Cambridge Assessment International Education

Cambridge International AS & A Level

LAW **9084/32**

Paper 3 Law of Contract **May/June 2023**

1 hour 30 minutes

5178698126

You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS

- Answer **three** questions in total:
  - Section A: answer **one** question.
  - Section B: answer **two** questions.
- 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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Section A

Answer **one** question from this section.

EITHER

1 Asif buys an office building and he enters into the following contracts.

He contracts with Bilal to supply and install new windows. Bilal buys all the windows needed and stores them at the back of the building. Bilal completes installation of a third of the windows when he tells Asif that he is in financial difficulties and abandons the work.

Asif is forced to employ another contractor to complete the work and uses the windows Bilal has left behind. Bilal claims payment for the work he has completed and for the cost of all the windows supplied but Asif refuses to pay anything.

Asif contracts with Carl to install 20 washbasins in the building. When the work is completed Asif notices that one washbasin is cracked and so refuses to pay Carl.

Asif contracts with Dora to plant trees around the building. She completes planting at the front of the building and agrees with Asif to finish planting at the back when the windows stored there are removed. However, when that time arrives Asif informs Dora that he has decided to provide car parking at the back of the building and no longer wants trees there. He pays her for the work completed at the front. Dora tells Asif she has spent time planning and researching suitable trees for the back of the building and demands payment for this work. Asif refuses.

Advise Asif of any liability he may have towards Bilal, Carl and Dora, in relation to discharge of contract by performance. [25]

OR

2 Zoe is a hairdresser who has just celebrated her 17th birthday. She wants to open her own salon and so leases premises for a period of three years. Zoe also takes out a loan for £20 000 from a bank to equip the salon. The loan is guaranteed by her parents. In order to keep a record of her appointments with clients, Zoe goes to a shop and buys an expensive computer on credit to replace the old one she already owns.

Six months later Zoe decides to close her business. She immediately finds employment with another salon as a hairdresser. She stops leasing the premises and stops her regular loan and credit repayments to the bank and the shop.

Advise Zoe of her liability, if any, regarding the three contracts she has made for the lease of the premises, the bank loan, and the credit agreement to purchase the computer. [25]

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Section B

Answer **two** questions from this section.

3 Assess the extent to which equitable remedies in contract law achieve justice. [25]

4 Acceptance must always be communicated to the offeror for a contract to come into existence.

Assess to what extent this statement is true. [25]

5 Assess whether the requirement of an intention to create legal relations in the formation of valid contracts is justified. [25]

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