Examination Period 3: 2016/17

LAW101517N

Module Title: Business and Company Law
Level: Four
Time Allowed: Two hours

Instructions to students:
• Enter your student number not your name on all answer books.
• Answer three out of six questions.
• All questions are equally weighted.

No. of Pages: 3
No. of Questions: 6
Answer **three** out of **six** questions.

1. Adrian wished to sell his laptop and put an advert in Free-ads, Offer for sale: Tech-nik 300 £1000, followed by his phone number. Brian telephoned Adrian and went to see the laptop and said that he would pay £500 but that he must have a written answer by next Wednesday.

   Adrian decided to sell the laptop to Brian and on Tuesday posted a letter by first class post to inform him of this. On the same day Adrian sent a fax to Brian’s office but the fax was put on Brian’s desk and buried under a pile of papers. The letter was delayed in the post and was not delivered to Brian’s house until Thursday.

   On Wednesday, as Brian had not heard from Adrian, he bought another laptop. Adrian is now claiming that Brian is in breach of contract.

   **Advise Adrian**

2. Explain how a consumer is protected from an unfair exclusion clause:
   
   a. under the common law  
   b. by Statute

3. Explain how an agency relationship can be established in the following ways:
   
   a. by agreement  
   b. by ratification  
   c. by estoppel  
   d. by necessity

4. Ahmed ran a plumbing business as a sole trader for many years. His accountant has recommended that he should consider registering as a private company in order to gain the benefits of separate personality. He is unsure exactly what this is and seeks your advice on this and how he would go about registering?

   **Advise Ahmed**

Questions continue overleaf
5. Esther has worked for Reshma for the past 5 years. They frequently socialise together and have always been on friendly terms. Recently, however, they had an argument outside of work and totally unrelated to it. Esther is now concerned that Reshma is going to dismiss her from her job at the end of the week.

Advise Esther in relation to the law relating to unfair dismissal. In particular advise her as to:

a. the grounds on which dismissal may be fair
b. the grounds on which dismissal will be automatically unfair
c. the remedies she would have if she were to be unfairly dismissed.

6. Explain:

a. how the courts might ascertain whether a worker is an employee or an independent contractor
b. the importance of the distinction between employees and independent contractors