

GX 1842

Ollscoil na hÉireann, Gallimh
National University of Ireland, Galway

Semester II Examinations, 2002/2003

Exam Code(s)	1CL1, 1CW1, 1EM1, 1OA1.
Exams(s)	1 st Bachelor of Corporate Law 1 st Bachelor of Civil Law Erasmus & Occasional Students
Module Codes(s)	LW328
Module(s)	Contract Law
Paper No.	
Repeat Paper __ Special Paper __	
External Examiner(s)	Mr. D. Capper
Internal Examiner(s)	Ms. Nicola Murphy
Instructions	Answer FOUR Questions
Duration	THREE Hours Erasmus students may take an extra half an hour
No. of AnswerBooks	
Requirements:	
Materials Permissible	
Department(s)	LAW

1. Philip inserts an advertisement in the *Galway Advertiser* offering a reward of €100 for the return of his lost dog, Spot. Anna, a Swiss woman on holiday in Galway, finds the dog and brings him to Philip's house. Philip takes the dog but makes no reference to the reward.

Advise Anna whether a contract has been formed between them in the following situations:

- (i) She saw the advertisement for the first time the day after she returned Spot.
- (ii) She saw the advertisement before she found Spot but had such limited knowledge of English that she did not understand it.
- (iii) She saw the advertisement, understood it, but returned Spot solely because she felt sorry for him.

2. Give a critical account of the operation of the doctrine of promissory estoppel.
3. *"The 'innominate term' classification is always to be preferred. It prevents one party from using a trivial breach to escape from what has become, for him or her, a bad bargain."* Discuss.
4. Explain fully how mistaken identity may affect a contract.
5. *"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.
6. 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 the 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?

END