

MASTER 1

International and European Law

UE5 Contract Law
(Cours de Mme Eira RUBEN)

13 décembre 2016

09h30 – 12h30

AUTHORIZED DOCUMENTS:

- Offer and acceptance exam doc 2016
- Misrepresentation flowchart
- Exclusion clauses flow chart 2016
- Consideration doc 2016

ANSWER ANY **TWO** QUESTIONS.

Année universitaire 2016-2017

Session 1

QUESTION ONE

The Orient Express Company is undergoing renovations and selling off its antique furniture, including the lamps which were used to light the train carriages. On a Friday afternoon they send the following message by email to five antique dealers with whom they have done business in the past: "100 genuine 1920s lamps on offer for £1000. Please order using the form on our website."

Julian responds the same day by sending the following email: "I would like to order 50 lamps- are you interested, or are you selling all 100 to the same buyer? Also, can you deliver within 7 days ?" The Orient Express Company, who is short staffed, do not reply immediately.

Alison orders all 100 lamps on her own order form rather than the Orient Express Company's. The Orient Express Company emails her back saying: "That's fine but can you order using this?" and attach their own form.

Guy completes the Orient Express Company's order form online and emails it, but it bounces back and despite several attempts he is unable to make the order because his email security does not let his email send the form. He decides to hand deliver it to Orient Express, but because by then it is Saturday afternoon, the office is closed and so he pushes his completed order form into their letter box.

On Sunday morning, he is looking at an online auction site and realises that he could get the same lamps from there at half the price. He emails The Orient Express Company to ask them to ignore his order. On Monday morning his letter is picked up before his email is read and the 100 lamps are dispatched. When they arrive Guy refuses to accept them or pay for them.

In the meantime, Julian decides that he would like all 100 lamps and completes the order form, which he successfully emails to the Orient Express Company on Monday afternoon.

Advise the Orient Express Company as to whether or not they have a contract with Alison, Guy or Julian using the established principles surrounding the legal rules on offer and acceptance.

QUESTION TWO

Ian wishes to sell his bike hire business. He advertises as follows in the Cambridge Chronicle.

'Wanted quick sale of Cambridge Canal Cycle Hire, £25,000. Turnover of £80,000 per year. Sound bike stock, regularly serviced, includes rustic changing facilities. No other cycle hire facilities within 60 miles.'

Vanessa replies to Ian and goes to visit the premises. The bike stock appears fairly new but shabby. Ian explains that he is behind with the maintenance but if Vanessa goes ahead with the sale he will use her 10% deposit to get help in to have all the bikes serviced.

Ian offers to show Vanessa the books, but they are kept in a small office behind the changing rooms which are in a very poor state of repair and smell of damp rotting wood. The turnover of the business has never been more than £25,000.

Vanessa decides to purchase the business for £20,000 and gives Ian the £2,000 deposit to undertake the work on the bikes. Ian takes the money and goes on a cycling holiday in South America.

After Ian placed the advertisement for his business, but before he met Vanessa, he hears that a new cycle hire scheme operated by the British Waterways Board is being opened just one mile down from the current location of his business on the canal. Charges are minimal. The effect on the profits of the business is likely to be substantial. Ian did not tell Vanessa about this project.

Advise Vanessa as to the grounds on which she might be able to bring an action for misrepresentation and any potential remedies which may be available to her.

QUESTION THREE

The Unfair Contract Terms Act 1977 was brought into force to protect consumers from unscrupulous business practices, particularly in terms of exemption and limitation clauses. How far has it succeeded in doing so and what new remedies have been brought in by the Consumer Rights Act 2015?

QUESTION FOUR

“The law determining when performance of a pre-existing duty amounts to good consideration lacks both logic and clarity.”
Discuss with reference to relevant case law.