



CONTRACT LAW

Duration of the exam: 3 hours
Consultation of academic materials allowed

Part I . Multiple Choice Questions

10 Questions - (0,8 points per question - no penalty for an incorrect answer)

Consider the following scenario and answer all of the multiple choice questions below (10 Questions) - **For each of the questions, check only one box.**

On Saturday 2nd of January 2021, Mathilde, a political science student at VONA University, saw an advertisement for a second-hand aPhone 3 in the faculty's newsletter for 100€. She sent a message to the owner of the aPhone, Fabrice, requesting more information about the phone. Fabrice replied to Mathilde and invited her to come and see it. On the 3rd of January, Mathilde went to the address provided by Fabrice to see the phone. Fabrice told her: 'for 100€, the aPhone is yours'. Mathilde replied that she would think about it. As Fabrice was having some issues with his internet connection, he asked Mathilde to let him know her answer by post by Wednesday 6th of January 2021. On Monday 4th of January 2021, Mathilde went to the post office to send Fabrice a letter informing him that she had decided to purchase the aPhone for the proposed sum of 100€. The letter arrived the next day at noon. On the morning of Tuesday 5th of January, a friend of Fabrice, Flavien, came to visit him. He saw the aPhone and offered to buy it for 150€. Fabrice accepted and sold him the phone. Fabrice phoned Mathilde at 11:30am that morning to inform her that he had sold the aPhone to Flavien and as she did not pick up her phone, he left a message on her answering machine. Mathilde listened to the message on her answering machine at 17:00 that day.

- Question 1:** How would English Contract Law normally qualify Fabrice's advertisement of the aPhone in the faculty's newsletter?
- a) as an offer
- b) as an invitation to treat
- c) as a counter-offer

d) all of the above

Question 2: How would Portuguese Contract Law normally qualify Fabrice's advertisement of the aPhone in the faculty's newsletter?

a) as an invitation to treat

b) as an offer

c) as a counter-offer

d) all of the above

Question 3: How would English Contract law normally qualify Fabrice's statement: 'for 100€, the aPhone is yours'?

a) as an invitation to treat

b) as an offer

c) as a counter-offer

d) none of the above

Question 4. Under English Contract Law, did Fabrice validly revoke his offer to Mathilde?

a) Yes, he validly revoked his offer when he sold the aPhone to Flavien

b) Yes, he validly revoked his offer when he phoned Mathilde and left a message on her answering machine

c) No, he did not validly revoke his offer to Mathilde because the revocation took place within the time period he had given to Mathilde to accept the offer

d) None of the above

Question 5. What is the position of Portuguese Contract Law in relation to the revocation of an offer?

a) It generally considers that an offer can only be revoked before or at the same time as the offer is received

- b) It considers that an offer is normally not revocable once the offer has been received
- c) It considers that an offer made to the public can be revoked provided that the revocation is made in the same form or in an equivalent form of the offer
- d) all of the above

Question 6. Which of the following statements most accurately summarises the position in French contract law in relation to Fabrice's revocation of his offer?

- a) French law would consider that no contract has been formed
- b) French law would consider the revocation to be abusive as it frustrated the legitimate expectations of Mathilde
- c) Fabrice may incur extra-contractual liability under French Law
- d) all of the above

Question 7. In French Contract Law, at which point, if at all, would a legally binding contract between Fabrice and Mathilde be deemed to have been formed?

- a) when Mathilde went to Fabrice's house and Fabrice told her: 'for 100€, the aPhone is yours'
- b) when Mathilde posted the letter informing Fabrice of her decision to buy the phone on Monday 4th of January 2021
- c) when Fabrice received Mathilde's letter on Tuesday 5th of January 2021 at noon
- d) a legally binding contract was never formed between Mathilde and Fabrice in French Contract Law

Question 8. In English Contract Law, at which point, if at all, would a legally binding contract between Fabrice and Mathilde be deemed to have been formed?

- a) when Mathilde went to Fabrice' house and Fabrice told her: 'for 100€, the aPhone is yours'
- b) when Mathilde posted the letter informing Fabrice of her decision to buy the aPhone on Monday 4th of January 2021

- c) when Fabrice received Mathilde's letter on Tuesday 5th of January 2021 at noon
- d) a legally binding contract was never formed between Mathilde and Fabrice in English Contract Law

Question 9. Now imagine that the communication between Mathilde and Fabrice had taken place via email, rather than via post, so that Mathilde had sent Fabrice an email on Monday 4th of January 2021 informing him that she had decided to purchase the aPhone for the proposed sum of 100€. The email arrived on Fabrice's server a few minutes later, however, Fabrice was not able to see the email then as it was automatically sent to its spam folder. Fabrice only saw the email the next day when he checked his spam folder around noon. Indicate which of the following statements best represents the opinion of the majority of authors in English Contract Law:

- a) a legally binding contract was formed when Mathilde went to Fabrice' house and Fabrice told her: 'for 100€, the aPhone is yours'
- b) a legally binding contract was formed when Mathilde sent the email to Fabrice informing him of her decision to buy the aPhone on Monday 4th of January 2021
- c) a legally binding contract was formed when Fabrice read the email on Tuesday 5th of January at noon.
- d) none of the above

Question 10.

