

GX 1659

Ollscoil na hÉireann, Gallimh
National University of Ireland, Galway

SEMESTER 1 Examinations, 2003/2004

Exam Code(s)	2CL1, 1EM1.
Exams(s)	2 nd Bachelor of Corporate Law Erasmus & Occasional
Module Codes(s)	LW403
Module(s)	Commercial Law I
Paper No.	1
External Examiner(s)	Professor H. Ellis
Internal Examiner(s)	Professor L. O'Malley
<u>Instructions</u>	Answer THREE questions All questions or parts of questions carry equal marks unless otherwise indicated.
Duration	TWO Hours
No. of AnswerBooks	
<u>Requirements:</u>	
Handout	
MCQ	
Statistical Tables	
Graph Paper	
Log Graph Paper	
Other Material	Consumer Credit Act, 1995, Parts VI (6) and IX (9). Sale of Goods Act 1893 Sale of Goods and Supply of Services Act 1980 European Communities (Unfair Terms in Consumer Contracts) Regulations 1995, SI 27/1995. Liability for Defective Products Act, 1991.
Department(s)	Law

PTO

1. Advise the buyers in each of the following cases as to their rights if any for breach of contract against the seller:

(i) Mary bought a new television set from Consumer Electronics Ltd, a local shop. Three weeks after purchase, the television developed a serious defect in the picture quality. She took it back to the shop and asked for her money back. The manager refused to make a refund and said the best he could do was to return the goods to the manufacturers for replacement.

What additional rights, if any, would Mary have under the terms of Directive 99/44/EC on the Sale of Consumer Goods and Associated Guarantees?

(ii) Quality Painters bought Magicoat paint from Paint Factors Ltd, whose salesman, Kurt, advised that it was suitable for galvanised iron roofs. The paint was in fact unsuitable and the roofs had to be repainted with a different paint after three months. Paint Factors Ltd refused to compensate Quality Painters saying that Kurt was a new employee who knew nothing about paints, and that they did not have to follow his advice in any event. They also pointed out that their conditions of sale excluded liability for all misrepresentations of the seller and for breach of any condition or warranty, express or implied, regarding the paint supplied.

2. Although most contracts may be made informally, there are a number of situations in which a number of formalities may have to be observed. Explain the formalities necessary to ensure that (a) a sale of goods contract, and (b) a contract of hire-purchase, will be enforceable, respectively.

What additional formalities are required, if any, in a situation in which the parties contract at a distance and are not physically in the presence of one another with the contract is negotiated?

3. O'Gorman obtained a used car on hire purchase terms from Speedy Credit Garages Ltd. Under the terms of the contract, O'Gorman agreed to pay a deposit of €1,000 and to pay the balance of the hire purchase price of €12,000 in 24 monthly installments of €500 each. After three payments were made the car broke down, and O'Gorman took it back to the garage, saying that he would not pay any more until it was put right. The garage manager told him that he would inform the finance company (Ace Loans Ltd) with which the hire purchase was arranged. Some weeks later O'Gorman received a demand from Ace Loans Ltd for €1,000 in unpaid installments. Advise O'Gorman on his legal rights and obligations. What difference, if any, would it make to O'Gorman's rights if he had paid €5,000 or €6,000 in installments respectively?

PTO

4. Analyse and discuss the potential liability (refer to liability under contract, tort, or the Liability for Defective Products Act, 1991 as appropriate) for damage caused by defective products in each of the following hypothetical situations:
 - (i) Mike was injured (he suffered lacerations of his mouth and throat) while eating a food product manufactured by an English company, Breakfast Fried Foods Ltd, which he bought at his local supermarket, U-Stores Ltd. Tiny sharp slivers of metal were found in the food product.
 - (ii) Susan was injured when the tyre on her motor bike blew out and caused her bike to go out of control. It was discovered that the tyre was damaged when fitted by her garage, Locomotors Ltd. The tyre itself had a tendency to suffer such damage unless handled carefully, and fitted in an unusual way. It had been manufactured in Turkey and imported into Ireland by Banshee Traders Ltd, Dublin. In addition to medical expenses of €5,000, Susan has been unable to work for three months and still suffers back pain.
5. The Sale of Goods and Supply of Services Act, 1980 and the Consumer Credit Act, 1995 have provided an effective regime for the protection of Irish consumers. Discuss.
6. Write brief notes on **ANY TWO** of the following:
 - (i) The effect of the European Communities (Unfair Terms in Consumer Contracts) Regulations 1995 (SI No. 27 of 1995).
 - (ii) The meaning and significance of 'dealing as a consumer' in modern consumer legislation.
 - (iii) Implied terms in supply of service contracts;
 - (iv) The scope of the implied terms concerning (a) the safety of motor vehicles and (b) spare parts and servicing as introduced by ss. 12 and 13 of the Sale of Goods and Supply of Services Act 1980;
 - (v) The European Commission's proposal for a Directive on Unfair Business-to-Consumer Commercial Practices.
 - (vi) The scope and impact of the European Communities (Protection of Consumers in respect of Contracts Made by means of Distance Communication) Regulations 2001, S. I. 207 of 2001.

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