

UNIVERSITY COLLEGE LONDON

University of London

EXAMINATION FOR INTERNAL STUDENTS

For The Following Qualification:—

B.A.

Laws C8: Contract and Tort I

COURSE CODE : LAWSC008

UNIT VALUE : 1.00

DATE : 04-MAY-05

TIME : 10.00

TIME ALLOWED : 3 Hours 15 Minutes

CONTRACT AND TORT I

Answer **FOUR** questions, at least **ONE** from each of **PART A** and **PART B**.

Where a question is divided into two or more parts, **ALL** parts must be answered unless otherwise indicated.

PART A

1. To what extent does the doctrine of promissory estoppel remove the requirement of consideration? Should it go further?
2. On Monday, Aristotle inspects Socrates' yacht and offers him £200,000 for it. Socrates demands £300,000 for the yacht. On Tuesday, Socrates sends an e-mail to Aristotle, saying that he would accept £250,000. At 9:30am on Wednesday, Aristotle in response writes a letter of acceptance and is on his way to the post office to post the letter when he meets Plato, who tells him that he has just bought the yacht for £225,000. Aristotle nevertheless goes ahead and posts the letter at 10:00am. When he gets home, he finds a message from Socrates on his telephone answering machine withdrawing the offer. This message is timed as having been received at 9:50am.

Advise the parties. Would it make any difference to your answer if Socrates had withdrawn his offer by e-mail? In particular, consider whether such an e-mail would have to be sent or received to be an effective withdrawal.

3. Ali visits the Van Meegeren gallery which sells paintings and drawings. Inside the gallery there is a notice which says: "A complete catalogue with full descriptions is available for £1. Staff have no authority to describe paintings." Ali chooses not buy a catalogue. He is attracted to a painting and is told by an assistant, Barbara, that the painting is entitled "Darkest Peru", is by a well known artist, Paddington Brown and it is priced at £1000. Ali immediately purchases the painting. However, the painting is in fact entitled "Chile at Night", was actually painted by Victoria Gruber and should have been priced at £200.

Ali has just discovered the position. Advise him. Would the position be different if Ali had been told that "Darkest Peru" was painted by Victoria Gruber and was available at £200, and he had purchased that painting for that price?

TURN OVER

4. Augustus and Adolphus Brown are identical twins. Both have taken up careers as university law lecturers, but Augustus specialises in Tort Law and Adolphus in Property Law. Both apply for a Chair in Law at Midchester University and both are short-listed for interview. The interviewing panel are painfully aware that they cannot visually tell Augustus and Adolphus apart but they have read all their published work and are clear that they prefer Adolphus' work in Property Law. Adolphus is selected for the post.

The Vice-Chancellor signs a letter offering the chair to the addressee, "A. Brown". This is sent by a secretarial mistake to Augustus Brown. Because the letter makes reference to 'particularly welcoming your expertise in Property Law', both Augustus and Adolphus suspect the mistake. However, Adolphus no longer wants to go to Midchester. Augustus therefore sends a letter of acceptance signed "A. Brown" to Midchester.

Augustus has now arrived in Midchester and announced that he is planning to make a career change and devote the next ten years to teaching and researching Human Rights Law.

Advise Midchester University.

CONTINUED

PART B

5. Answer **BOTH** a) and b):

- a) "The common law is slow to grant relief for economic loss in tort."
Explain why this is the case.
- b) Alistair is the managing director and principal shareholder in a firm, Techmek Ltd, which sells industrial equipment. Techmek Ltd has been mainly owned by Alistair's family for several generations, and he is anxious to sell his share of the company and retire. He is good friends with Bill, and one day at the golf club he suggests that Bill should consider buying his shares in Techmek Ltd. Bill is enthusiastic, but wants some clear information about the company's financial position. Alistair contacts Carlos, another friend who is an accountant but who does not actually have any involvement with Techmek Ltd, and asks him to provide Bill with some reassurance on the financial health of the company. Carlos tells Bill that the company's finances are in excellent condition, relying completely upon what Alistair has told him about Techmek and without making any independent inquiries of his own. Alistair also gives Bill a copy of the auditor's report for the company, prepared by Danny, another local accountant, which indicates that Techmek Ltd are in good financial condition.

As soon as he receives this information, Bill agrees to purchase Alistair's shares for £100,000. Soon after the transaction is completed, Alistair dies, and several creditors of the company whose loans had not appeared in the company's accounts demand repayment. Techmek Ltd is forced into liquidation. Bill loses all his investment. He is furious, and wants to recover some of his loss.

Advise Bill as to any remedies he may have in tort.

TURN OVER

6. Alice owns a fairground in a coastal resort, Dullness-on-Pier. The most popular ride in the fairground is called the "Whirlgig Spin", because it whirls customers around in metal containers fifteen feet above the ground. Alice is very conscientious about safety, and regularly has all her rides checked for defects: she is particularly careful about ensuring that the Whirlgig Spin is in good working condition. However, she likes to make sure that the fairground always appears lively, so she usually plays very loud music during its opening hours, which are between midday and midnight. Her neighbour, Boris, suffers from migraines of particular intensity, and this noise causes him immense discomfort. He has repeatedly demanded that Alice turn down the music, but she has refused, calling him "super-sensitive".

One evening, one of the arms of the Whirlgig Spin suddenly snaps, throwing one of the containers (which thankfully was empty at the time) across the road into Boris's bedroom. Boris receives a glancing blow on the head and only suffers a cut: however, the upper storey of his house receives extensive damage and he is eager to bring an action against Alice.

Advise Boris as to any remedies he may have in tort.

7. "Judicial attempts to limit the spread of tort liability have often resulted in an abandonment of principle and coherence, nowhere better illustrated than in the field of nervous shock."

Discuss.

8. Ann and Ben are rebellious students. One night, they go drinking in Camden Town in London, and after several drinks decide to get their bodies tattooed from a local tattoo parlour, "Sailors 'R Us", run by Cain. They both ask Cain to tattoo a small Celtic symbol on the back of their right-hand shoulders, where they hope their parents will not notice the new tattoos. While waiting for Cain to start, both Ann and Ben fall asleep, due to the alcohol they have drunk. When they wake up, they are horrified to discover that Cain has tattooed a massive death head symbol on the back of both of their necks, which will be clearly visible. Cain apologises, but insists that he did what he thought they had asked for. Very upset, Ben insults Cain and attempts to punch him. Cain dodges the blow, and knocks Ben down with his fist. Ann helps Ben get up, and then announces that they will not pay for the tattoos. Cain calls for his fellow tattoo artist, Dave, and the two men block the exit from the tattoo parlour, telling Ann and Ben that they will pay "or else". Badly frightened, Ann and Ben panic and run through the back door of the tattoo parlour, emerging onto the street and running away to safety. They now wish to bring an action against Cain and Dave.

Advise Ann and Ben.

END OF PAPER