

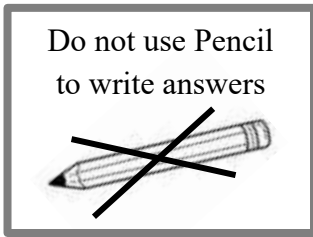
# Sri Lanka Law College Special Entrance Examination 2025

## Law of Contract - Model Paper

### Instructions to candidates

One hour

#### Very Important:



\* When answering write down the digits as mentioned below

0 1 2 3 4 5 6 7 8 9

Write your Index Number here and on page 3 in the space indicated.

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Index Number is checked as correct

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Invigilator's Initials

#### Important :

- \* This paper consists of **03** questions.
- \* Answers must be provided for **02** questions.
- \* **Instructions given should be strictly followed in answering this paper and marks will not be awarded for answers not in accordance with these instructions.**
- \* Even if you are not attempting the paper hand it over to the Supervisor.
- \* Write the answers clearly and legibly in **blue** or **black** ink only and **not in pencil**.
- \* It is offence to remove this paper from the examination hall or turn out photos / photocopies of the same.
- \* **Answer scripts with illegible figures, illegible handwriting, those where erasing fluid has been used and written in pencil will not be marked / evaluated.**

Question Nos.	Marks Awarded
<b>For Examiner's use only</b>	
<b>Total</b>	

#### Final Score

In Figure

In Word

Answer Script

Marked by

Checked by

Chief Examiner

1. A was a very rich man. He had two children, X and Y. He left all his property to his wife B. After A died, B gave the property to her son X without giving any property to her daughter Y. Y instituted action against X, claiming that since X did not give Y any share of the property, she had threatened to sue X, at which point he had agreed to pay her Rs. 150 million in 5 instalments. X had, in fact, paid Y a sum of Rs. 24.5 million thereafter. Y claimed the remaining sum. The evidence led shows that the fear of litigation was not the motive for the agreement into which X entered to pay Y a sum of Rs. 150,000. The evidence also shows that X's action in this matter was guided by his father's last words and a moral awareness that he was getting a large sum of money while his sister was not.

(a) Briefly explain the principles of consideration and causa. (15 marks)

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*\*This is just a sample question, so please do not be concerned about the space provided.*

(b) Is there a contract between X and Y? (20 marks)

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(c) Would it have made any difference if the evidence had shown that Y was motivated by the fear of litigation by X? (15 marks)

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*\*This is just a sample question, so please do not be concerned about the space provided.*

2. P and Q negotiated the modification of a vehicle through email. Indicate in each of the scenarios below whether a contract had been concluded:

- (a) P quoted a price of 2 million for the work, which involved the modification of several parts of the vehicle, but did not include the headlights being revamped. Q responded stating that he was agreeable, if the headlights could also be included. (10 marks)

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- (b) P responded to an email from Q which set out the scope of work and price stating, "I can do it for that price. Please let me know if you prefer the darker or lighter shade of green." (10 marks)

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*\*This is just a sample question, so please do not be concerned about the space provided.*

(c) Q responds to the terms stating I accept your proposal subject to a proper contract being prepared by my lawyers". (10 marks)

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(d) Q responds by stating "This is a provisional agreement until a fully legalized agreement is drawn up by my lawyers embodying all the conditions herewith stated is signed." (10 marks)

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(e) After multiple emails, Q lists the terms he can agree to and states, "These are the terms that I can agree to. If I do not here from you in the next two days, it is assumed that you are agreeable to the conditions and that you have accepted this offer". P reads the email, but chooses not to respond. (10 marks)

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3. Two parties, X and Y, were negotiating a contract for the supply of coal. Y was a government institution with a standard form contract, which formed the basis of negotiation. They exchanged communication via email and the original draft was amended multiple times by X using “track changes” to highlight the differences. The agreement was finalized, and X, one of the parties, asked the other party, Y, to examine if there were any errors. Both parties signed the contract. Several months later Y discovered that the payment formulae had been changed by shifting a decimal point. This caused a tenfold loss. The contract was 50 pages long. The change in the decimal point had not been highlighted on track change, and Y had not indicated in any correspondence that it wished to change the formulae.

(a) To what extent can pre-contractual correspondence be used in interpreting the terms of a contract? (10 marks)

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(b) What are the legal principles upon which Y can **rescind** the contract? Explain. (15 marks)

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*\*This is just a sample question, so please do not be concerned about the space provided.*

(c) On what basis can Y ask that the original formulae to be adopted. Explain (15 marks)

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(d) What other evidence would you consider relevant to determine any of the above issues? (10 marks)

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*\*This is just a sample question, so please do not be concerned about the space provided.*