

**A LEVEL 9084**

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# **LAW**

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**LAW OF CONTRACT**

**TOPICAL PAPER 3**

**WITH MARK SCHEME & EXAMINER REPORT**

**June 2011 – June 2021**

**FOR CAMBRIDGE 2023 and onwards EXAMS**

**AIZAZ RAOOF**


**STUDENTS RESOURCE**

**Airport Road :**  
Shop 23-24,  
Basement Faysal Bank,  
Near Yasir Broast,  
Airport Road, Lahore.  
**Mob:** 0321-4567519  
**Tel:** 042-35700707

**DHA Ph-V:**  
Plaza No. 52-CCA, Ph-5  
DHA Lahore Cantt.  
**Mob:** 0321-4924519  
**Tel:** 042-37180077

**Johar Town :**  
Opp. Beaconhouse JTC  
Adjacent Jamia Masjid PIA  
Society Shadewal Chowk,  
Johar Town Lahore.  
**Mob:** 0313-4567519  
**Tel:** 042-35227007

**Bahria Town:**  
70 - Umer Block  
Main Boulevard  
Commercial Area  
Bahria Town Lahore.  
**Mob:** 0315-4567519  
**Tel:** 042-35342995

Book Title: A Level Law Topical Paper 3  
Compiled by: Sahibdaza Aizaz Raof [+92322-4929484]  
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<b>Question Paper</b>	
<b>9084/31/June/2011 Law of Contract</b>	
<b>LAW</b>	<b>9084/31</b>
<b>Paper 3 Law of Contract</b>	<b>May/June 2011</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 6 SECTION B**

Jorge, aged 16, sees the following on his college's notice board.

**PHOTOGRAPHIC MODELS  
REQUIRED**  
to model clothing for  
new fashion house.  
Models must be at least  
18 years of age.  
£250 per photo shoot. Contact  
Laura Craft via the Students'  
Union Office.

Jorge contacts Laura and she agrees to use him as a model. A written contract is signed by both of them, the terms of which state that payment will be made within 8 weeks of the end of any photo shoot for which Jorge is called. Jorge also signs to say that he is at least 18 years of age. Discuss the legal liability of the respective parties and any defences that might be raised if: (a) Laura calls Jorge for a photo shoot, but Jorge is nervous and fails to turn up as agreed; (b) Laura persuades him to turn up on a second photo shoot but has failed to pay him by 12 weeks after the event. [25]

**Mark Scheme**

Contracts are only binding on the parties concerned if valid contracts have been made. Candidates should identify capacity as one of the factors that can result in a valid contract not having been formed. Jorge, at the age of 16, is classed as a minor in law. Candidates should identify that there are only two types of contract that will bind minors: executed contracts for necessities and beneficial contracts of service (employment). The contract referred to in the question is arguably a contract of employment. Is it and if so is Jorge bound by its terms? Case law (*De Francesco v Barnum*, *Doyle v White City Stadium* etc) suggests that minors will be bound by the terms of employment contracts if the contract is on the whole beneficial to the minor in that it makes provision for training in the minor's chosen career. Discussion should take place and conclusions must be drawn in the light of the two separate incidents identified and the likely effect of either party's failure to adhere to the contract as agreed. Would Jorge's fraud as regards his age have any impact at all? General, all-embracing and ill-focused responses are to be awarded a maximum mark within mark band 3. Any advice given to the parties should be clear, concise and conclusive.

**Examiner's Report**

This question produced responses of the most variable quality of any on this question paper. There were quite a good number of superb responses, which were again examples of what well prepared candidates can achieve. Material was carefully selected, presented within a compelling and logical structure which applied the law to the scenario throughout, and clear, compelling conclusions were presented. These candidates thus demonstrated a first-rate understanding of the law and its likely application. It is essential that candidates read the scenarios and questions very carefully. A surprising number of candidates missed capacity of contracting parties in this instance, although the age of one of the parties

in the scenario was clearly indicated. In these instances only limited credit could be gained for these answers.

