



GCE A level

1254/01



S15-1254-01

LAW – LA4

**UNIT 4: Understanding Law in Context:
Freedom, The State and The Individual
OPTION 1: Contract and Consumer Law**

P.M. FRIDAY, 19 June 2015

2 hours 30 minutes

ADDITIONAL MATERIALS

In addition to this examination paper, you will need a 12 page answer book.

INSTRUCTIONS TO CANDIDATES

Use black ink or black ball-point pen.

Answer **two** questions from Section A and **one** question from Section B.

Write your answers in the separate answer book provided.

INFORMATION FOR CANDIDATES

Each question carries 25 marks.

The number of marks is given in brackets at the end of each question or part-question.

You are reminded that assessment will take into account the quality of written communication used in your answers.

You are reminded that this paper contains a synoptic element in Section B and will test understanding of the connections between the different elements of the subject.

Option 1: Contract and Consumer Law

SECTION A

Answer two questions from this section.

1. Evaluate the extent to which the law ensures that a debtor can actually afford the credit being offered to him or her by a consumer lender. [25]

2. Evaluate the extent to which the Consumer Credit Act 2006 has strengthened the position of vulnerable consumers through its alternative dispute resolution mechanism. [25]

3. Evaluate the effectiveness of the law in the light of the closure of the Office of Fair Trading. [25]

4. Critically discuss the approach adopted in regulating exemption clauses under English and Welsh Law. [25]

SECTION B

Answer one question from this section.

5. Study the text below and answer the questions based on it.

“Damages are normally concerned to compensate the victim of a wrong. They are designed to make good, as far as possible, the pecuniary or non-pecuniary loss suffered by the victim by putting him or her in to as good a position as if no wrong had occurred.”

Source: Law Commission, Sixth Programme of Law Reform: Damages

- (a) Explain the way in which contractual rights are perceived more in terms of their breach rather than their performance. [11]
- (b) Evaluate the significance of Equity in the development of Contract and Consumer Law in England and Wales. [14]

6. Study the text below and answer the questions based on it.

“Paying for goods or services by credit card is now a major part of daily life with many people preferring this method of payment to using cash or cheques. An advantage of using a credit card is that, under Section 75 of the Consumer Credit Act 1974, customers who have a claim against a supplier for breach of contract or misrepresentation will generally have an equal claim against the card issuer.”

Source: Financial Ombudsman News, Issue 31, September 2013

- (a) Explain the connected lender liability provisions under the Consumer Credit Act. [11]
- (b) Evaluate the significance of human rights in the development of the consumer credit law in England and Wales. [14]

END OF PAPER