

## SECTION 1

There is a word missing from the following sentences. For each sentence choose the word which best fits into the space from the options provided. **Put a circle around the correct answer on the answer sheet.** Do NOT mark more than one answer for each sentence.

There is an example at the beginning (\*).

(10 points)

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*Example: When two parties are involved in a (\*) ..... it may be necessary to refer it to arbitration.*

- (1) The partnership agreement clearly set out the circumstances under which the partnership could be (1) .....
- (2) Sarah Jones is suing her former employer on the grounds of (2) ..... dismissal.
- (3) The Limited Liability Partnership (3) ..... a large fine, as it had filed its Annual Return after the deadline.
- (4) In (4) ..... of a payment of £1500 per month the Provider agrees to provide the Services to the Customer.
- (5) The (5) ..... value of a share is fixed at the time when a company is set up and it does not change.
- (6) Barristers have the right of (6) ..... in all English courts.
- (7) A (7) ..... sheet is a statement of a company's financial position on a certain date, showing both the assets and liabilities of the business.
- (8) (8) ..... is the legal process of transferring the ownership of buildings or land from the seller to the buyer.
- (9) The Agent shall receive a (9) ..... payment at the rate of 15% calculated on the gross sale price of the Goods exclusive of Value Added Tax.
- (10) The Partnership Agreement includes a provision stating that each partner is to (10) ..... capital of £10,000 to the partnership business.

ANSWER SHEET SECTION 1

- (\*)     *A. disagreement*    *B. argument*     *C. dispute*     *D. quarrel*
- (1)     A. terminated    B. dissolved    C. closed    D. concluded
- (2)     A. constructive    B. implied    C. implicit    D. indirect
- (3)     A. gained    B. acquired    C. earned    D. incurred
- (4)     A. return    B. compensation    C. exchange    D. consideration
- (5)     A. token    B. minor    C. nominal    D. ostensible
- (6)     A. appearing    B. speaking    C. audience    D. representing
- (7)     A. statement    B. report    C. balance    D. account
- (8)     A. assigning    B. allocating    C. passing    D. conveyancing
- (9)     A. part    B. commission    C. percentage    D. ratio
- (10)    A. contribute    B. give    C. subscribe    D. invest

## SECTION 2

Read the text below and think of the word that best fits each space. Use only **one** word or phrasal verb in each space. **Write your answers on the answer sheet.**

There is an example at the beginning (\*).

*(10 points)*

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### DRAFTING A DISTRIBUTION AGREEMENT

A Distribution Agreement is a contract which sets out the legal relationship between a manufacturer of goods and a distributor. A distributor is a person or an organisation which has agreed to market or sell those goods in a defined geographical area, this area usually being defined within the contract as the (\*) '.....'. One type of Distribution Agreement gives sole rights to the distributor, which means that both parties have the right to supply the goods in the defined area. Another type gives (1) ..... rights, which means that only the distributor has the right to distribute the goods.

When a lawyer drafts a Distribution Agreement there are some key clauses that should be considered. First of all, the parties to the agreement need to decide upon the duration of the contract. The formal name given to this in the agreement is the (2) '.....'. In this type of agreement it is more likely that this will be for a fixed period. However, the termination clause will set out the circumstances in which the agreement can be brought to an early end. This might be, for example, because the distributor has committed a material breach of the agreement or if the distributor, being a company, becomes (3) ..... and as a result is deemed unable to pay its debts.

A Distribution Agreement should also include a clause which sets out the procedure for the ordering and delivery of the goods. It may be that in this clause the distributor will agree to purchase goods to a minimum value within a specific period of time. Details of the pricing of the goods and how they are to be paid for will also be included. Amongst other matters, this clause should provide details of the number of days' or months' (4) ....., or advance warning, that the manufacturer must give to the distributor if the price of the goods is to be changed. A key part of this clause will be the rights of the manufacturer if the distributor fails to make a payment when it is (5) ....., in other words by the date it is supposed to be paid under the terms of the agreement, and whether or not interest will (6) ..... on any such late payments.

Closely linked to payment for the goods is the retention of (7) ..... (ROT) clause. The purpose of this clause is to protect the manufacturer against non-payment of the full cost of the goods. It will usually state that ownership of any goods will remain with the manufacturer until all goods supplied to the distributor under the agreement have been paid for in full. This clause should also include an agreement by the distributor that it will not create any type of (8) ....., such as a charge or lien, over the goods until ownership has passed from the manufacturer to the distributor.

