

UNIVERSITY OF BOLTON
BUSINESS AND CREATIVE TECHNOLOGIES
LAW PATHWAY
SEMESTER 2 EXAMINATIONS 2010/11
CONTRACT LAW
MODULE NO: LAW1201/1502

Date: 2nd June 2011

Time: 2:00pm – 4:00pm

INSTRUCTIONS TO CANDIDATES:

There is one question on this exam paper.

Answer the question.

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Brian and Jane have been in a relationship for 18 months and decide to get engaged. They enter into a contract with a local hotel to hire the function room and retained a rock band to play for the occasion. They also arrange for Events Ltd to provide the catering and Printing Ltd to print the invitations. On each of the contracts they paid a 20% deposit with the balance of the price payable after the party. The contracts did not state whether or not these deposits were refundable.

Two weeks before the party Brian and Jane were informed by the hotel that the function room had been damaged by a fire from faulty electrics and as a result the hotel had to cancel the booking.

Following this, Brian and Jane were informed by Events Ltd that the latter have had to act on advice received from the local health authority's health department and suspend all trading following several suspected cases of food poisoning at a birthday party for which Events Ltd had provided the catering.

Brian and Jane have now come to the conclusion that it would be best to call off the party and inform the rock band and the printers of their decision. The rock band is not happy however, as they have paid out already for new equipment for the event anticipating further bookings for them afterwards.

Required:

Discuss the effect, if any, of the doctrine of frustration and of the Law Reform (Frustrated Contracts) Act 1943 on:

- (a) On Brian and Jane's Contracts with the rock band and Printing Ltd (50 marks)
- (b) On the contracts with the hotel and Events Ltd." (50 marks)

END OF PAPER