A-level  
Law  
Paper 3  Contract  
Specimen 2016  
Time allowed: 2 hours  

Instructions  
- Use black ink or black ball-point pen.  
- Fill in the boxes at the top of this page.  
- Answer all questions. You must answer the questions in the spaces provided. Do not write on blank pages.  
- Do all rough work in this book. Cross through any work you do not want to be marked.  
- Questions should be answered in continuous prose. Give reasoned answers. Where appropriate, make reference to cases, statutes and examples. 

Information  
- The marks for questions are shown in brackets.  
- The maximum mark for this paper is 100.
Which one of the following is an accurate statement concerning an invitation to treat (ITT) for the purposes of forming a contract?

A. An ITT is also known as a unilateral offer
B. An ITT is an invitation to others to make an offer
C. An ITT is only valid if it is in writing
D. An ITT can be accepted and thus form a contract

Select the false statement about an exclusion or limitation clause in a contract.

A. It can have no effect unless incorporated into the contract under common law rules
B. In a consumer-trader contract for supply of goods, it can never exclude or limit liability for breach of a term relating to satisfactory quality
C. Its effect will usually be interpreted strictly against the party who seeks to rely on it
D. In a consumer-trader contract for supply of services, it can exclude or limit liability for breach if it is reasonable to do so
Orders in Council are one form of delegated legislation. All of the following are suitable as Orders in Council except:

A  A commencement order for an Act of Parliament

B  A law implementing a European Union directive

C  A law regulating parking in a city

D  A law transferring responsibilities from one government ministry to another

[1 mark]

Choose the best description of regulations as a form of European Union (EU) law.

A  EU regulations are issued by ministers under powers granted in an enabling Act

B  EU regulations automatically become law in the UK once they are issued

C  EU regulations need to be implemented in UK law by delegated legislation

D  EU regulations become law in the UK only when included in an Act of Parliament

[1 mark]

Select the true statement about civil and criminal law.

A  The same unlawful conduct may sometimes be both a crime and a breach of the civil law

B  Civil law is based on common law rules whereas criminal law is based on statutory rules

C  Issues of law are always decided by juries in both civil and criminal law cases

D  Judges of the Supreme Court do not hear appeals in civil law cases

[1 mark]
Explain two elements that may be considered to be aspects of 'the rule of law'. Briefly explain why the independence of the judiciary is important in relation to the rule of law.

[5 marks]
Asif, the owner of a transport company, made a contract with Bashir to transport 20 loads of gravel every week for 40 weeks. After the third week, Asif discovered that the price of fuel had risen by 10% and that he was no longer making a profit on transporting the gravel.

Suggest why Asif probably cannot rely on the doctrine of frustration in order to bring the contract to an end.

[5 marks]
Catherine knew that her neighbour, Dana, was having difficulty finding suitable child care during a school holiday, so she offered to look after Dana’s child during the holiday week. At the end of the week, Dana told Catherine that she was so grateful that she would give her £100. Catherine was very upset when Dana later refused to give her any money.

Advise Catherine as to her rights and remedies against Dana. [10 marks]
Examine the relationship between legal rules and moral rules. Discuss the extent to which rules in Contract law are founded on moral rules.

[15 marks]
Jenna went to Fitgroup Leisure Centre (FLC) to discuss membership. When she was shown around, she was concerned about the small and poorly equipped changing rooms. However, she was re-assured when informed that major improvements to the changing rooms were planned for completion in two months’ time. She also discussed a cheaper, ‘off-peak’ membership and was thrilled to learn that she could attend on any day between 11.00am and 4.00pm, which fitted perfectly with her hours of work.

After thinking it over for a few days, Jenna signed a contract for off-peak membership for one year for a charge of £40 per month. For four months, she enjoyed her fitness sessions until she became disillusioned by the lack of improvements to the changing rooms and by learning from other members that FLC had been making the statement about improvements for at least two years. She was even more disappointed to be told by FLC that off-peak hours had now been changed to 8.00am until 1.00pm, since she would be at work for much of that time.

Assuming that Jenna wishes to terminate her membership, consider her rights and remedies against FLC.

[30 marks]
Extra space
In question 11 you are required to provide an extended answer which shows a clear, logical and sustained line of reasoning leading to a valid conclusion.

Molly knew that Lewis wanted to buy a second-hand refrigerator. She rang Lewis and told him she would sell hers for £90. Lewis suggested that he would pay £90 if she delivered it to his house. Molly said that she would think about it. When he had heard nothing further after two days, Lewis rang Molly and said he would pay £90 and collect the refrigerator himself. By that time, Molly had already sold the refrigerator to someone else.

Molly bought a new television from Niceview, her local electrical goods store. When she removed it from its packaging, she saw that a corner of the screen was scratched. When the television was turned on, she found the scratch mark to be visible and a little distracting. After two months, Molly discovered that, despite using the controls properly, it had suddenly become impossible to adjust the sound to a suitable level.

Consider the rights and remedies of Lewis against Molly, and of Molly against Niceview.

Assess the extent to which the rules that you have applied in the case of Molly and Niceview achieve an appropriate balancing of interests between the parties. [30 marks]