

**ADVANCED GCE****LAW**

Law of Contract Special Study

G146

Candidates answer on the Answer Booklet

OCR Supplied Materials:

- 8 page Answer Booklet
- Law of Contract Special Study Material

Other Materials Required:

None

Friday 25 June 2010
Morning

Duration: 1 hour 30 minutes**INSTRUCTIONS TO CANDIDATES**

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the spaces provided on the Answer Booklet.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer **all** the questions.
- If you use additional sheets of paper, fasten these securely to the Answer Booklet.
- Write the numbers of the questions you answer on the front of your Answer Booklet.
- You are reminded of the importance of including relevant knowledge from **all** areas of your course, where appropriate, including the English Legal System.
- Do **not** write in the bar codes.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **80**.
- The special study materials have provided a starting point for study of the topics set. Each booklet contains source material which indicates the area of substantive law to be tested. You are expected to demonstrate understanding of the area of law and the development of law and to use legal methods and reasoning to analyse legal material, to select appropriate legal rules and apply these in order to draw conclusions.
- Quality of Written Communication (QWC)
Candidates are reminded of the need to write in continuous prose where appropriate. You will be assessed on your written communication and your use of appropriate legal terminology.
- This document consists of **2** pages. Any blank pages are indicated.

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Answer **all** questions.

- 1 Discuss the fairness of the decision in the case of *Pao On v Lau Yiu Long* [Source 7 page 6 lines 1–15 Special Study Material]. [12]

- 2 In Source 2 [page 2 lines 10–12 Special Study Material] the authors state that “... *the courts will not balance the one side against the other. The parties are presumed to be capable of appreciating their own interests and of reaching their own equilibrium.*”

Discuss how accurately the above statement reflects the attitude of the courts to the rules on adequacy and sufficiency **and** past consideration. [30]

- 3 Consider whether good consideration can be found in the following agreements:

- (a) Baljit is converting a large house into a nursing home for the elderly. Baljit contracts in January with Wood Brothers Carpenters to fit thirty fire doors throughout the house to be completed by 1 June for a total price of £500. On 24 May Wood Brothers have only completed half of the work. Since Baljit has contracts to take in residents from 7 June, and must have the doors fitted by then, she offers to pay Wood Brothers a further £500 to ensure that they get the job finished on time. Wood Brothers do complete on time but Baljit then refuses to pay the extra £500. (10)

- (b) Ethel contracts with Gardens-R-We, landscape gardeners, to carry out extensive work in her garden. This includes a new patio, paths and flower beds. The cost of the work is £2,500. Ethel says at the time that she will pay an extra £500 if the garden looks beautiful. Ethel fails to pay the extra £500 when the work is completed. (10)

- (c) Karen is going on holiday to Australia for a month in the summer. There is a leak in Karen's fish pond. The last time Karen went away the fish pond drained of water and all of the fish died. Karen is so worried that this may happen again that she asks her neighbour, Jill, to keep an eye on the pond while she is away. Jill comes in every day and tops up the pond. Karen is so delighted when she returns from Australia that all her fish are still alive that she promises to pay Jill £100 for her trouble, but Karen never pays Jill. (10)

[30]

QWC [8]



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