

Cambridge
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AS & A Level

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Cambridge International Advanced Subsidiary and Advanced Level

LAW

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Paper 3 Law of Contract

October/November 2017

1 hour 30 minutes

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

An answer booklet is provided inside this question paper. You should follow the instructions on the front cover of the answer booklet. If you need additional answer paper ask the invigilator for a continuation booklet.

Answer **one** question from **Section A**, **one** from **Section B** and **one other**, thus making a total of **three** responses required.

The number of marks is given in brackets [] at the end of each question or part question.

This document consists of **3** printed pages, **1** blank page and **1** Insert.

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Candidates must attempt **one** question from **Section A**, **one** from **Section B** and **one other**, thus making a total of **three** responses required.

Section A

- 1** In general, a buyer of goods becomes the owner once payment is made and possession of them is taken.

Critically assess the extent to which ownership of goods is affected by misrepresentation and mistake in the formation of a contract. [25]

- 2** English law balances the notion of freedom of contract with rules required to protect younger members of society.

Critically analyse the capacity of minors to make contracts and assess whether the law has been successful in achieving the desired balance. [25]

- 3** Explain and evaluate the factors taken into account by the courts when making awards of unliquidated damages. [25]

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Section B

- 4 Ahmed and his family visit a park that belongs to Barsetshire Council. He sees a stack of deckchairs and decides to hire some for the afternoon.

There is a notice next to the deckchairs which gives the hourly cost but does not list the terms of hire. The notice indicates that an attendant will collect the hire fee once the visitors use the chairs. As soon as Ahmed and his family sit down, an attendant arrives to ask for payment. Ahmed pays and the attendant gives him a ticket which Ahmed puts into his pocket without reading.

The ticket clearly states that deckchairs are used according to the terms and conditions displayed on the Barsetshire Council website. The terms on the website state that deckchairs are used entirely at the risk of visitors.

Ahmed has been sitting in the deckchair for approximately half an hour when it breaks. He falls heavily, injures his back badly and is unable to return to work for several months.

Discuss the contractual liability that Barsetshire Council might have towards Ahmed. [25]

- 5 Charlene is going on holiday and she has to get to the airport for an evening flight. She asks her friend, Denzil, if he could drive her to the airport and also if he would be prepared to replace her garden fence for her while she is on holiday. Denzil agrees to perform both tasks for Charlene.

Denzil drives Charlene to London Airport which is 90 miles away. He works as a taxi driver and his usual charge for a trip to London Airport is £100.

Before Charlene's return from holiday, Denzil spends several days replacing her garden fence at a personal expense of £500.

When Charlene returns from holiday, she promises to pay Denzil for replacing her fence. She does not mention paying him for driving her to the airport.

Consider Denzil's legal entitlement to payment for the tasks performed at Charlene's request. [25]

- 6 Eric, Fabrice and Gilles collect rare coins. They all attend a specialist coin auction held by ABC Auctions.

Eric is the highest bidder for a very rare bronze coin but the auctioneer refuses to sell it to him as his bid fails to meet the reserve price set by its owner.

Fabrice has seen a Roman coin listed in the auction catalogue. On the day of the auction, he arrives at the auction room only to discover that the coin has been withdrawn from sale.

Gilles bids more than he can afford for a scarce silver coin. He calls out to the auctioneer that he wishes to withdraw his bid, but the auctioneer does not hear Gilles and the coin is sold to him as the highest bidder.

Consider whether binding contracts were formed between ABC Auctions and the three collectors and identify any remedies that might be available to them. [25]

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