



# ICM

SEPTEMBER 2015

BUSINESS LAW

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
  - b) Answer any FIVE questions
  - c) All questions carry equal marks. Marks for each question are shown in [ ]
1. Explain the different kinds of mistake, duress and undue influence and the effects EACH one has on a contract. [20]
  2.
    - a) What are the requirements that have to be met in order to make out a case in negligence? [5]
    - b) Analyse the following case and decide who is liable:  
John was employed as a fitter and mechanic by the Magic Motor Company. As part of his job John often had to work underneath vans and lorries. As John had only one eye he had to be very careful when working. The company issued him with protective goggles to wear when working, but they made John hot and so he did not actually wear them. One day, when working under a lorry he was trying to undo a large nut and bolt and a piece of metal went into his good eye and injured him. He sued his employers for negligence. [15]
  3.
    - a) Explain THREE different ways in which a contract can come to an end.
    - b) What are the different remedies available in the case of a breach of contract? [20]
  4.
    - a) Explain the rule in Foss v Harbottle. [10]
    - b) How is the minority protected in company meetings? [10]
  5.
    - a) Explain what is meant by the Latin phrase '**Nemo dat quod non habet**'.
    - b) How does it affect contracts made under the Sale of Goods Act?
    - c) What are the exceptions to this rule? [20]
  6. Write an account of the tort of defamation. In your account you should mention the different types of defamation, the requirements to make out a good case, the defences and the remedies. [20]
  7.
    - a) Describe how a contract of agency may arise and what type of authority an agent may have. [10]
    - b) Martin owned a public house and did all the ordering of food and drinks himself. Later he decided to sell and was kept on as manager by the new owners. They told him privately not to order any drinks except beer. However, Martin did order some wine at a cost of £500. The new owners refused to pay for the wine and said it was Martin's responsibility. Analyse the case and say who is liable for the £500. [10]
  8. What are the scope and the main aspects of the Consumer Protection Act 1987? [20]