<b>Question Paper</b>	
<b>9084/33/June/2011 Law of Contract</b>	
<b>LAW</b>	<b>9084/33</b>
<b>Paper 3 Law of Contract</b>	<b>May/June 2011</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

### **Question 1 SECTION A**

English law strikes a delicate balance between rules based on freedom of contract and doctrines designed to protect those people in society unable to protect themselves. Consider the current rules relating to capacity of minors to make contracts and, using examples, discuss the extent to which such a balance has been achieved. [25]

### **Mark Scheme**

At Common Law the basic rule is that contracts do not bind minors. However, this rule has been modified over time such that, today, some types of contracts do bind minors and others can be rendered void at a minor's option (i.e. they are voidable). Does this actually strike the right balance, as even those under 18 years of age do find themselves in positions where they need to be free to make binding contracts? Candidates are expected to define a minor (under age of 18) and to explore the types of contract that do bind and may bind minors. Contracts for necessary goods and services and beneficial contracts of service should be identified and detailed as contracts that unequivocally bind minors as far as their responsibility to pay a reasonable price for such goods purchased and if the contract of service is on the whole beneficial. Cases such as *Nash v Inman*, *Chapple v Cooper*, *Clements v London & N W Railway Co* and *Doyle v White City Stadium* must be used to illustrate and support. Candidates should identify the purpose of these principles and critically assess their fairness in the light of remedies available to the parties concerned. Other contracts should also be considered, such as those of a continuing nature which may have been made whilst a minor, but which continue after a person's eighteenth birthday. These are valid when made, but can be avoided at the minor's option before or within a reasonable time after their eighteenth birthday. Again, the appropriateness and fairness of the rules needs to be discussed and an assessment made of the impact (in terms of remedies) on innocent third parties with whom such contracts are made. Candidates should consider the availability of specific restitution or specific performance in such cases. Descriptive responses should be limited to maximum marks in band 3. An assessment of the impact of rules, and meaningful conclusion with regard to the extent to which the right balance is struck, is necessary for marks in band 4 and beyond.

### **Examiner's Report**

This was a very popular question. Most candidates provided a good recitation of the rules and exceptions regarding enforcement of contracts by minors and the best candidates produced some exceptional comment regarding the balance required between the rights of minors to be free to make contracts and the interests of those who contract with them. Some candidates appeared to have misunderstood the question and discussed whether the doctrine and statutory instruments were fair to the contracting adult, rather than discussing the balance between protection of minors and freedom of contract.

<b>Question Paper</b>	
<b>9084/31/November/2011 Law of Contract</b>	
<b>LAW</b>	<b>9084/31</b>
<b>Paper 3 Law of Contract</b>	<b>October/November 2011</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 3 SECTION A**

The limitations imposed on the validity of contracts made by minors make it extremely difficult for young people to make their way in the modern world. Discuss the reasons why the law imposes these limitations and assess the extent to which they need to be revised. [25]

**Mark Scheme**

The law on minors and contracts is widely considered to be out of step with today's society. Candidates should outline that the rules provide that only executed contracts for necessary goods and services can be enforced against minors at common law and even then only actions for a reasonable price can be entertained and that all other contracts are voidable at the minor's option. Candidates might point out that case law is commonly a century or more old and involves 18 to 21-year-olds who would be considered adults today. The age of majority has indeed been reduced and reflected by the law but does the law need to be updated now that many 16 and 17-year-olds are in full-time employment, that 16 and 17-year-olds are far from naïve in the world of modern education and communication and that society's expectations of young people have changed. Candidates might reflect on the Law Commission's proposal in 1982 that all contracts should be binding on the over 16s. Candidates are expected to assess the situation and make suggestions regarding revision to reach band 4.

**Examiner's Report**

Candidates are encouraged to prepare themselves for all potential questions on a topic and not simply to practise for the recurrent standard question. Many candidates demonstrated preparation for potential questions about minors' capacity to make valid contracts. A number produced excellent responses focused on the crux of the question: whether the limitations placed on the ability of everyone under the age of 18 to make binding contracts are too restrictive, as many leave school and home at 16 and may need to do things that previously only those over 18 needed to be able to do. Better-prepared candidates recognised many of the key issues and produced very informed and thoughtful discussion and assessment. The less well-prepared candidates often produced responses that were very limited in scope and which mainly addressed those contracts already valid when made by minors. To gain further credit, these candidates needed to consider the implications for minors of what the law does not permit them to do.

