# **ENTERPRISE LAW 200909**

## **Assessment task 2b Individual Case Study**

**This task is the result of your individual effort, so students must not discuss their work with anyone else, otherwise it may lead to an allegation of collusion.**

**Weight**: 25%

**Due:** Before 5 pm on Saturday 11 September Late submissions will incur a penalty – see university policy.

**Submission:** Through the Turnitin link under Assessment 2b button on vUWS. No coversheet is to be attached as it is built into the upload page.

**Length:** 750 words in total (for both questions). This is a strict word limit. You are not allowed to exceed it without suffering a penalty. A Reference List is required, as you are using the Harvard/WesternSydU style. This Reference List will not be included in the word count; everything else submitted will be counted.

**Marking criteria and standards:**

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| **Criteria** | **Standards** | | | | |
| **High Distinction** | **Distinction** | **Credit** | **Pass** | **Fail** |
| **Identify legal issues in the scenario** | Clearly and correctly identifies the legal issues in the scenario and explains relevance | Correctly identifies the legal issues in the scenario and explains relevance | Identifies most of the legal issues in the scenario and provides some explanation of relevance | Identifies some of the legal issues in the scenario and attempts to explain relevance | Does not identify all or most of the legal issues in the scenario and offers no explanation |
| **Identify key areas of law (concepts and principles) appropriately to discuss the issues and propose a direction to address the issues** | Thorough application of key areas of law (concepts and principles)to discuss and address the problem and extensive explanation | Clear application of key areas of law (concepts and principles) to discuss the problem with appropriate explanation | Applies key areas of law (concepts and principles) mostly appropriately to solve the problem and explains why | Attempts to apply key areas of law (concepts and principles) to solve the problem; legal principles not always appropriate and/or some explanation given | Does not attempt to apply key areas of law (concepts and principles) or applies incorrect key areas of law (concepts and principles); little or no explanation |
| **Written Presentation** | Clear and coherent writing style with a thoughtful structure and highly persuasive arguments, few or no errors in spelling, grammar, and punctuation. | Clear and coherent writing style with persuasive arguments, however, there are a few minor errors in spelling, grammar, and punctuation. | Clear and coherent writing style Some errors in spelling, grammar, and punctuation, but meaning not impeded. | Several errors in spelling, grammar, and punctuation, and meaning somewhat unclear at times. | Major errors in spelling, grammar, and punctuation, and/or unclear writing style that impedes meaning. |

#### **PROBLEM SCENARIO:**

1. In January 2021, Lauren, an elderly widow without children, sold her house to her nephew, Thomas, a real estate agent, for $1.9 million, as this is what Thomas told her it was worth. It would have been worth more on the open market. They agreed that a deposit of $500,000 was payable immediately and the balance would be by way of a loan from Lauren to Thomas. Under the written terms of the loan, Thomas was to repay the principal over a 14 year period at the rate of $100,000 each year, payable on the anniversary of the sale. The written terms provided that no interest was payable.

Lauren had no business experience and did not obtain any independent advice before selling her house and agreeing to the loan. She was very lonely at the time and was looking forward to sharing the house with Thomas.

Recently they have had a serious disagreement. Lauren wants to know if the agreements to sell the house and make the loan are binding.

Advise Lauren, giving legal support for your arguments using contract law principles (common law and/or statutory law) only.  **(13 marks)**

1. Jennifer decided to update her ensuite. She signed a written contract with Whale Constructions Pty Ltd (WC). This contract gave her a certain amount of money to spend on taps. Jennifer chose a particular style and brand, which she believed was within her allowed budget, and informed WC of her choice.

When Jennifer was checking some invoices, she saw WC had invoiced her for an above budget amount on the taps. When she queried this John, from WC, explained that the tap model she had requested had been discontinued and that the tap style which replaced her model were the ones installed and she had said nothing at the time of installation. These new taps were more expensive. Jennifer refused to pay the extra money arguing WC should have advised her of the change and sought her specific approval before installing something else.

Advise Jennifer as to her rights using contract law principles only in this situation. **(12 marks)**

**END OF QUESTIONS.**