditions of the contract.

- (a) In the light of reported case law and other sources of law, advise Poynters Ltd. [14]
- (b) Explain the available sources of assistance for Poynters Ltd in pursuing the litigation. [11]

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

Rachel owns a clothes shop in Manchester. She decides to re-fashion the shop in order to give it a new look for her new collection of clothes which she is going to launch in the summer. She is approached by Hans, a local builder. He is aware that Rachel is having a relationship with her business partner Carol. Hans threatens Rachel that if she doesn't give him the contract for the renewal of the shop, he will tell Rachel's husband, Oliver, of the affair. Rachel reluctantly agrees. Having started the work, Rachel discovers that she could have had the work done for less than one half of the price quoted by Hans.

- (a) In the light of reported case law and other sources of law, advise Rachel as to whether she can avoid the contract. [14]
- (b) Explain the mechanisms, if available, including litigation to resolve this dispute. [11]

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

Joanna owns a dishwasher which has needed constant repair over a period of three years. The machine has been repaired on a number of occasions by Brendan. In March 2012, Joanna phones Brendan and explains that the machine has broken down once again. Brendan agrees to come and repair the machine and he offers to do this at a special rate of £30 "all inclusive." Having repaired the machine he asks Joanna to sign a form stating that all the work has been completed satisfactorily and that there is no liability for damage or loss caused by his repair work. Joanna signs the form. Two months later the machine breaks down and floods Joanna's kitchen causing £150 of damage.

- (a) In the light of reported case law and other sources of law, advise Joanna. [14]
- (b) Explain the importance of the work of the Law Commission in promoting law reform. [11]