



**THE LAW SOCIETY OF SCOTLAND
EXAMINATIONS**

SCOTS COMMERCIAL LAW

Friday 10 August 2018

**1000 - 1200
(Two Hours)**

**Candidates should answer THREE questions
All sections of a question must be answered.**

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Question 1

Angus and Scot run a Watersports Centre in Argyll. They have recently encountered some problems and now require advice on the following issues:

- . (a) They have an agreement with neighbouring farmer Morag to supply the canteen in the Centre with four boxes of tomatoes each day to make sandwiches for guests. On Friday morning Morag delivered her consignment with all but one box of tomatoes squashed. Angus and Scot were minded to return the squashed boxes but required at least three boxes to provide the lunches. Would your advice differ if Morag delivered eight boxes that day rather than the usual four?
- . (b) The Watersports Centre also contracts with Murray to supply their eggs. He usually supplies four dozen eggs each week. Last week Murray supplied the full order but two dozen along with three other eggs from the third dozen were cracked. Angus and Scot have threatened to return the 27 eggs and sue Murray.
- . (c) Angus and Scot have agreed with Scot's sister, Lyndsay to build and fit new hanging racks for wetsuits and windsurfers in the shed. Lyndsay and two of her colleagues delivered the racks on Saturday evening because they were so large and were due to fit them on Monday. When Lyndsay and her team returned to the Watersports Centre on Monday, the racks were missing. Lyndsay is refusing to deliver other racks but Angus and Scot insist that she has not fulfilled her contractual obligations.

Ensure that your answers are supported by legal authority.

[Please turn over]

Question 2

Explain the issues which may arise for a trustee in bankruptcy where a dwelling house vests in the trustee.

Question 3

Does Scots law impose sufficient safeguards to ensure that close family members who provide caution for their relatives' debts are not subject to misrepresentation or undue influence by the borrower?

Question 4

Discuss the remedies available to a consumer where there has been a breach of a contract for the supply of goods.

Question 5

Fred owes £5000 to Barney. The sum is due for payment for building work carried out by Barney at Fred's garage business. The contract was recorded for preservation and execution in the Books of Council and Session. Fred denies liability. Barney notes that Fred has the following assets;

- a) A house worth £150 000
- b) A classic car worth £90 000
- c) A bank account with Rich Bank plc which is £10000 in credit

Can Barney execute diligence against any of these assets and if so, which diligence should he use and what steps will be necessary beforehand?

Question 6

Critically analyse the terms of s3 of the Insurance Act 2015 and consider how far the duty of disclosure as required in terms of the previous law has been altered, if at all.

END OF QUESTION PAPER