<b>Question Paper</b>	
<b>9084/32/November/2012 Law of Contract</b>	
<b>LAW</b>	<b>9084/32</b>
<b>Paper 3 Law of Contract</b>	<b>October/November 2012</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 2**

Many more 16 and 17 year olds are in full-time employment and are far less naïve than fifty years ago. Consequently it has been suggested that the age at which people acquire the capacity to make valid contracts should be reduced to 16. Critically analyse the current rules relating to the formation of valid contracts made by minors and discuss the reasons why you believe the above change has never been incorporated in the law. [25]

**Mark Scheme**

Candidates should detail the rules which provide that only executed contracts for necessary goods and services can be enforced against minors at common law (and even then only actions for a reasonable price can be entertained) and that all other contracts are voidable at the minor's option. Candidates might point out that case law is commonly a century or more old and involves 18–21 year olds who would be considered adults today. Candidates should reflect on whether or not the law as it relates to minors and contracts is out of step with today's society. The age of majority has indeed been reduced and reflected by the law, but does the law need to be updated now that many 16 and 17 year olds are in full-time employment, that 16 and 17 year olds are far from naïve in the world of modern education and communication and that society's expectations of young people have changed. Candidates should reflect on the Law Commission's proposal in 1982 that all contracts should be binding on the over-16s and explore why they have not actually been enacted. Candidates are expected to critically analyse existing rules and make reasonable suggestions as to the reasons why proposals haven't been enacted to achieve band 4 marks.

**Examiner's Report**

This was one of the most popular questions - most candidates understood the rules limiting the contractual capacity of minors. The best responses came from those candidates who focused on the question set and who made a gallant attempt to explain why the age of majority has never been reduced despite suggestions that it ought to be in these modern times. Weaker responses simply regurgitated the law less securely and then made no attempt to actually answer the question posed about reducing the age of majority further.

<b>Question Paper</b>	
<b>9084/31/June/2013 Law of Contract</b>	
<b>LAW</b>	<b>9084/31</b>
<b>Paper 3 Law of Contract</b>	<b>May/June 2013</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 1 SECTION A**

It has been frequently argued that people should be able to make valid and enforceable contracts from the age of 16. Critically assess the value of the current rules relating to the formation of contracts by minors and explain why you think that this change to the law has never been made. [25]

**Mark Scheme**

Candidates should detail the rules which provide that only executed contracts for necessary goods and services can be enforced against minors at common law (and even then only actions for a reasonable price can be entertained) and that all other contracts are voidable at the minor's option. Candidates might point out that case law is commonly a century or more old and involves 18–21 year olds who would be considered adults today. Candidates should reflect on whether or not the law, as it relates to minors and contracts, is out of step with today's society. The age of majority has indeed been reduced and reflected by the law, but does the law need to be updated now that many 16 and 17 year olds are in full-time employment, that 16 and 17 year olds are far from naïve in the world of modern education and communication and that society's expectations of young people have changed. Candidates should reflect on the Law Commission's proposal in 1982 that all contracts should be binding on the over 16s and explore why they have not actually been enacted. Candidates are expected to critically analyse existing rules and make reasonable suggestions as to the reasons why proposals haven't been enacted to achieve Band 4 marks.

**Examiner's Report**

Questions of this type are designed to allow learners to demonstrate that they have not only studied legal principles but have explored issues concerned with those principles. This particular question addresses the issue of why the age of minority has never been reduced to lower than 18 for making valid contracts, even though there have been formal proposals put forward in the past to do so. Few candidates truly got to grips with this one and, consequently, responses were disappointing, being almost exclusively descriptive of the law itself and nothing else. One or two excellent responses were appropriately selective of material included and spent the majority of the time assessing the effect on the minor and on those who contract with them in each case if the age of minority was to be reduced.



