



**COLLEGE OF BANKING AND FINANCIAL STUDIES**  
**DEPARTMENT OF PROFESSIONAL STUDIES**



**Assignment front sheet**

**Assignment - 1**

<b>Qualification</b>		<b>Unit number and title</b>	
Pearson BTEC Level 5 HND Diploma in Business		Unit 5 - Aspects of Contract and Negligence for Business	
<b>Semester</b>		<b>Batch</b>	
II		SPRING 2016-17	
<b>Student name</b>		<b>Assessor name</b>	
		Ms.Sona Narayan	
<b>Student No.</b>		<b>Internal Verifier (IV) name</b>	
		Ms.Joyce Noronha	
<b>Date issued</b>	<b>Due Date</b>	<b>Completion date</b>	<b>Submitted on</b>
1-10-2016	1-11-2016	Formative feedback will be provided by 17-11-2016 Resubmission after incorporating formative feedback: 24-11-2016	

<b>Assignment title</b>	Understand the essential elements of a valid contract in a business context and the importance of terms in a contract
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<b>Learning Outcome</b>	<b>Learning outcome</b>	<b>Assessment Criteria</b>	<b>In this assessment you will have the opportunity to present evidence that shows you are able to:</b>	<b>Task no.</b>	<b>Evidence (Page no)</b>
LO1	Understand the essential elements of a valid contract in a business context	1.1	Explain the importance of the essential elements required for the formation of a valid contract	1	
		1.2	Discuss the impact of different types of contract	2	
		2.1	Apply the elements of contract in given business scenarios	3	
LO2	Be able to apply the elements of a contract in business situations	1.3	Analyse terms in contracts with reference to their meaning and effect	4	
		2.2	Apply the law on terms in different contracts	5	
		2.3	Evaluate the effect of different terms in given contracts	6	

**Learner declaration**

I certify that the work submitted for this assignment is my own and research sources are fully acknowledged.

Student signature:

Date:

<p><b>In addition to the above PASS criteria, this assignment gives you the opportunity to submit evidence in order to achieve the following MERIT and DISTINCTION grades</b></p>
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Grade Descriptor	Indicative characteristic/s	Contextualisation
<b>M1 Identify and apply strategies to find appropriate solutions</b>	<p>Effective judgements have been made.</p> <p>An effective approach to study and research has been applied.</p>	<p>To achieve M1, you must identify and apply the concept of legal capacity to the given case and should reach an effective judgement (Task 2). To achieve M1, you must explain the types of terms by applying an effective approach of study (Task 5).</p>
<b>M2 Select / design and apply appropriate methods / techniques</b>	<p>A range of sources of information has been used.</p> <p>The design of methods /techniques has been justified</p> <p>Relevant theories and techniques have been applied</p>	<p>To achieve M2, you must select and use appropriate case laws and legal terms relating to essentials of contract (Task1). To achieve M2, you must apply decided cases, relevant theory and legal terms in respect of counter offer (Task3).To achieve M2, you should explain the difference between terms and representation with decided cases (Task 4). To achieve M2, you must select decided cases on terms and should justify your answers (Task 5).</p>
<b>M3 Present and communicate appropriate findings</b>	<p>The appropriate structure and approach has been used</p>	<p>To achieve M3, you must present and communicate appropriate findings of court in the given case with regard to invitation to treat and should also explain the other types of contract (Task 1). To achieve M3, you should state the tests used by courts to differentiate terms from representation with suitable cases or examples (Task 4). To achieve M3, you must cite decided cases on innominate terms (Task 6).</p>
<b>D1 Use critical reflection to evaluate own work and justify valid conclusions</b>	<p>Conclusions have been arrived at through synthesis of ideas and have been justified</p>	<p>To achieve D1, you must have critically analysed your conclusion with regard to the sale of car in the given scenario (Task 3). To achieve D1, you should critically evaluate scenario 4 and should arrive at conclusion as to the effect of terms on the scenario (Task 6).</p>
<b>D2 Take responsibility for managing and organising activities</b>	<p>The importance of interdependence has been recognised and achieved</p>	<p>To achieve D2, you must clearly establish the interdependence of concept of legal capacity and enforceability of contract (Task 2).</p>
<b>D3 Demonstrate convergent /lateral / creative thinking</b>	<p>Ideas have been generated and decisions have been taken</p>	<p>To achieve D3, you must have a creative thinking in solving the above scenario and should come to a conclusion on its enforceability with the help of relevant cases and should identify the other types of contracts (Task 2).</p>

# Assignment brief

## Purpose of this assignment

The aim of this assignment is to provide an understanding of the law of contract, with a particular focus on the formation and operation of a business contract. Learners are encouraged to explore the contents of such an agreement and, in particular, to appreciate the practical application of standard-form business contracts. Additionally, this assignment is to provide an understanding of the law of contract, with a particular focus on the formation and operation of a business contract. This assignment emphasis on the importance of contractual terms.

