

EXAMINATION QUESTION PAPER - Reassessment, 2014

Module code:	LL1013
Module title:	Law of Contract I
Module leader:	SEIDU BAWUMIA

Date:	July/August 2014
Duration:	2 hours and 15 minutes

Exam Type:	Seen, Restricted
Materials supplied:	Examination question paper Answer booklet
Materials permitted:	Candidate's own clean copy of any statutory material English Language dictionary English/Foreign Language dictionary The dictionaries must be in book not electronic form. Law dictionaries are not permitted.
Warning:	Candidates are warned that possession of unauthorised materials in an examination is a serious assessment offence.

Instructions to candidates:	Candidates will be required to ANSWER ALL THREE QUESTIONS All questions carry equal marks Where a question is divided into parts, the marks for the question will be awarded for overall merit and will not necessarily be divided equally between the parts.
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1. Gerrard plans to hold a car boot sale in his field and advertises in the *Moorgate Morning Newspaper* as follows:

'Car boot sale to be held on 11th, 12th and 13th May 2011. All items priced at £5 each. Sale open only to the first 100 customers who turn up.'

Rooney is the 6th person to attend on 11th May but Gerrard refuses to sell to him because he is rich.

Linekar is the 90th person to attend the car boot sale on 13th May but he finds that the sale has been closed down. Gerrard had already advertised in the *Aldgate Evening News* on 12th May that the sale had been withdrawn but Linekar did not see it.

Meanwhile on 29th January 2011, Lampard approached Terry, a computer dealer. Lampard said: 'Let me have that old computer for £100'. Terry replied: 'Interesting offer, would you be willing to pay a bit more?' Lampard said: 'No, but here is my name and telephone number. Get back to me if you want to sell.'

On 14th May 2011, Terry telephones Lampard to say that he now accepts Lampard's offer to buy the computer at £100. Lampard argues that his offer has now gone stale and is no longer valid.

Discuss the implications in contract law.

2. To what extent, if at all, is a person able to acquire a benefit under a contract to which he or she is not a party?
3. Answer **BOTH** parts of the question:

- a) 'Past consideration is sufficient consideration.'

Discuss the accuracy of this statement citing relevant case law.

AND

- b) Yasmeen enters into a contract with Aleema Ltd for the company to refurbish a house at a price of £20,000. Yasmeen makes an initial payment of £15,000 with the balance of £5,000 due on completion of the job.

Two days after work has started, the managing director of Aleema Ltd rings Yasmeen to tell her that her company is in financial difficulties and that to offset increased construction costs, the contract price will have to be raised to £33,000, if the company is to continue with the job.

Yasmeen reluctantly agrees to the new price of £33,000.

When work on the house is completed, Aleema Ltd submits a bill for £18,000. Yasmeen sends Aleema Ltd a cheque for only £5,000.

Advise the managing director of Aleema Ltd whether the company is entitled to another £13,000.

END OF PAPER