



CILEX Level 6 Single Subject Certificate/CILEX Level 6 Professional Higher Diploma in Law and Practice/CILEX Level 6 Graduate Fast-Track Diploma

Unit 2 – Contract Law

Question paper

January 2026

Time allowed: 3 hours and 15 minutes (includes 15 minutes reading time)

Instructions and information

- It is recommended that you take **15** minutes to read through this question paper before you start answering the questions. However, if you wish to, you may start answering the questions immediately.
- There are **two** sections in this question paper — Section A and Section B. Each section has four questions.
- You must answer **four** of the eight questions — at least **one** question must be from **Section A** and at least **one** question must be from **Section B**.
- This question paper is out of 100 marks.
- The marks for each question are shown — use this as a guide as to how much time to spend on each question.
- Write in full sentences — a yes or no answer will earn no marks.
- Full reasoning must be shown in your answers.
- Statutory authorities, decided cases and examples should be used where appropriate.
- You are allowed to make notes on your scrap paper during the examination.
- A basic calculator is provided should you require the use of one.
- You can use your own unmarked copy of the following designated statute book — Blackstone's Statutes on Contract, Tort & Restitution 36th edition, Francis Rose, Oxford University Press, 2025.
- You must comply with the CILEX Exam Regulations – Online Exams at Accredited Centres/CILEX Exam Regulations – Online Exams with Remote Invigilation.

Turn over

SECTION A

Answer at least one question from this section.

1. Critically analyse how far it remains true that a contract can be created only by a clear offer communicated by one party, followed by a clear communication of acceptance on the same terms by the other party.

(25 marks)

2. Critically evaluate the use of innominate terms as a third categorisation of terms beyond conditions and warranties.

(25 marks)

3. Critically analyse the law relating to commercial contracts between businesses in respect of:

(a) the intention to create legal relations;

(8 marks)

(b) a clause purporting to exclude or limit liability.

(17 marks)

(Total: 25 marks)

4. Critically assess the development of the doctrine of economic duress.

(25 marks)

SECTION B

Answer at least one question from this section.

Question 1

Arthur owns and operates his own business installing solar panels on residential properties.

In February 2025, Arthur contracted with Brett to install solar panels on Brett's roof. This agreement stated that Arthur would install the panels for a total cost of £12,000. Arthur would install the panels immediately and Brett would then pay Arthur £200 per month for the next five years.

In April 2025, Arthur contracted with Cicely to install panels on her roof for £14,000 with the full price payable on completion in August.

In May 2025, Arthur contracted with Donna to install solar panels on her property for £7,000. Donna was elderly and Arthur had learned she was worried about her finances. While installing the panels, Arthur noticed a number of issues with the roof tiles on Donna's house. When Arthur told Donna about the tiles, Donna was very upset and said, "I would be best friends with anyone who fixed that for me". Knowing Donna would struggle to pay for that work to be completed, Arthur repaired the tiles himself. When he told Donna he had done this, she insisted she would pay him an extra £1,500.

Because of the delay from the additional work on Donna's home, Arthur commenced the installation of the panels for Cicely a lot later than expected. Cicely was then worried that the work would not be completed in August. Cicely then explained to Arthur that she has agreed to sell her house and the buyer expects the solar panels to have been installed by the time the sale is completed at the start of September. She offered Arthur an additional £1,000 to complete the installation by the originally agreed date. Arthur accepted and installed the panels in late August.

In September 2025, Brett contacted Arthur and told him he was unable to make his monthly payment of £200 because he had been made redundant. Arthur said to Brett, "Why don't we hold off on the payments until you've got money coming in again?"

It is now January 2026. Brett has not made any payments since September 2025 but Arthur has found out that Brett started a new job last month. Cicely has paid Arthur £14,000 and Donna has paid Arthur £7,000. Arthur is having cashflow problems and wishes to recover the additional payments Cicely and Donna promised. He also wishes to recover the 'missed' payments Brett did not make and for Brett to resume paying £200 per month.

Advise Arthur.

(Total: 25 marks)

Turn over

Question 2

Fatima and Glenda owned a well-known local children's party company, Parties4U, which specialised in hiring out bouncy castles, train sets and other large toys for birthday parties. In 2024, Fatima and Glenda agreed to sell the company to Hiro for a total price of £100,000.

