

GX 1840

Ollscoil na hÉireann, Gallimh
National University of Ireland, Galway

Semester II Examinations, 2002/2003

Exam Code(s)	1EM, 1OA.
Exams(s)	Erasmus & Occasional Students
Module Codes(s)	LW205
Module(s)	Contract Law II
Paper No.	1
Repeat Paper __ Special Paper __	
External Examiner(s)	Mr. D. Capper
Internal Examiner(s)	Ms. Nicola Murphy
Instructions	Answer THREE questions
Duration	TWO AND A HALF HOURS
No. of Answer Books	
Requirements:	
Materials Permissible	English Language Dictionary
Department(s)	Law

1. Explain fully how mistaken identity may affect a contract.
2. *"It is a basic common law rule that a party is not discharged from his contractual obligations merely because performance has become more onerous or impossible owing to some unforeseen event."*

Explain the doctrine of frustration as an exception to this rule.

3. Cynthia and Cyril are a married couple. Cyril wishes to borrow €200,000 from Friendly Bank to invest in his business. The bank insists that he mortgage his family home, which is in his sole name, to secure the loan. Cyril tells Cynthia that she must call to Friendly Bank to sign some documents. He does not tell her what the documents are, and she does not ask him, as she believes that a wife should always obey her husband without question. When she visits the bank the manager asks her to sign on the dotted line, commenting, as she does, 'You might like to talk to your solicitor about this'.

Six months later, Cyril's business fails, and Friendly Bank brings an action to repossess the house. Advise Cynthia.

Would your answer be different if the security for the loan were a mortgage of a holiday home in Cynthia's name?

4. Set out the ways in which the relationship of agency may be created.
5. *"A misrepresentation is made when one contracting party has uttered a statement of fact which is untrue... [T]he injured party may be able to recover damages or repudiate the contract if the misrepresentation can be deemed fraudulent, negligent or innocent...[T]he remedy available depends largely on which category the statement falls into."*

Discuss.

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