# THE HONORABLE SOCIETY OF KING'S INNS DEGREE OF BARRISTER-AT-LAW

### ENTRANCE EXAMINATION

# **Contract Law**

# August 2023

DATE | Friday 11 August 2023

TIME | 3 hours

EXAMINER Professor Raymond Friel (UL)

EXTERNAL EXAMINER | The Hon Mr Justice Conor Dignam

#### Instructions

A candidate must answer Question 1 (50% of marks) and TWO other questions (each 25% of marks).

This paper is 4 pages long including the cover sheet.





### CONTRACT LAW

### Q1 | COMPULSORY QUESTION

#### 50 MARKS

Mary owns an IT company and is in need of a specialized piece of equipment for an upcoming project. She contacts Techno Suppliers Ltd and discusses her requirements with their sales representative, Josephine. They agree on the price and specifications of the equipment.

Josephine sends Mary an email confirming the agreement on their usual terms and conditions, attached to the email. In the terms and conditions, it required a 30% deposit to be paid on acceptance. It further stated that any breach of the contract would result in an agreed compensation of 30% of the value of the contract price becoming payable immediately if not already paid by way of the deposit.

Mary reads the email but never opened the terms and conditions. Instead, she made the following reply: "That's great! Pleasure to do business with you. I will get back to you on the details."

A week later, Mary finds another supplier who offers the equipment at a lower price. She decides to go with the new supplier and informs Mary via email that she has decided not to go with Techno Suppliers Ltd. Josephine, however, claims that a binding contract was formed by Mary's email acceptance. Josephine claims that if Mary is not willing to proceed with the contract, then she must pay the agreed damages of 30% of the purchase price. Mary is shocked and now reads the terms and conditions of the contract. Following that, she emails Josephine: "We never had a binding contract but were still in negotiations on the details and in any event I had not paid the 30% deposit required to make the contract binding."

Critically discuss the position of the parties under the law of contract in this situation.

### CONTRACT LAW

### Q2

#### 25 MARKS

Joe, an old man, loves having visits from his nephew Tony. One day, Joe tells Tony: "You are the only family member that visits me regularly. For all the times you did visit me, I intend to give you my old car on your 21<sup>st</sup> birthday in a month's time. I hope you can get it to work again." Tony, set about getting the car running again, which he did relatively easily as only the battery needed replacing. Co-incidentally during that period, Tony turned down an offer of a free car from a friend who was emigrating. However, on the day of his birthday, Joe told Tony he was delighted that the car was now running again and had decided to keep it for himself. Tony was horrified, and told Joe that he had spent money on getting the vehicle back on the road and wanted the car. Joe said that his mind was made up.

Advise Tony as to whether there is an enforceable contract between him and Joe.

### CONTRACT LAW

### Q3

#### 25 MARKS

Melissa signed an enforceable contract with Woke Galleries to create a series of paintings for an upcoming exhibition. However, due to an unforeseen accident, Melissa suffered a severe hand injury that rendered her unable to hold a paintbrush in her right hand. Melissa writes with her left hand but all her artwork to date had been painted using her right hand. The critics have commented that it gives Melissa's art an 'edgy look' for which she is renowned. Although she can paint with her left hand, Melissa has never displayed anything painted with her left hand as she believes that to do so would damage her artistic reputation. As a result, Melissa says that she will not complete the paintings, arguing that the contract has been frustrated by the accident.

Advise Melissa if she has a defence under the law of contract on the facts above.

### CONTRACT LAW

### Q4

#### 25 MARKS

Following the success of his first book, Eddie receives a lucrative offer from a publisher to write a three book series revolving around his fictional hero: Bis Kit, daredevil soldier for hire. Eddie has always hinted that aspects of the books are autobiographical. However, Eddie is currently going through a messy split from his secret boyfriend, Alan. Alan, who was a soldier, believes that he has been Eddie's inspiration for the original book. Alan has now threatened to go public with their relationship, and the fact that Eddie had never been in the army. Alan tells Eddie that he will promise not to go public on either of these things provided Eddie signs a contract whereby Alan will get 50% of the royalties on this book in recognition of his contribution to the books.

Critically discuss whether such a contract would be valid in these circumstances.

## CONTRACT LAW

### Q5

#### 25 MARKS

In relation to any **TWO** of the following issues, comment on whether the law is in need of reform, illustrating your answer with relevant case law and / or legislation (where applicable).

- (a) Capacity in contract law
- (b) The law with respect to the implied terms of a contract
- (c) Misrepresentation in contract law