The lawyer for the manufacturer should also establish whether there are any intellectual property (IP) rights attached to the goods. It could be, for example, that there is a registered or unregistered trade (9) ..... . If that is the case, then there would usually be a clause in which the manufacturer (10) ..... a licence to the distributor in relation to the IP rights, on the condition that the licence is used only for purposes connected to the Distribution Agreement.

**ANSWER SHEET SECTION 2**

*Example (\*) Territory*

- (1)
- (2)
- (3)
- (4)
- (5)
- (6)
- (7)
- (8)
- (9)
- (10)

**SECTION 3 (A)**

Read the following contract clause. The missing words are in the list below. For each gap choose the word which best fits into the space from the options provided. Use each option only once. **Write your answers in the box below.**

There is an example at the beginning (\*).

*(5 points)*

**From a franchise agreement**

**10. Franchisor's pre-emption right**

The Franchisor has a right of pre-emption in (\*) ..... to any (1) ..... sale of the Franchisee's Franchise Business. The Franchisor shall notify the Franchisee of his intention to (2) ..... this right within 14 days of receipt by the Franchisor of both an offer from a (3) ..... party and the aforementioned Valuation together with any supporting documentation reasonably demanded by the Franchisor (4) ..... to the offer. The price to be paid by the Franchisor shall be the value certified by the Valuer less any (5) ..... due at that time to the Franchisor by the Franchisee with regard to the Franchisee's obligations under this Agreement.

**Example (\*)**

**AA. relation**

- A. third
- B. sums
- C. pertaining
- D. exercise
- E. proposed

(*)	AA. relation
(1)	
(2)	
(3)	
(4)	
(5)	

**SECTION 3 (B)**

Read the contract clause below. The missing prepositions are in the list below. For each gap choose the preposition which best fits into the space from the options provided. Use each option only once. **Write your answers in the box below.**

There is an example at the beginning (\*).

*(5 points)*

**From a guarantor agreement in relation to a lease agreement**

The Guarantor undertakes to pay to the Landlord (\*) ..... written demand and (1) ..... seven days of receipt thereof all monies due and not paid by the Tenant despite demand (2) ..... such payment from the Tenant. Payments include but are not limited (3) ..... rent, utility charges, repair and maintenance costs, damages, legal costs and other costs as are specified in the Lease Agreement. The Guarantor further undertakes to compensate the Landlord (4) ..... any loss or damage resulting (5) ..... the Tenant's breach of the Lease.

**Example (\*)**

AA. upon

- A. for
- B. from
- C. of
- D. to
- E. within

(*)	AA. upon
(1)	
(2)	
(3)	
(4)	
(5)	

## SECTION 4

Look at the letter below. A lawyer has written it to a client.

Parts of the letter are written in an inappropriate way. They are underlined. Rewrite the underlined words in a more appropriate way. **Write your answers on the answer sheet.**

There is an example at the beginning (\*).

(20 points)

Underwoods LLP  
45 Regent's Place  
Gloucester  
W12 6BV

Ms Andrea Charlesworth  
91 Keats Avenue  
Worcester  
W7 6GF

18 January 2014

(\* Dear Andrea

### **Accident claim**

I am writing following our meeting yesterday, in which you asked me to (1) work for you with regard to a car accident that you were recently involved in. The purpose of this letter is to clarify the main issues of our claim in connection with the accident and to confirm the (2) steps of action we agreed upon.

The details of the situation are (3) like this:

You informed me that on 12 December 2013 you were driving on the M1 Motorway when a lorry belonging to MSR Chemicals Ltd pulled across in front of you and hit the front of your car. This caused your car to spin round several times and it was eventually thrown onto the hard shoulder of the motorway, facing in the wrong direction. The police and an ambulance came to your assistance and you were taken to hospital, where you were examined by a doctor. The doctor informed you that you had (4) received several injuries as a result of the accident, including a broken arm and two cracked ribs. You were treated in hospital and were discharged the following day. Since you returned home you have been unable to sleep properly, as you cannot stop thinking about the accident and how serious it could have been.

