

Ollscoil na hÉireann, Gallimh
National University of Ireland, Galway

Semester II Examinations, 2002/2003

Exam Code(s)	1BC1, 2BC1, 2BC2, 2BC3, 2BC4, 2BC5
Exams(s)	1 st & 2 nd Bachelor of Commerce Erasmus & Occasional Students
Module Codes(s)	LW160
Module(s)	Business Law
Paper No.	1
Repeat Paper __ Special Paper __	
External Examiner(s)	Mr. Ray Byrne
Internal Examiner(s)	Ms. Caterina Gardiner
<u>Instructions</u>	Answer FIVE questions Erasmus students : Answer FOUR questions All questions and parts thereof carry equal marks
Duration	THREE Hours
No. of AnswerBooks	
<u>Requirements:</u>	
Handout	
MCQ	
Statistical Tables	
Graph Paper	
Log Graph Paper	
Other Material	
No. of Pages	3
Department(s)	Law

Analyse and discuss the main sources of Irish Law

Mary is a hotel manager for The French Arch, a hotel in Galway city. She enters a contract with Crystal Cleaners Ltd. to dryclean the hotel's curtains. She has dealt with Crystal Cleaners Ltd. on six occasions in the last four years and has always been satisfied with their services. On previous occasions, when bringing the curtains in, she has been asked to sign a docket stating "Crystal Cleaners Ltd is not liable for any loss to customer's property while on the premises of the company." On this occasion, Mary is not asked to sign anything, however she is given a receipt on the back of which the same clause appears. While the curtains were in the company's storeroom, one of its employees knocked over a canister of chemicals which ruined two of the curtains. Crystal Cleaners Ltd is denying liability on the basis of the exemption clause in the contract. Advise Mary.

Analyse and discuss the rules concerning offer and acceptance in the law of contract.

Acorn Garages advertised for sale a second hand car as follows: "a 2000 silver Volvo V70, in excellent condition, one careful lady owner, 20,000 miles, €30,000 ono." After reading the advertisement, Andy visited the garage and was shown the car. The salesman mentioned a problem with the clutch, however he said it could be rectified easily. Apart from that, he confirmed that the car was in excellent condition and should give Andy many years of trouble-free motoring. Andy purchased the car. Two months later, it broke down on the motorway. Andy took it to his local garage for repair. His local garage have informed him that the car has previously been in an accident, its panels have been beaten out and it has been re-sprayed. They also inform him that the clutch needs to be replaced. Andy wishes to return the car and recover the money he paid for it. Advise him.

Tom, Dick and Harry wish to go into business together. All three would like to participate in management. They want to ensure that their liability will be limited, that they will be able to keep their affairs as private as possible and that the business will remain in their control.

- a) Explain to them the advantages and disadvantages of Partnership and Incorporation, and advise them as to which structure would suit them best.
- b) Briefly set out the procedure involved in setting up a company and a partnership.

Answer a) and b)

- a) Analyse and discuss the power of a partner to make himself and his fellow partners liable for transactions he enters into on behalf of the partnership;

AND

- b) Explain the duties of the partners towards each other

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7. Answer a) and b)

- a) Explain the concept of Corporate Personality (Separate Legal Personality of a Company);

AND

- b) What is meant by the “veil of incorporation.” Outline the circumstances in which the veil of incorporation can be lifted by the courts.

8. Answer **either** a) **or** b):

- a) Explain with reference to decided cases how the courts make the distinction between a contract of service and a contract for services in the field of employment law. Why is it important to make this distinction?

OR

- b) Shirley has been employed with a large computer components manufacturer for fifteen years. She is a sales representative with the company and has built up a good reputation with clients and until recently, always met her monthly sales targets. In March, she told her manager that she was pregnant. In April and May, she missed some important meetings due to illness and failed to meet her sales targets for those months. In June, the company sent her a letter informing her that she was being dismissed for “consistently failing to meet sales requirements.” Advise Shirley as to her rights, if any, under the Unfair Dismissals Acts 1977 to 1993.

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