

UNIVERSITY OF BOLTON
OFF CAMPUS DIVISION
WESTERN INTERNATIONAL COLLEGE
BA (HONS) LAW
SEMESTER ONE EXAMINATION 2024/2025
CONTRACT LAW
MODULE NO: LAW4017

Date: Saturday, 11 January 2025

Time: 10:00am - 10:30am

INSTRUCTIONS TO CANDIDATES:

There are FIFTEEN (15) questions on this paper.

Answer ALL questions.

All fifteen questions carry equal marks.

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QUESTION 1

In *Carlill v Carbolic Smoke Ball Co* [1893], which of the following principles was established regarding unilateral contracts?

- A. Acceptance of an offer in a unilateral contract can be made by performance of the required act, without the need to communicate acceptance to the offeror.
- B. An advertisement promising a reward is always considered an invitation to treat.
- C. A contract cannot be formed if the offeror has not received notice of acceptance in writing.
- D. The doctrine of past consideration was applied to reject the claim for the reward.

[TOTAL 1 MARK]

QUESTION 2

In which case was it held that the display of goods in a self-service store is an invitation to treat, and not an offer?

- A. *Hyde v Wrench* (1840)
- B. *Re McArdle* [1951] Ch 669
- C. *Pharmaceutical Society of GB v Boots* [1953]
- D. *Carlill v Carbolic Smoke Ball Co* [1893]

[TOTAL 1 MARK]

QUESTION 3

Which of the following cases illustrates the principle that an offer must be accepted without modifications to create a binding contract?

- A. *Pharmaceutical Society of GB v Boots* [1953]
- B. *Hyde v Wrench* (1840)

Question 3 continued over the page...

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Question 3 continued...

- C. Re McArdle [1951] Ch 669
- D. None of the above

[TOTAL 1 MARK]

QUESTION 4

In *Lampleigh v Braithwaite* (1615), what principle regarding past consideration was established?

- A. A promise made after an act cannot form a binding contract unless explicitly stated in writing.
- B. Consideration must always be concurrent with the promise for a contract to be valid.
- C. A contract is invalid if the consideration is deemed insufficient, regardless of prior agreements.
- D. A subsequent promise to pay for a previously completed service can be binding if the service was performed at the promisor's request.

[TOTAL 1 MARK]

QUESTION 5

In *Bannerman v White* (1861), what principle did the court establish regarding statements made during contract negotiations?

- A. A statement made during negotiations is always considered a term of the contract.
- B. All statements made during negotiations are mere representations and not terms of the contract.

Question 5 continued over the page...

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Question 5 continued...

- C. A statement made during negotiations may be considered a term of the contract if it is sufficiently important to the parties and was relied upon in forming the agreement.
- D. A statement must be made in writing during negotiations to be considered a term of the contract.

[TOTAL 1 MARK]

QUESTION 6

Which of the following best describes the principle established in *Pym v Campbell* (1856) regarding conditional terms in a contract?

- A. Conditional terms are automatically implied by the courts when the contract is ambiguous.
- B. Conditional terms specify that the obligations of one or more parties are contingent on the occurrence of a specific event, as demonstrated in *Pym v Campbell* (1856).
- C. Conditional terms allow one party to cancel the contract at will, without requiring any specific event to occur.
- D. Conditional terms only apply when they are explicitly written in the contract, regardless of any verbal agreements.

[TOTAL 1 MARK]

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QUESTION 7

Which case established that terms can be implied into a contract by law if they are necessary for the contract to function effectively?

- A. Liverpool City Council v Irwin [1977]
- B. Carlill v Carbolic Smoke Ball Co [1893]
- C. Bettini v Gye (1876)
- D. Thornton v Shoe Lane Parking Ltd [1971]

[TOTAL 1 MARK]

QUESTION 8

Which case introduced the concept of innominate terms, where the consequences of a breach determine whether the term is classified as a condition or a warranty?