We agreed that the first step will be to write to the company which employs the lorry driver to inform it that you intend to (5) do a claim on the grounds of (6) legal carelessness on the part of the driver. However, I will bring to their attention that the claim will be against the company and not the driver. This is because under the law an employer can be held liable for the acts or omissions of an employee, if the employee was (7) doing his or her employment duties when the acts or omissions occurred. I will also inform the company that you will be (8) asking for money for both personal injury and also for (9) moral damage, as a result of the shock caused to you by the accident.

As soon as I receive a response from the driver's employer I will contact you. Hopefully, my letter will result in an offer to (10) agree this out of the court, as the company may well wish to avoid court proceedings. In the meantime, I hope you will soon be fully recovered from your injuries.

Yours sincerely  
James Underwood

**ANSWER SHEET SECTION 4**

*Example (\*) Dear Ms Charlesworth*

(1)

(2)

(3)

(4)

(5)

(6)

(7)

(8)

(9)

(10)

## SECTION 5

There is a preposition missing from the following sentences. For each sentence choose the preposition which best fits into the space from the options provided. **Put a circle around the correct answer on the answer sheet.** Do NOT mark more than one answer for each sentence.

There is an example at the beginning (\*).

(10 points)

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*Example: Unfortunately, your claim is out (\*) ..... date, so we are unable to make any refund of the amount paid.*

- (1) The creditor has petitioned the court to put the company (1) ..... liquidation, as it is unable to pay its debts.
- (2) (2) ..... the terms of his Employment Contract Greg Holloway is entitled to 25 days' holiday leave each calendar year.
- (3) The Company Secretary took the minutes of the meeting (3) ..... a record of the business that had been transacted.
- (4) Martin Foreman has made an allegation of age discrimination (4) ..... his employer.
- (5) If you fail to make the payment (5) ..... the agreed deadline we will have no alternative other than to pursue payment through the courts.
- (6) The company has been unable to comply with the terms of the contract because its workers have been (6) ..... strike for two weeks.
- (7) I should be able to meet with you next week, provided you confirm a day and time (7) ..... advance.
- (8) As discussed, I am terminating the contract (8) ..... immediate effect.
- (9) The lawyer drafted a Contract for the Sale of Shares according (9) ..... her client's instructions.
- (10) Jim Cartwright is travelling to Paris (10) ..... plane for today's business meeting.

ANSWER SHEET SECTION 5

- (\*)      A. *with*              B. *to*              C. *of*              D. *by*
- (1)      A. *in*              B. *into*              C. *to*              D. *for*
- (2)      A. *Under*              B. *With*              C. *From*              D. *In*
- (3)      A. *from*              B. *as*              C. *on*              D. *for*
- (4)      A. *for*              B. *at*              C. *with*              D. *against*
- (5)      A. *by*              B. *until*              C. *with*              D. *at*
- (6)      A. *by*              B. *with*              C. *on*              D. *to*
- (7)      A. *with*              B. *to*              C. *by*              D. *in*
- (8)      A. *within*              B. *by*              C. *with*              D. *from*
- (9)      A. *to*              B. *with*              C. *under*              D. *by*
- (10)      A. *at*              B. *by*              C. *with*              D. *on*

## SECTION 6

Read the following extract from a Mortgage Deed. Some of the words or phrases are underlined. Explain the meaning of these underlined words or phrases. You can write one word in plain English or a short explanation. **Write your answers on the answer sheet.**

There is an example at the beginning (\*).

*(10 points)*

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### 3. Insurance

During the Period the (\*) said Property remains as a security for the Mortgage Amount, the (1) Mortgagor shall insure the said Property and take out an insurance policy in the joint names of the Mortgagor and Mortgagee and continue the said policy (2) in full force and effect and in case of (3) default by the Mortgagor to insure or to keep the insurance policy in full force and effect, the Mortgagee will insure the said Property and the (4) premium paid by the Mortgagee will be added to the Mortgage Amount, if not paid by the Mortgagor upon demand.

### 4. Rights of Mortgagee

If the Mortgagor does not pay the said Mortgage Amount with all due interest, the Mortgagee shall be entitled to sell the said Property through any competent court, and to realise and receive the said Mortgage Amount and all due interest out of the sale (5) proceeds of the Property.

