UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
General Certificate of Education Advanced Level

LAW **9084/33**

Paper 3 Law of Contract **May/June 2012**

1 hour 30 minutes

Additional Materials: Answer Booklet/Paper

1070424090

READ THESE INSTRUCTIONS FIRST

If you have been given an Answer Booklet, follow the instructions on the front cover of the Booklet.
Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
Do not use staples, paper clips, highlighters, glue or correction fluid.

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

At the end of the examination, fasten all your work securely together.
The number of marks is given in brackets [ ] at the end of each question or part question.

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

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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 Critically examine the impact of statutory controls over the use of exclusion clauses on the consumer of goods and services. [25]

2 Critically evaluate the remedies available to a party who discovers that a contract has been founded on a fundamental mistake. [25]

3 A *quantum meruit* claim is based on restitutionary principles and is different from a claim for damages.

Using case law to illustrate your response, explain how the legal basis for these two types of claim differs and assess why it is necessary to have both. [25]

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Section B

4 Aaron wants to buy a soft drink. He approaches a vending machine which has large buttons, each with the name of a soft drink and its price. Next to the slot on the machine, into which payment is made, there are instructions saying that coins should be put in the slot and change will be given.

Aaron chooses to buy a can of lemonade priced at 75 pence. He puts a £1 coin (= 100 pence) in the slot and presses the button marked 'lemonade'. A message appears to say that the selected drink is sold out and asks him to make an alternative choice.

Initially Aaron presses the lever marked 'coin return' several times but the machine fails to return his £1 coin. In frustration, he presses a button marked 'cola' and price 80 pence. The machine dispenses a can of cola but gives him no change.

Analyse the circumstances of this case and advise Aaron of his legal position and of the likely remedy to which he might be entitled. [25]

5 Genevieve is a professional wildlife photographer. Television Network South (TNS) employs her for a year to work on a new series of nature programmes. She signs the employment contract with TNS, the terms of which say that, while working for the company, she must not work professionally as a photographer either for herself or for another television company. Unfortunately she fails to read the terms of the contract before signing.

Six months later, TNS discovers that Genevieve has entered into a contract with Northern Television Broadcasting (NTB). Genevieve denies acting in breach of her contract of employment.

TNS now wishes to enforce Genevieve's contract and prevent her from working for NTB until her contract with TNS has expired.

Discuss whether or not Genevieve is bound by her contract of employment with TNS. Advise TNS of available remedies that may be sought and explain whether any of them are likely to be awarded. [25]

6 Kenton works in a partnership with his parents running a farming business in Harrow. Kenton lives with his parents on the farm. His parents promise him that if he continues to live there and manage the farm they will transfer half of the farm to Kenton when they retire.

Kenton gives up several career opportunities over the following years to continue working and living on the farm, but his relationship with his parents deteriorates following his marriage to a woman of whom they disapprove and they now refuse to transfer the property to him when they retire later this year. Kenton claims that they should not be allowed to go back on their promise.

Advise Kenton of his legal position following his parents' refusal to honour their promise to him and explain the remedies that might be available to him should he decide to sue them. [25]

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