### **Scenario 1:**

Al Habib Builders issued an advertisement in the newspaper stating that " We may be prepared to sell our house for RO 3000 to our tenants; if you would like to buy it make a formal application...". Ahmed was a tenant of Al Habib builders and he sent a formal application. Al Habib Builders refused to accept it. Ahmed sued Al Habib Builders for breach of contract.

### **Task 1 – LO1 - Explain the importance of the essential elements required for the formation of a valid contract 1.1(P,M2,M3) :**

- 1. Explain the importance of the essential elements required for the formation of a valid contract and examine whether these elements of contract are present in the above scenario?**
- 2. Explain the invitation to treat in the above scenario with cited cases?**
- 3. Explain other types of invitation to treat with decided cases?**

To achieve pass, you must explain the importance of the essential elements of a valid contract.

To achieve M2, you must select and use appropriate case laws and legal terms relating to essentials of contract.

To achieve M3, you must present and communicate appropriate findings of court in the above case with regard to invitation to treat and should also explain the other types of contract.

### **Scenario 2:**

Nestle was running a special offer whereby members of the public could obtain a music record by sending off three wrappers of Nestle's chocolate bars within a specified time to a specific address. Faisal a minor sent three wrappers within stipulated time and claimed his reward. Nestle then rejected his claim stating that he was a minor. Faisal sued Nestle for breach of contract

### **Task 2 – LO1 - Discuss the impact of different types of contract 1.2 P,M1,D2 :**

- 1. Discuss the impact of different types of contract based on their enforceability in the light of above scenario**
- 2. Examine whether there is a valid contract between Nestle and Faisal?**
- 3. Explain the other types of contracts?**

To achieve pass, you must discuss the impact of different types of contract based on their enforceability.

To achieve M1, you must identify and apply the concept of legal capacity to the above case scenario and should reach an effective judgement.

To achieve D2, you must clearly establish the interdependence of concept of capacity and enforceability of contract with the help of cases.

To achieve D3, you must have a creative thinking in solving the above scenario and should come to a conclusion on its enforceability with the help of relevant cases and should identify the other types of contracts.

### **Scenario 3:**

Abdulla offered to sell a restaurant to the Ali for RO 20,000. Ali in reply offered RO 18000 which was refused by Abdulla. Later Ali sought to accept the original offer of RO 20,000. Now, Abdulla refused to sell it. Ali approached court for specific performance

### **Task 3 – LO1 - Apply the elements of contract in given business scenarios 2.1 P,M2,D1 D3:**

- 1. Apply the elements of contract in given business scenario and explain whether Ali can compel Abdulla to complete the sale?**
- 2. Applying decided cases, determine whether a request for information amounts to a counter offer?**

To achieve pass, you must apply the elements of contract to the given business scenario.

To achieve M2, you must apply decided cases, relevant theory and legal terms in respect of counter offer.

To achieve D1, you must have critically analysed your conclusion with regard to the sale of restaurant in the above scenario.

To achieve D3, you must use relevant examples and decided cases to determine whether a request for information amounts to a counter offer.

### **Task 4 – LO2 - Analyse terms in contracts with reference to their meaning and effect 1.3**

**P,M2,M3 :**

#### **1. Analyse the significance of 'terms' in a contract with respect to their meaning and effect**

To achieve pass, you should analyse the significance of 'terms' in a contract with respect to their meaning and effect

To achieve M2, you should explain the difference between terms and representation with decided cases.

To achieve M3, you should state the tests used by courts to differentiate terms from representation with suitable cases or examples.