<b>Question Paper</b>	
<b>9084/32/June/2013 Law of Contract</b>	
<b>LAW</b>	<b>9084/32</b>
<b>Paper 3 Law of Contract</b>	<b>May/June 2013</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 5 SECTION B**

Richard is 17 years of age when he decides to leave home and find a job in London. On his arrival in London, he finds himself a full-time job working in a restaurant and he rents a small room in which to live. Richard does not wish to remain in the job for long and although the room is cheap to rent it is dirty and far from his work. Richard would like your advice on whether he is bound (a) to give four weeks' notice to quit his job, as required by the terms of his employment contract, and (b) by the two year lease agreement that he has entered into for his room. [25]

**Mark Scheme**

Contracts are only binding on the parties concerned if valid contracts have been made. Candidates should identify capacity as one of the factors that can result in a valid contract not having been formed. Richard, at the age of 17, is classed as a minor in law. Candidates should identify that there are only two types of contract that will bind minors: executed contracts for necessities and beneficial contracts of service (employment). One of the contracts referred to in the question is a contract of employment, so is Richard bound by its terms? Case law (*De Francesco v Barnum*, *Doyle v White City Stadium* etc.) suggests that minors will be bound by the terms of employment contracts if the contract is on the whole beneficial to the minor in that it makes provision for training in the minor's chosen career. Discussion should take place and conclusions must be drawn. The other contract, the lease of the room, is of a continuing nature which, with duration of two years, will take him past his 18th birthday. The common law renders such contract voidable at the option of the minor, but bind the other party. Thus, in Richard's case, the common law allows him to terminate the lease at any time before and within a reasonable time after his 18th birthday. If at the time of termination, he seeks the return of rent or deposits paid, for instance, he is likely to fail unless he has received nothing in return. Advice given should be clear, concise and conclusive.

**Examiner's Report**

This was one of the most popular questions and yet attracted perhaps the worst general quality responses to any on the question paper. Far too many candidates attempted to respond to the question with no specific reference to any legal principle from the law of contract whilst another large proportion chose to regurgitate fact without significant application to the issues raised in the scenario, such that conclusion was at best difficult and at worst impossible. It was pleasing to see some candidates contextualise selectively and appropriately. This scenario involved a minor in law. Contracts made by minors can generally be avoided by them without liability, but there are exceptions. The better prepared candidates correctly identified contracts of service (employment) as binding on minors as long as they are on the whole beneficial to the minor (include training). The lease was also recognised as a contract of a continuing nature and thus still voidable by Richard before (or within a reasonable time after) his 18th birthday. Candidates were consequently able to apply this knowledge to the issue of Richard's notice requirement to quit both his job and lease and draw informed conclusions based on appropriate case law. Weaker responses tended to know of only one exception and tried to relate contracts of employment and contracts for accommodation as contracts for necessities. Consequently, confusion was the order of the day.

## Question Paper

**9084/31/33/November/2013 Law of Contract**

LAW

9084/31/33

Paper 3 Law of Contract

October/November 2013

TIME

1 hour 30 minutes

### Question 6 SECTION B

Yvette is a 17 year old student who has set up an Internet business which buys and sells CDs and DVDs on which she thinks she can make a quick profit in order to pay for her studies. She rents a small storeroom from Xavier on a two-year contract and at a rent of £20 per week. She sees 1000 assorted CDs being offered for sale by Victor, she agrees to pay the purchase price and writes him a cheque for £1250. Yvette then divides up the CDs into batches and advertises them for sale for £250 per 100. She sells 3 batches to William for £750 in cash and the remaining 7 batches to Ursula for £1750. Ursula pays her by cheque. Discuss: (a) Yvette's liability towards Xavier in the event of her deciding to break the rental agreement within the two-year period; (b) Yvette's liability towards Victor if she has insufficient funds at the bank to cover her cheque; and (c) Yvette's rights to recover the £1750 from Ursula if her cheque is returned to Yvette unpaid by the bank. [25]

### Mark Scheme

Candidates should briefly discuss contractual capacity as an essential of a valid simple contract. Particular attention to be paid to the capacity of minors (those under 18 years of age) to make valid simple contracts. Distinction to be drawn between valid contracts (executed contracts for necessities – Nash v Inman, and beneficial employment contracts – Doyle v White City Stadium), voidable contracts (e.g. contracts of a continuing nature such as leases and partnerships – Corpe v Overton) which can be avoided before or within a reasonable time after the 18th birthday and those unenforceable (Minors' Contracts Act 1987), leaving the adult, being unaware that the other party to a contract is a minor, with little or no comeback. Re rental of storeroom – two year contract takes Yvette past her 18th birthday, so is voidable at her option. Nothing would be recoverable from Xavier unless there has been a total failure of consideration provided in return for rental monies. Re dishonoured cheque paid to Victor, the issue would appear to be whether or not the contract would be deemed beneficial to Yvette. In the light of the decision in Cowern v Nield, it would seem that minors will not be held liable on pure trading contracts, however they seem to be to the minor. Re dishonoured cheque received from Ursula, the fact that Yvette is a minor would seem to be irrelevant and as long as the contract would have been a valid one if both parties had been over the age of majority, Yvette ought to be able to enforce it and seek compensation. Whatever way candidates interpret the facts presented, legal principles must be applied to those facts and clear, compelling conclusions must be drawn to reach band 4.