- A. Poussard v Spiers and Pond (1876)
- B. The Moorcock (1889)
- C. Photo Production Ltd v Securicor Transport Ltd [1980]
- D. Hong Kong Fir Shipping Co Ltd v Kawasaki Kisen Kaisha Ltd [1962]

[TOTAL 1 MARK]

QUESTION 9

In which case did the court decide that an exclusion clause printed on the back of a ticket did not form part of the express terms of the contract?

- A. Chapelton v Barry Urban District Council [1940]
- B. L'Estrange v F Graucob Ltd [1934]
- C. Thornton v Shoe Lane Parking Ltd [1971]
- D. Olley v Marlborough Court Hotel [1949]

[TOTAL 1 MARK]

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QUESTION 10

Ryan owes his friend Mark £1,000. Mark agrees to accept £800 in full settlement of the debt but only if Ryan pays it by a specific date. Ryan pays the £800 on time, but later Mark tries to claim the remaining £200, arguing that he was not bound by the agreement to accept the lesser amount. Ryan argues that Mark cannot claim the additional £200 since they had an agreement that was fulfilled.

Which legal principle does Ryan invoke to support his argument that the payment constitutes full settlement of the debt, thereby refuting Mark's claim for the additional £200?

- A. The Rule in Pinnel's Case, which asserts that part payment of a debt can extinguishes the whole debt under certain conditions.
- B. The doctrine of consideration, which mandates that any change to a contract requires fresh consideration to be enforceable.
- C. The principle of undue influence, which suggests that contracts made under pressure may be voided.
- D. The concept of misrepresentation, which addresses false statements that induce a party to enter into a contract.

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QUESTION 11

Which case can be referenced to illustrate that an exclusion clause printed on the back of a ticket may not form part of the express terms of the contract if it is not adequately brought to the attention of the purchaser?

- A. Thornton v Shoe Lane Parking Ltd [1971]
- B. Chapelton v Barry Urban District Council [1940]
- C. L'Estrange v F Graucob Ltd [1934]
- D. Olley v Marlborough Court Hotel [1949]

[TOTAL 1 MARK]

QUESTION 12

Margaret, an elderly woman, decides to change her will to leave her estate to her neighbour, Claire, who has been helping her with daily tasks. Claire, who is aware of Margaret's vulnerabilities, suggests the change and offers to assist with the legal process. After the new will is executed, family members contest the will.

Which vitiating factor may be used to contest the validity of her will?

- A. Duress
- B. Mistake
- C. Misrepresentation
- D. Undue influence

[TOTAL 1 MARK]

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QUESTION 13

During a house auction, John bids on a property believing it has three bedrooms based on the listing provided by the auctioneer, James. After winning the bid, John discovers the house only has two bedrooms. Feeling misled, John approaches James to rescind the contract. James insists that John bid knowing the risk and where the contract stands.

Regarding the house auction, what is the primary legal principle that John is relying on to argue that the contract should be voided?

- A. Duress
- B. Misrepresentation
- C. Mistake
- D. Undue influence

[TOTAL 1 MARK]

QUESTION 14

In the context of the High Trees case, which legal principle allows a party to enforce a promise made by another party, even in the absence of consideration, when the first party has relied on that promise to their detriment?

- A. Promissory estoppel
- B. The doctrine of consideration
- C. The principle of equitable estoppel
- D. The rule against penalties

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QUESTION 15

Lisa contracts David to provide catering for her wedding on June 15th for £5,000. A week before the event, Lisa learns that the venue has double-booked and is no longer available. She informs David that she must cancel the catering service. David insists that Lisa is still liable for the full fee since he has already prepared for the event. Lisa argues she can discharge the contract due to the unforeseen circumstances.

In the scenario involving Lisa and David, what principle governs Lisa's ability to discharge the contract for catering services due to the unavailability of the venue?

- A. Impossibility of performance
- B. Breach of contract
- C. Rescission
- D. Frustration of contract

[TOTAL 1 MARK]

END OF QUESTIONS