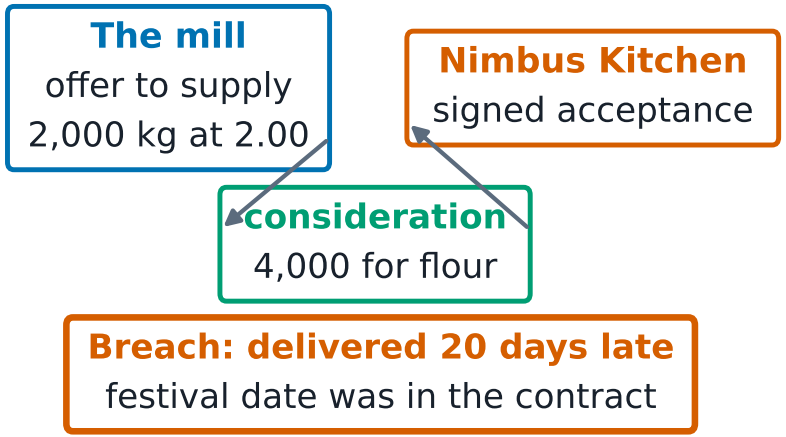
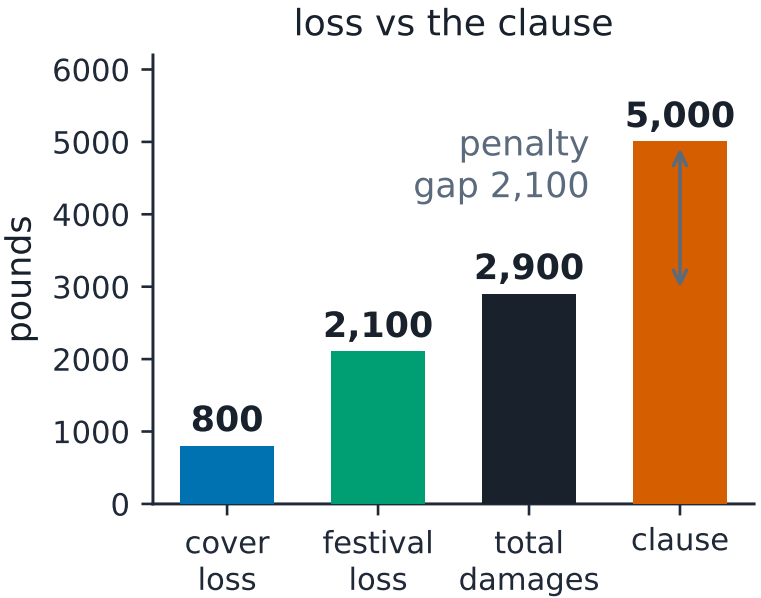
Exercise walk-through

# 11.2
# Contract formation and breach

University Business

# Contract formation and breach: the four boxes



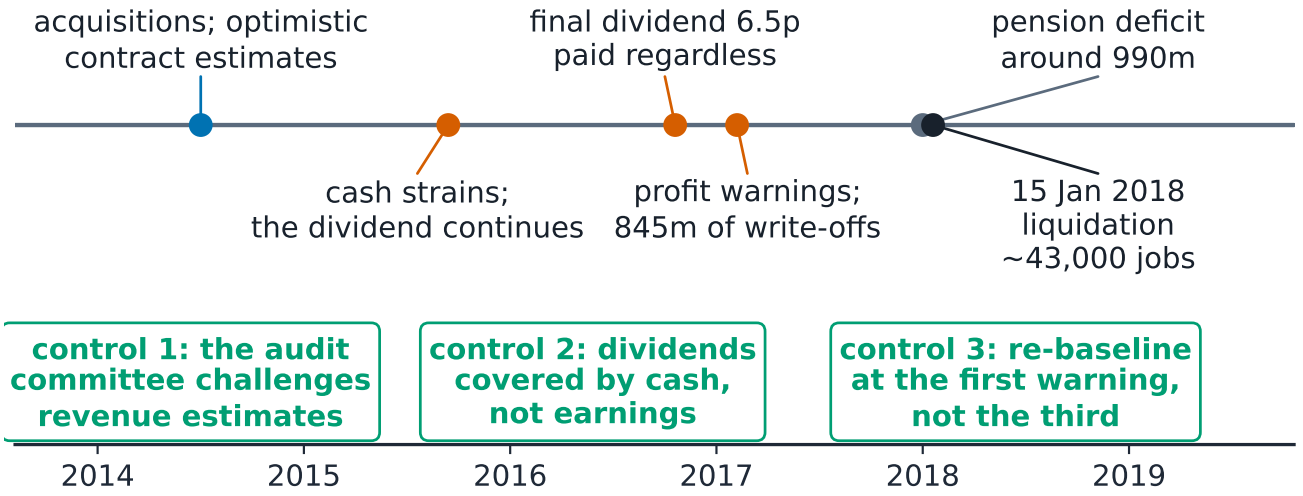

**Offer**, **acceptance**, **consideration**, intention; breach damages 2,900.

# Employment in action: the handshake and the app

1. **Status** Cannot refuse shifts, brand apron, no substitute - **employee**, whatever the invoices said.
2. **Sums** Last 20 years only: 18 x 1.5 + 2 x 1.0 = 29 weeks at the capped 700 = 20,300; notice 12 weeks.
3. **Data** Allergy data is special category: consent, purpose limitation, a processor contract - or the 17.5m/4% tier.

# Governance cases: read the controls, not the villain

**Carillion: the timeline reads as missing controls, not bad luck**




Carillion fell in January 2018: three controls that were missing.

# Exercises 2.1–2.2

**2.1** A caterer quotes 800 meals at 6.50 a head. The contract price, and the status of a reply asking to pay on delivery rather than in advance. [3]

**2.2** The caterer delivers 14 days late; the client covers at 7.20 a head and loses event profit of 1,150 known to both parties. The expectation damages. [4]

# Exercises 2.1–2.2

**2.1** A caterer quotes 800 meals at 6.50 a head. The contract price, and the status of a reply asking to pay on delivery rather than in advance. [3]

**2.1**

- $800 \times 6.50 = 5{,}200$ pounds.
- The reply varies terms, so it is a counter-offer, not acceptance.

**2.2** The caterer delivers 14 days late; the client covers at 7.20 a head and loses event profit of 1,150 known to both parties. The expectation damages. [4]

**2.2**

- Cover difference $800 \times (7.20 - 6.50) = 560$.
- Within contemplation: $+\ 1{,}150 = 1{,}710$ pounds expectation damages.

# Exercises 2.3·2.4

**2.3** The contract's late-delivery clause is 90 a day. Its face value over 14 days, and the better claim - clause or damages. [4]

**2.4** Match the consideration authority and its point: Chappell v Nestle; a promise of a gift; part payment of a debt; a peppercorn rent. [3]

# Exercises 2.3·2.4

**2.3** The contract's late-delivery clause is 90 a day. Its face value over 14 days, and the better claim - clause or damages. [4]

**2.3**

- $14 \times 90 = 1{,}260$ - below the 1,710 loss.
- Not a penalty (it under-compensates); but a genuine liquidated-damages clause fixes the sum - claim the 1,260, or argue it is a minimum, not a ceiling. The election is the answer.

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**2.4** Match the consideration authority and its point: Chappell v Nestle; a promise of a gift; part payment of a debt; a peppercorn rent. [3]

**2.4**

- Chappell: the wrappers were consideration - adequacy is not judged.
- The gift and the bare part payment: no consideration, no change; the peppercorn rent: consideration in existence, enforceable.