### Examiner's Report

This question attracted perhaps the best quality responses overall. The best responses to this question were excellent examples of what well-prepared candidates can achieve: material was carefully selected, presented within a compelling and logical structure which applied the law to the scenario throughout and clear, compelling conclusions regarding possible remedies were presented. Candidates correctly identified minors' voidable (the lease), valid (beneficial contracts) and potential remedies as the issues in case here. Most candidates who attempted this question identified the issues and seemed to apply the principles to the facts reasonably well. However, some candidates provided responses that needed more secure knowledge and depth in their application and conclusion.

<b>Question Paper</b>	
<b>9084/32/November/2013 Law of Contract</b>	
<b>LAW</b>	<b>9084/32</b>
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<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 1 SECTION A**

Injustice is caused by the rules relating to the capacity of minors to contract with adults. Critically assess the extent to which the remedies that adults can obtain against minors mitigate this. [25]

**Mark Scheme**

Candidates should briefly outline the legal protection afforded to minors with regard to contracts. Only executed contracts for necessary goods and services can be enforced against minors at common law and even then only actions for a reasonable price can be entertained (Sale of Goods Act 1979); all other contracts are voidable at the minor's option, leaving the adult, being unaware that the other party to a contract is a minor with little or no comeback. Is this potentially unjust and do the remedies afforded against minors mitigate this injustice in any way? The equitable remedy of restitution should be defined and explored as one such remedy. If a minor fraudulently obtains goods and then keeps them in his/her possession, an order of restitution can be made to compel the minor to return them to the claimant. Candidates should go on to explore the claimant's rights as a consequence of S3 of the Minors' Contracts Act 1987 which do not rely upon the minor's fraudulence although it still needs to be a just and equitable course of action for the court to order the return of property acquired by the minor. If the goods have been sold or exchanged the minor may have to pay for them or give up to the claimant property received in exchange. However if the goods have been sold and the proceeds of sale spent, the minor cannot be made to pay anything as this would effectively enforce what was an unenforceable contract. Candidates are expected to critically assess the way in which the law deals with these situations to reach band 4.

**Examiner's Report**

This was a very good question that allowed some originality of thinking in respect of the actual question set. The best responses to this were from candidates who discussed capacity of minors generally and at least attempted a coherent discussion of whether the remedies that adults can obtain against minors can mitigate any injustices. There were several papers who reached band 5 and the majority were in bands 3 and 4. The main weakness was in failing to focus on the question but rather to repeat the litany of common law cases. A common error was to use the term rescission instead of restitution although generally the essence of restitution was usually adequately explained.

<b>Question Paper</b>	
<b>9084/31/June/2014 Law of Contract</b>	
<b>LAW</b>	<b>9084/31</b>
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<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 4 SECTION B**

Cathy leaves home the day after her 17th birthday and travels to London. She finds herself a room in which to live and a job in a bookshop. Having been in London for three months, she is now very unhappy. Although the room is cheap to rent, it is very small and in a poor state of repair. She has signed a three-year lease for it, but she would like to find somewhere else to live as soon as possible. Additionally, although she is being given training by her employer, she dislikes the work and is desperate to leave the job. The employment contract requires her to give four weeks' notice. Advise Cathy of her legal liability for the two contracts that she has made. [25]