### **Scenario 4:**

Mubarak developed a new medicine for Aids .He now entered in to contract with Al Qasim Pharma a sales company, who were granted the sole right to sell medicines manufactured by Mubarak. At the time of entering into the contract both parties discussed various matters relating to the contract and finally concluded that, the total price of the medicines to be supplied would be RO 10,000, that the medicines should be collected by manager of the company on the first day of every week and the contract period is from 1<sup>st</sup> January 2016 to 31<sup>st</sup> December 2016. This imposed an obligation to make 58 visits in total. The manager failed to make 2 visits and some visits were made by other officials of the company. Anyway the company collected the medicines needed for the business. Now Mubarak is not happy with this and wanted to cancel the whole contract with the company

### **Task 5– LO2 - Apply the law on terms in contracts 2.2 P,M1,M2:**

#### **1 Apply the law on terms and identify the various terms referred to in the above scenario**

To achieve pass, you must apply the law on terms and identify the various terms referred to in the above scenario

To achieve M1, you must explain the types of terms by applying an effective approach of study.

To achieve M2, you must select decided cases on terms and should justify your answers.

**Task 6 – LO2 - Evaluate the effect of different terms in given contracts 2.3 P,M3,D1:**

**1. Evaluate the effect of different terms in the above scenario 4 using a relevant decided case on the issue.**

**2. Do you think Mubarak can cancel the contract with Al Qasim Pharma? Why?**

To achieve pass, you must evaluate the effect of different terms in the above case scenario by applying the innominate term approach.

To achieve M3, you must cite decided cases on innominate terms.

To achieve D1, you should critically evaluate scenario 4 and should arrive at conclusion as to the effect of terms on the scenario.

<b>Evidence checklist</b>	<b>Summary of evidence required by student</b>	<b>Evidence presented</b>
Task 1	Explain the importance of the essential elements required for the formation of a valid contract	
Task 2	Discuss the impact of different types of contract	
Task 3	Apply the elements of contract in given business scenarios	
Task 4	Analyse terms in contracts with reference to their meaning and effect	
Task 5	Apply the law on terms in different contracts	
Task 6	Evaluate the effect of different terms in given contracts	

**Guidance notes:**

1. Use standard document formats and structures.
2. Word process the documents.
3. Use 12 point Arial or Times New Roman script.
4. Provide a list of references and use the Harvard referencing system.
5. Complete the title page and sign the statement of authenticity.
6. Upload the entire assignment in MS word format only on Turnitin.
7. Staple only once to keep the pages of your work together.
8. Late submission, late work will only be marked on the next occasion the unit is taught.
9. Submit the work along with the Turnitin report.
10. Collect the assignment submission form duly signed by the assessor and the learner.
11. Grades are subject to External Verification.
12. Assignments exceeding the word limit by 5% will not be assessed.

**Word count: Maximum word count is 4,500 words**

# Achievement Summary

<b>Qualification</b>	Pearson BTEC Level 5 HND Diploma in Business	<b>Assessor name</b>	Ms.Sona Narayan
<b>Unit Number and title</b>	Unit 5 - Aspects of Contract and Negligence for Business	<b>I.V. name</b>	Ms.Joyce Noronha
<b>Student Number</b>		<b>Student name</b>	
<b>Criteria Reference</b>	<b>To achieve the criteria the evidence must show that the student is able to:</b>		<b>Achieved? (tick)</b>
<b>LO1</b>			
1.1	Explain the importance of the essential elements required for the formation of a valid contract		
1.2	Discuss the impact of different types of contract		
2.1	Apply the elements of contract in given business scenarios		
<b>LO2</b>			
3.1	Analyse terms in contracts with reference to their meaning and effect		
3.2	Apply the law on terms in different contracts		
3.3	Evaluate the effect of different terms in given contracts		
<b>Higher Grade achievements (where applicable)</b>			
<b>Grade descriptor</b>	<b>Achieved? (tick)</b>	<b>Grade descriptor</b>	<b>Achieved? (tick)</b>
<b>M1: Identify and apply strategies to find appropriate solutions</b>		<b>D1: Use critical reflection to evaluate own work and justify valid conclusions</b>	
<b>M2: Select/design and apply appropriate methods/techniques</b>		<b>D2: Take responsibility for managing and organising activities</b>	
<b>M3: Present and communicate appropriate findings</b>		<b>D3: Demonstrate convergent/lateral /creative thinking</b>	

# Assignment Feedback

## Formative Feedback: Assessor to Student

## Action Plan

## Summative feedback

## Feedback: Student to Assessor

<b>Assessor Signature</b>		<b>Date</b>	
<b>IV Signature</b>		<b>Date</b>	
<b>Student Signature</b>		<b>Date</b>	