The sale contract included the following clause:

"The sellers hereby covenant to not work in any industry involving the provision of entertainment within 50 miles of the current business premises of Parties4U for a period of three years and to not open a competing children's parties company within 10 miles of the current business premises for three years."

Hiro soon found running the business by himself too difficult, so he employed Ivo to assist him. Ivo's contract of employment included the following clause:

"The employee is prohibited from working for any other children's parties company within a radius of three miles of the current business premises of Parties4U for 20 years from the date his employment with Parties4U ceases."

In late 2025, Ivo resigned from his job stating that he had decided to go to university. Last week, when browsing social media, Hiro was shocked to find that Fatima has opened a new children's parties company based two miles away from Hiro's company premises. Also, Fatima has employed Ivo to work for her.

Hiro has also learned that Glenda is now working as a lighting technician for a children's theatre company in a town 30 miles away.

Advise Hiro.

(Total: 25 marks)

Question 3

Movie Magicamera Plc (MMP) is a specialist company that hires out high-end camera equipment to production teams making films, TV shows and advertisements.

In May 2025, MMP contracted with Naveen, an aspiring film maker, who wanted to enter a nature film competition. Naveen hired a specialist night vision camera from MMP with the intention of filming barn owls at night for a total cost of £2,000.

Due to the camera being defective, Naveen was unable to use it at night. As a result, he was unable to complete his film in time to submit it. Having watched the other seven entries to the competition, Naveen is sure his film would have been the best if complete and that he would have won the £4,000 prize.

In August 2025, MMP contracted with Orbital Cinema Productions (OCP) for OCP to hire a set of high-definition cameras from MMP for a film being made by OCP. Due to issues resulting from defects in the cameras supplied, most of the footage filmed by OCP was unusable. OCP have issued a claim for breach of contract against MMP. OCP claims that the issue meant the film could not be released and that the film was expected to make at least £1 million in ticket sales.

In November 2025, MMP rented a Uberscope 5000 camera to Pauline for use in filming an advertisement for a holiday destination. The contract included the following term:

"43. Any damage caused by the customer to camera equipment supplied by MMP will result in a £5,000 replacement fee owed by the customer to MMP."

During filming at the holiday resort, Pauline accidentally dropped the camera on the beach. When she returned the camera to MMP, there was sand in the camera's mechanism and MMP had to pay £350 to have the camera professionally cleaned.

MMP has accepted that they are in breach of their contracts with OCP and Pauline.

Advise MMP as to the type and amount of damages that might be claimed in respect of the contract with:

(a) Naveen;

(7 marks)

(b) Orbital Cinema Productions (OCP);

(7 marks)

(c) Pauline.

(11 marks)

(Total: 25 marks)

Turn over

Question 4

Tresor owns and runs a shop buying and selling rare and collectible vintage video games.

In January 2025, Tresor was contacted by Sara who had recently inherited a large collection of vintage games from a distant uncle. Tresor was amazed to discover that almost every one of the games was extremely rare. He valued the collection at £5,000 and agreed to buy the games for that price. Sara told Tresor, "I'm pretty sure these are legitimate, my uncle always told me he worked in the game industry back in the 80s".

In May 2025, Tresor met with Ugo, who was selling a boxed copy of the game 'Marvellous Plumber'. Ugo said he had researched the game online and found out that the version he was selling was the much rarer Japanese version of the game and so was worth £1,000 rather than £50. Tresor asked his friend Violet, an enthusiastic collector of Japanese video games, to inspect the game and Violet told him it did appear to be the rare version. Tresor bought the game for £900.

Last month, another trader, Zaidee, visited Tresor's shop and looked at the games he had bought from Sara and Ugo. She informed Tresor that the games were modern fakes and were worth no more than a few pounds each. Tresor has since had this confirmed by experts.

Worried about the money he had spent on the fake games, Tresor decided to try to raise cash quickly. He rang a regular customer, Wendy, who he knew was looking to buy a vintage Super Station handheld computer game system. He told Wendy he had a Super Station available for sale. Wendy asked if the console was in full working order. Tresor, who knew that the console worked only when plugged in, not when using batteries, said to Wendy, "I've been able to turn it on and play games on it." Wendy agreed to buy the console for a price suitable for a fully-working system.

Advise Tresor as to any potential claims in misrepresentation based on the above events.

(Total: 25 marks)

End of the examination