**Mark Scheme**

Contracts are only binding on the parties concerned if valid contracts have been made. Candidates should identify capacity as one of the factors that can result in a valid contract not having been formed. Cathy, at the age of 17, is classed as a minor in law. Candidates should identify that there are only two types of contract that will bind minors: executed contracts for necessities, and beneficial contracts of service (employment). One of the contracts referred to in the question is a contract of employment, so is Cathy bound by its terms? Case law (*De Francesco v Barnum*, *Doyle v White City Stadium* etc.) suggests that minors will be bound by the terms of employment contracts if the contract is, on the whole, beneficial to the minor in that it makes a provision for training in the minor's chosen career. Discussion should take place and conclusions must be drawn. The other contract, the lease of the room, is of a continuing nature which, with duration of three years, will take her past her 18th birthday. The common law renders such contract voidable at the option of the minor, but the laws bind the other party. Thus, in Cathy's case, the common law allows her to terminate the lease at any time before and within a reasonable time after her 18th birthday. If at the time of termination she seeks the return of rent or deposits paid, for instance, she is likely to fail unless she has received nothing in return. Advice given should be clear, concise and conclusive.

**Examiner's Report**

It is pleasing to report that the majority of candidates who attempted this question correctly identified the topic of capacity to contract as affecting the issues set out in the scenario. It was a popular question but one which was responded to with quite variable success. For many the issue was a need to have better practiced the skills of synthesis and selection of appropriate material and/or poor technique. Candidates who fail to contextualise by outlining relevant legal principle and case law prior to analysing the issues raised by the scenario and applying the principles and case law to aid the drawing of conclusion rarely do themselves justice. The typical failing was to provide too much evidence of a breadth of factual knowledge and far too little analysis, application and conclusion. However, the better prepared and well-drilled candidates produced well-structured and logically presented argument covering just binding beneficial contracts of service and contracts of a continuing nature voidable at a minor's option. Case law was fully explored to the extent that a meaningful, supported conclusion could be drawn and offered.

<b>Question Paper</b>	
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<b>LAW</b>	<b>9084/32</b>
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<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 3 SECTION A**

It is unjust that minors are generally able to escape liability if they enter into contracts. Critically assess the extent to which injustice may be mitigated and a balance of interests achieved in these instances.

[25]

**Mark Scheme**

Candidates should briefly outline the legal protection afforded to minors with regard to contracts. Only executed contracts for necessary goods and services can be enforced against minors at common law, and even then only actions for a reasonable price can be entertained; all other contracts are voidable at the minor's option, leaving the adult, unaware that the other party to a contract is a minor with little or no comeback. Is this potentially unjust, and do the remedies afforded against minors mitigate this injustice in any way? The equitable remedy of restitution should be defined and explored as one such remedy. If a minor fraudulently obtains goods and then keeps them in his/her possession, an order of restitution can be made to compel the minor to return them to the claimant. Candidates should go on to explore the claimant's rights as a consequence of S3 of the Minors' Contracts Act 1987 which do not rely upon the minor's fraudulence, although it still needs to be a just and equitable course of action for the court to order the return of property acquired by the minor. If the goods have been sold or exchanged by the minor, they may have to pay for them or give up to the claimant property received in exchange. However, if the goods have been sold and the proceeds of sale spent, the minor cannot be made to pay anything, as this would effectively enforce what was an unenforceable contract. To reach Band 4 candidates are expected to assess critically the way in which the law deals with these situations. Ill-focused, all embracing general responses or those based purely on factual recall will receive marks limited to the maximum allocated in Band 3.

**Examiner's Report**

This was one of the most popular questions and attracted perhaps the best general quality responses to any on the question paper. If there was any disappointment it was that too many candidates had apparently rehearsed answers to previously set questions on the topic which required a different focus or emphasis and were unable to adequately adapt. It was pleasing to see many candidates contextualise selectively and appropriately. This question involved minors in law. The majority identified that contracts made by minors can generally be avoided by them without liability, but that there are exceptions. Categories of valid and voidable contract were well known and a good attempt (even if of variable quality) was made to assess the general fairness of the rules. Weaker responses tended to concentrate on a description of the valid contracts that minors can make and sometimes mentioned voidable ones. Any assessment of whether or not the rules are fair to the parties concerned was missing.