**ANSWER SHEET SECTION 6**

*Example (\*) already mentioned or already referred to*

(1)

(2)

(3)

(4)

(5)





- (6) How is Mr and Mrs Charlton's house heated?
- (7) Who did UK Oils send to the Charlton's house two hours after the accident occurred?
- (8) Why were Mr and Mrs Charlton immediately sent to a hotel?
- (9) On what grounds has a local builder given a written statement to say that the house is unsafe to live in?
- (10) Why does the lawyer think that Mr and Mrs Charlton have a claim on the grounds of personal injury?

## SECTION 2

Listen to a professor of law speaking to a group of law students. Fill the gaps in the text below.

**Write your answers in the box at the end of the text.**

*(10 points)*

Good morning, all. As part of your LLB course you'll soon be visiting our local County Court. As part of that experience you'll have the opportunity for a short question and answer session with a County Court judge. The purpose of today's meeting is to familiarise you with the role of a County Court judge, and in particular, the role a judge at this level plays in managing civil cases.

Before trying a civil case the judge reads the relevant case papers, such as the details of the claim and witness statements, and becomes familiar with the details. The majority of civil cases tried in court don't have a jury, the main exception to this being libel and (1)..... trials. This means that in the vast majority of circumstances the judge hears the case on his or her own, decides it by finding facts, applies the relevant law and then gives a reasoned judgment.

Judges also play an active role in managing civil cases once they have started, helping to ensure they progress as quickly and efficiently as possible. This includes:

- encouraging the claimant and the defendant to co-operate with each other in the conduct of the case;
- helping the parties to (2)..... the case, if possible;
- encouraging the parties to use an alternative (3)..... resolution procedure if appropriate; and
- controlling the progress of the case.

During the process of the trial, written and live (4)..... will be given by the parties and their witnesses and the live witnesses may be cross-examined. The judge ensures that all parties involved are given the opportunity to have their case presented and considered as fully and fairly as possible. During the case the judge will ask questions on any point he or she feels needs clarification. The judge also decides on all matters of procedure which may arise during a (5)..... .

Once the judge has heard the evidence from all parties involved he or she will deliver judgment. This may be immediately, or if the case is complicated, at a later date. If the judge decides that the claimant is (6)..... to damages, he or she will have to go on to decide the amount. Alternatively, the claimant may have asked for the remedy of an (7)..... or a declaration, such as an order specifying the precise boundary between two properties about which the parties have never been able to agree. The task of the judge is to decide upon what is the appropriate remedy, if any, and on the precise terms of it.

When the judgment in the case has been delivered, the judge must deal with the cost of the case. This may include the fees of any lawyers, court fees paid out by the parties, fees of expert witnesses, allowances that may be allowed to (8)..... who have acted in person, (which means without lawyers), lost (9)..... and travelling and other expenses incurred by the parties and their witnesses. The general rule is that the unsuccessful party will have to pay the successful party's costs but the judge has a wide discretion to depart from this rule. The judge's decision on this part of the case will be very important to the parties. He or she may decide, for example, that the unsuccessful party should pay only a proportion of the successful party's costs or that each party should (10)..... their own costs. The judge may hear submissions about this at the end of the case.

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*ANSWERS – Section 2*

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(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

### SECTION 3

Listen to this conversation between a lawyer and a client.

**For each of the statements below answer TRUE or FALSE.**

*(10 points)*

- 
- (1) Mrs Mayhew and her lawyer have already talked about starting legal action in court.
  - (2) Mrs Mayhew would prefer to settle this case rather than go to court.
  - (3) Tranquility Pools is a public limited company.
  - (4) Mrs Mayhew's company contracted with Mr Green-Jones in September 2010 to build a swimming pool at one of his hotels.
  - (5) The breach of contract concerns the depth and the width of the completed swimming pool.
  - (6) The breach of contract happened because one of Mrs Mayhew's staff wrongly converted metres into feet and inches.
  - (7) Mr Green-Jones said that if Mrs Mayhew's company sued him for non-payment then he would counter-sue for breach of contract.
  - (8) The case that the lawyer intends to rely upon if it becomes necessary to go to court was finally decided by the Court of Appeal.
  - (9) The lawyer proposes giving Mr Green-Jones a month to pay Mrs Mayhew before starting legal action.
  - (10) The lawyer suggests a limit of £5000 as an offer to settle this case out of court.