Cambridge Assessment International Education

Cambridge International AS & A Level

LAW **9084/31**

Paper 3 Law of Contract **May/June 2022**

1 hour 30 minutes

6535168905

You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS

- Answer **three** questions in total:
  - Answer **at least one question** from Section A.
  - Answer **at least one question** from Section B.
  - Answer **one other question** from **either** Section A **or** Section B.
- Follow the instructions on the front cover of the answer booklet. If you need additional answer paper, ask the invigilator for a continuation booklet.

INFORMATION

- The total mark for this paper is 75.
- The number of marks for each question or part question is shown in brackets [ ].

This document has **4** pages. Any blank pages are indicated.

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Answer **at least one question** from Section A.
Answer **at least one question** from Section B.
Answer **one other question** from **either** Section A **or** Section B.

Section A

1 Explain the limitations on the awarding of damages.

Discuss the extent to which these limitations ensure justice for both parties. [25]

2 The decision in *Williams v Roffey Brothers & Nicholls (Contractors) Ltd* [1990] has redefined consideration in regards to existing duty.

Assess the validity of this statement. [25]

3 Exemption clauses aim to balance freedom of contract with the need to protect the consumer.

Assess the extent to which common and statute law achieve this balance. [25]

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Section B

4 Lucy wants to renovate her house by installing a new kitchen and new doors throughout.

Lucy sees an advertisement by X Ltd (XL) that offers a free dishwasher to any customer spending over £5000 on a new kitchen. She orders a kitchen from XL worth £5100. A week later, XL tells her that the offer has been so popular that they have no more dishwashers and so cannot supply her as promised.

Lucy's father, Malcolm, who works as a carpenter, agrees to help with her renovation. He buys the new doors and starts to fit them in the house. As the work nears completion, Lucy allows her friend to move into her home. Malcolm's dislike of her friend causes Lucy's relationship with her father to deteriorate. Malcolm sends Lucy a bill for the materials and his work on her home. He threatens to sue if it is not paid immediately.

Advise Lucy whether these two agreements with XL and Malcolm can be enforced on the basis of an intention to create legal relations. [25]

5 Susan, an antiques dealer, has a rare book which she wishes to sell. On 24 May she writes and posts a letter to one of her regular customers, Toby. The letter offers to sell the book to him for £5000 and asks for a reply by 1 June.

Toby receives the letter and later the same day hears from a mutual friend that Susan has agreed to sell the book to Una for £6000. Toby immediately writes to Susan agreeing to buy the book for £5000 and posts his letter of acceptance on 27 May.

Susan receives Toby's letter of acceptance on 30 May.

Discuss any potential contractual liability Susan may have to Toby and Una. [25]

6 Carl, the Director of Barchester Museum, wanted to purchase an ancient Chinese vase from Diane. Diane visited Carl and they signed the contract of sale. Unknown to both of them, 30 minutes before the contract was signed the vase had been dropped and destroyed by one of Diane's employees.

A year before, Carl had bought a painting from Emma. Both of them believed it to be the work of a famous seventeenth century artist and therefore valuable. Recent research by art historians has now proved the painting is a modern copy worth much less than Carl paid Emma for it.

Advise Carl whether he has any grounds to make the contracts void for mistake. [25]

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