Under the Principles of European Contract Law, did Fabrice validly revoke his offer to Mathilde?

- a) Yes, he validly revoked his offer when he phoned Mathilde and left a message on her answering machine on Monday morning
- b) Yes, he validly revoked his offer when Mathilde listened to the message that Fabrice had left on her answering machine on Tuesday at 17:00.
- c) No, he did not validly revoke his offer to Mathilde because the revocation took place within the time period he had given to Mathilde to accept the offer
- d) None of the above

Part II . Questions

Please **answer 3 and only 3** of the following 5 questions.

(4 points per question)

Question 11: When Cicero's son left home to go study in Athens, Cicero was disappointed to find out that he was not devoting himself to his studies as he had hoped. Cicero sent his son a letter to make him reflect about morally correct behaviour. One of the examples provided by Cicero was the one which became known as the test case of the Famine at Rhodes. The test case goes as follows:

'suppose, for example, a time of dearth and famine at Rhodes, with provisions at fabulous prices; and suppose that an honest man has imported a large cargo of grain from Alexandria and that to his certain knowledge also several other importers have set sail from Alexandria, and that on the voyage he has sighted their vessels laden with grain and bound for Rhodes; is he to report the fact to the Rhodians or is he to keep his own counsel and sell his own stock at the highest market price? I am assuming the case of a virtuous, upright man, and I am raising the question how a man would think and reason who would not conceal the facts from the Rhodians if he thought that it was immoral to do so, but who might be in doubt whether such silence would really be immoral.'

Analyse this test case in light of the principles which apply to the duty to disclose information during pre-contractual negotiations, and critically reflect upon the role of the duty of good faith in French, English and Portuguese Contract Laws more generally.

Question 12: Consider the following scenario:

Alexandra, the owner of a trendy restaurant in London, has hired André to help clean the restaurant. André normally works 3 hours a day, 5 days a week and gets paid £600 a month. With the COVID-19 pandemic, extra health and hygiene measures are now required in order for restaurants to obtain the 'clean and safe' stamp of approval. Alexandra asks André if he would be prepared to do some extra work for a couple of weeks, after which point she would hire someone else to do the extra work. André accepted and carried out the additional tasks which took him an extra hour per day. Alexandra was extremely pleased when her restaurant obtained the 'clean and safe stamp' and told André that there would be a bonus in his pay packet.

When André was paid at the end of the month he was surprised to see only £600 in his pay packet especially due to the fact that he had worked 70 hours instead of his usual 60, in doing extra cleaning as requested. Alexandra has now refused to give him the bonus. She says that her promise of payment came after the additional cleaning had been carried out. André comes to see you to seek legal advice and asks whether he would be able to

enforce Alexandra's promise under English Contract Law? **Support and illustrate your answer with case law.**

Question 13: Article 1130 of the French Civil Code provides that:

Mistake, fraud and duress vitiate consent where they are of such a nature that, without them, one of the parties would not have contracted or would have contracted on substantially different terms.

The decisive character is assessed in the light of the person and of the circumstances in which consent was given.

Explain and analyse this article in light of the principles applicable to mistake and fraud in French Contract Law. Are the same principles applicable in English Contract Law? **Illustrate your answer with case law.**

Question 14: Consider the following scenario:

Hugo used to work as a barman in a pub in Manchester. However, his father, Thierry, insisted that he should quit his job in order to become a vet. In September 2017, Hugo moved to Sheffield to take a veterinary science degree after Thierry promised to give him £1,000 a month for rent and maintenance during his studies. Hugo, who has not been very studious and had to re-sit many exams, has still not graduated. Thierry is very upset about this and has now stopped sending money to Hugo. Hugo comes to see you to seek advice as to whether he can enforce his father's promise under English Contract Law and have him continue to give him £1,000 a month whilst he remains a student. **Advise him using case law to illustrate your answer.**

Question 15: Consider the following scenario:

Following the closure of the schools due to the outbreak of new COVID-19 cases, Céline is now home-schooling her 3 children and needs a printer to print the homework sent by their teachers. On the 22nd of January 2021, as she was browsing the internet, she saw a printer on the Sumsang website advertised on 'special offer' for 30€ and decided to buy it. She placed her order online on that same day, the payment was processed straight away and the website displayed a message saying that her order had been processed. 5 minutes later, she received an email confirming receipt of her order. After receiving several hundred orders in just a few hours, Sumsang realised that they had made a mistake in the price advertised and informed Céline, and all the other costumers who had placed an order, that they would not honour their orders for the printers. Since various customers complained, Sumsang replied explaining, firstly, that the Sumsang standard terms of sale published on their website affirm that Sumsang had the right to change the content of the website at any time including prices; secondly, that the display of price-marked goods is



not an offer to sell goods but, merely an invitation to treat and that no contract has been formed since they had not yet dispatched the goods. Céline comes to see you for legal advice and asks whether she can enforce the contract under English Contract Law. **Advise her using case law to illustrate your answer.** Would the solution be the same under French and Portuguese Laws?