

Continuous Assessment Test II – Online Examination
LLU4805– Law of Contract
LLB Degree Programme 2021/22
Department of Legal Studies
Faculty of Humanities and Social Sciences
The Open University of Sri Lanka



Date: **September 14, 2022**

Time: **9.30 a.m to 10.30 a.m**

Duration: **ONE (01) hour**

Total number of questions: **02**

Each question carries **20 marks.**

Answer **ONE** question only.

1. In contract law, misrepresentation is an untrue statement of the fact or law made by one contracting party (representor) which induces the other contracting party (representee) to enter into the contract. However, common law does not provide adequate remedies for the affected party.

In light of the above statement, discuss the nature and available legal remedies for fraudulent misrepresentation and negligent misrepresentation. Explain to what the legislature intervened in regulating such remedies. Support your answer with relevant cases.

(20 marks)

2. "The similarity of the causa and consideration is beyond doubt. They share some common features, yet there is a considerable difference in terms of notion, scope of application and legal consequences between them, which prevents the statement that the former is a complete functional equivalent of the latter."

Stoyanov, D. (2016). Causa and Consideration-A Comparative Overview. *Lex ET Scientia Int'l J.*, 23, 14.

Do you agree? Evaluate the above statement citing relevant case law.

(20 marks)