



**GCE A level**

1253/01

**LAW – LA3**

**UNIT 3: UNDERSTANDING SUBSTANTIVE LAW  
FREEDOM, THE STATE AND THE INDIVIDUAL  
OPTION 1: CONTRACT AND CONSUMER LAW**

P.M. FRIDAY, 15 June 2012

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.*

**Option 1: Contract and Consumer Law**

*Answer two questions.*

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

Brenda runs a small business selling sweets. She visited Samantha's shop to purchase a computer for her business. None of the previous purchases she had made for her shop had come from Samantha. Brenda decided to buy from Samantha on this occasion as Samantha had a reputation for cheap prices. On the wall above the till in Samantha's shop was a small but legible sign stating: "Liability for breaches of the terms implied by the Sale of Goods Act 1979 is limited to the cost of the goods. In any event there is no liability for any defect which is not reported within 2 working days of the purchase." When she purchased the computer Brenda had not noticed the sign. Brenda took the computer back to her business and used it for a week. Unfortunately the computer proved to have a serious defect and the data which Brenda had put into the machine was all lost. As a result Brenda's business lost profits far in excess of the cost of the computer.

- (a) In the light of reported case law and other sources of law, consider whether Samantha's liability will be limited or excluded by the exemption clause. [14]
- (b) Explain the available sources of assistance for Brenda in funding her litigation. [11]

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

Anthony has an antiques business which he runs out of his old shop. He wrote to Lisa a local collector saying that he had an antique table by Thomas Burne for sale for £5,000. He stated that if she wanted to buy it she would have to let him know by noon on Saturday. On Tuesday, Lisa telephoned Anthony stating that she wanted to buy the table to add to a collection but whether it was possible for her to pay in two instalments of £2,500. Anthony said he was not interested in payments in instalments and put the phone down. On Wednesday, at a dealer's convention, Anthony sold the table to another dealer, Ian, for £5,500. Ian saw Lisa later on that day and boasted to her about the table he had bought. On Thursday Lisa posted a letter to Anthony stating that she wanted to buy the table for £5,000 with payment in one lump sum. The letter did not arrive until Monday.

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

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

Nora entered into a contract to deliver bricks to Oliver. After two weeks of making deliveries, Nora realised that she miscalculated how many bricks could be carried in an average load on her lorry and because of the increase in the price of fuel she was going to lose money on the contract and go out of business. She told Oliver of her difficulties. It was very important to Oliver to get his brick deliveries from Nora because she was supplying him with a quality of brick that he needed in relation to a house building contract that he had. Reluctantly therefore he agreed to pay Nora an increase in the price of the bricks. Having now completed the house that he was building he has now decided not to pay the increased price.

- (a) In the light of reported case law and other sources of law, advise Nora. [14]
- (b) Explain the importance of the doctrine of precedent in the above scenario. [11]

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

Hilary contracted to sell Bert her specialist rally motorbike, its road trailer and other specialist racing motorbike accessories together with the wooden shed in which they were stored. They agreed that Bert would repair the wooden shed and would hire a lorry two days later to dismantle and take away the shed together with the motorbike, the trailer and the other accessories. Unfortunately later that same day, the shed together with everything in it was destroyed by fire. Bert paid in advance for the motorbike and Hilary is now refusing to repay the money. Additionally when the remains of the motorbike were examined by the fire brigade it was discovered that the motorbike was a mass produced bike and was not suited to competitive rally driving.

- (a) In the light of reported case law and other sources of law, advise Bert. [14]
- (b) Explain the approach taken by judges in the interpretation of statutes in the above scenario. [11]