<b>Question Paper</b>	
<b>9084/33/June/2014 Law of Contract</b>	
<b>LAW</b>	<b>9084/33</b>
<b>Paper 3 Law of Contract</b>	<b>May/June 2014</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 2 SECTION A**

**Contracts entered into by minors may be declared either valid or voidable by the courts. Explain the types of contract that generally fall into each of these categories. Evaluate the legal rules in terms of fairness to and impact on the minor and any adult party to the contract. [25]**

**Mark Scheme**

Candidates might introduce their response by explaining that minors are those people under the age of 18 when they enter a contract. Some might add that the age of majority used to be 21, but this was reduced to 18 by the Family Law Reform Act 1969. Candidates should proceed to explain that special rules exist primarily to protect relatively immature people in society from unscrupulous adults who might otherwise try to take advantage of that immaturity when making contracts with them. Candidates should emphasise that the basic common law rule still remains: contracts do not bind minors except in exceptional circumstances. Candidates are then required to explain the types of contract that fall into the stated categories.

**Valid (bind both parties):** Contracts for necessary goods & services and Contracts of service for the minor's benefit

**Voidable (by the minor):** Contracts involving long term interests in land, shares partnerships

Necessaries should be explained as per Sale of Goods Act 1979 and should be examined to clarify what would amount to a necessary good or service that a minor has committed to purchase. Case law must be examined, such as *Nash v Inman*, *Chapple v Cooper* and *Fawcett v Smethurst*.

Candidates must also consider whether a minor is bound by a contract of service (employment). The general rule should be explored, namely that these will normally bind as long as they are beneficial to minors to the extent that they involve training. Again, case law such as *Clements v London & NW Railway Co*, *De Francesco v Barnum*, *Doyle v White City Stadium* and *Cowern v Nield* ought to be explored. As far as voidable contracts are concerned, candidates should explain that these are never voidable by the adult involved, and that they will bind the minor unless expressly avoided either before or within a reasonable time after the minor's 18th birthday. Case law such as *Corpe v Overton* and *Steinberg v Scala* could be examined. Candidates are required to evaluate the fairness of these rules, so an examination of the effect of the rules on adults who contract with minors is essential. Is it fair that minors are only bound to pay for necessary goods and services (and even then, only a reasonable price)? What about the adult's ability to recover the goods sold from the minor? Is it fair that minors should be able to escape contracts of employment just because no training is provided? Should minors be able to avoid long term contracts at a whim? How fair are the available remedies? Factual recall without evaluation of the fairness of the rules will result in maximum marks allocated within Band 3.

**Examiner's Report**

This was quite a popular question, but a large number of candidates failed to address the issue of fairness raised by the question. Pre-rehearsed responses to previously set questions on the topic which required a different focus or emphasis was a real issue here. Weaker responses lacked independent thinking, misused the terms void and voidable interchangeably and produced superficial responses. Better prepared candidates produced responses that provided a good discussion of the various cases relating to necessaries and beneficial interests and also gave a reasoned analysis regarding fairness, supported by statutory and case law.

<b>Question Paper</b>	
<b>9084/33/June/2015 Law of Contract</b>	
<b>LAW</b>	<b>9084/33</b>
<b>Paper 3 Law of Contract</b>	<b>May/June 2015</b>
<b>TIME</b>	<b>1 hour 30 minutes</b>

**Question 3 SECTION A**

Describe the reasons why the law imposes limitations on the types of valid contract that minors can make. Critically assess whether these limitations ought to be revised to enable young people to progress in the modern world.

[25]

**Mark Scheme**

The law on minors and contracts is widely considered to be out of step with today's society. Candidates should outline that the rules provide that only executed contracts for necessary goods and services can be enforced against minors at common law and even then only actions for a reasonable price can be entertained and that all other contracts are voidable at the minor's option. Candidates might point out that case law is commonly a century or more old and involve 18–21 year olds who would be considered adults today. The age of majority has indeed been reduced and reflected by the law, but does the law need to be updated now that many 16 and 17 year olds are in full-time employment and are far from naïve in the world of modern education and communication. Moreover, society's expectations of young people have changed. Candidates might reflect on the Law Commission's proposal in 1982 that all contracts should be binding on the over 16s. Candidates are expected to assess the situation and make suggestions regarding revision to reach band 4.

**Examiner's Report**

All but the least successful candidates demonstrated extensive factual knowledge, if varying understanding, of the capacity of minors to make contracts. However, the question expected candidates to analyse and assess from a slightly different angle. Only the most successful candidates effectively managed this. Those candidates who genuinely attempted to address the question posed realised that selection of relevant factual material was the key. The candidates then used the selected material to assess whether and how rules ought to be changed.