

# Assignment

## **Wilson's Legal Challenges**

Student's Name

Code + Course Name

Professor's Name

University Name

City, State

## Wilson v Dakia

Dear Wilson,

I hope this letter finds you well. It is my understanding that you are grappling with some complex contractual conflicts with Dakia relating to the furnishing of your establishment. It is, therefore, crucial to understand the potential legal consequences of your situation. I want to offer some advice on some important legal concepts.

### *Terms and Representations*

Understanding the distinctions between terms and representation is vital in resolving your current predicament. Any valid contract must have distinguishing terms and representations (Griffo et al., 2021). Terms are fundamental obligations, for instance, in your case, the furniture agreed upon. In contrast, representations are statements that one party makes to entice the other into the contract, like Dakia's assurances of timely delivery. It is important to differentiate between the two to ensure that you understand the contractual obligations and the intentions of the other party.

Contractual terms are the foundation of any legally binding agreement. These terms outline the essential obligations and expectations of both parties. Contractual terms come from various sources; for example, they can come from express terms explicitly outlined in the contract or from implied terms derived from industry standards or statutory requirements to make the agreement fair and functional (Governatori et al., 2018), like the Sale of Goods Act 1979 in your case where you expected Dakia to do a delivery of the sufficient furniture as agreed upon. Express terms are clear and unambiguous, and both parties agree upon them before committing to a contract (Mik, 2019). You and Dakia agreed on furniture supply with a room count in mind, and this formed the basis of your contract. These sources of terms ensure that all necessary aspects of the agreement are covered.

### *Conditions, Warranties, and Innominate Terms*

It is also important to differentiate between conditions, warranties, and innominate terms. The Sale of Goods Act 1979 provides for conditions, warranty, and innominate terms. Conditions are crucial terms in the contract which, when breached, you are entitled to terminate the contract and seek damages (Knapp et al., 2023). Warranties, on the other hand, allow you to claim damages but do not warrant termination of the contract (English, 2021). It would be best if you determined whether the breached element is a condition or a warranty, or else that is where innominate terms come in; they fall between conditions and warranties, and the court tests to determine whether a term is either. The consequences and legal implications will then depend on the severity of the breach, thus allowing flexibility in resolving the

contractual disputes. Dakia probably breached the conditions of the contract. Therefore, you are warranted to terminate the contract and can even sue for damages based on this violation. However, the contract must be carefully examined because Dakia can claim contract exemptions that might limit its liability.

### *Liquidated and Unliquidated Damages*

Since you will be looking to be looking to claim damages, it is crucial to differentiate between Liquidated and unliquidated damages. Liquidated damages are usually predetermined in the contract, and they are fixed payments aimed to compensate for specific breaches. How accurate they are in estimating losses is what determines their validity (Reed, 2018). These measures reduce litigation as they are precise and provide an equitable settlement mechanism. Unliquidated damages, on the other hand, are not predetermined. Therefore, a court is needed to assess and establish the genuine losses incurred by a party (Khalef et al., 2021). In your case, there was no predetermined amount for compensation in case Dakia violated the contract. By claiming unliquidated damages, you can fairly get compensated for the specific losses you have experienced, as assessed by legal authorities.

The reason why damages exist in contract law is to compensate the person aggrieved by a contract violation for the financial or non-financial losses suffered. The primary purpose is to restore the injured party to the economic or legal position they would have been in if the contract had been fulfilled successfully. Damages, therefore, ensure that parties are held accountable for their contractual duties, thus promoting fairness and justice in commercial agreements.

### *Measures for Assessing Damages*

There are various methods available to assess the different types of damages, namely, expectation damages, reliance damages, and restitution damages. These legal philosophies foster fairness and economic efficiency by making violating parties accountable for their contracts. Expectation damages compensate the innocent party for direct and foreseeable/predictable losses, aiming to return them to their pre-contract status (Goldberger, 2018). Reliance Damages aims to reimburse the affected party for all the contract-related expenses that they incurred. When expected damages are incalculable, reliance damages are awarded. Restitutionary damages, on the other hand, are the benefits that were conferred on the breaching party. These damages are usually given when the defaulting party benefits from the innocent party (Bag and Bag, 2018). When you understand the nuances between each of these measures, then you can pursue the appropriate form of damages based on your situation with Dakia.

### *Interpretation and Validity of Exemption Clauses*

Contract exemption clauses remove or limit a party's liability for specified breaches or damages (Macaulay, 2018). However, since these clauses can significantly affect the parties, courts interpret them

narrowly and closely scrutinize their validity and interpretation to ensure fairness and reasonableness and that both parties have equal bargaining power and understanding of the terms. The terms must be clearly expressed and communicated when forming the contract. If these clauses are ambiguous and lack clarity, they could be ruled against. Illegal or unreasonable exemption clauses may be deemed invalid under the law, and the Unfair Contract Terms Act 1977 can render such clauses void.

### **Wilson V Kam**

Dear Wilson,

I am writing to provide you with critical legal advice regarding the recent incident involving Robert Milford, who posed as the famous football star Ronald Messino, and Kam's possession of the vase. You must understand the elements of actionable representation to allow you to resolve the complex situation you are currently facing.

#### *Elements of Actionable Representation*

A legally actionable misrepresentation claim must meet specific criteria. Actionable representation entails the presence of a false statement, inducement based on the statement, reasonable reliance on the statement, and resulting harm or damages (Henricksen, 2018). In this case, Robert's false claim of being Ronald Messino and the issuance of a fraudulent cheque constitutes actionable representations. Therefore, a false statement is present. The false statement given by Ronald's smile to Wilson's offer is what persuaded you and induced you to enter into a contract with him, where Robert proceeded to give you the £500 cheque, and you transferred the vase to his custody; this was deception. You relied on the misleading statement by Robert to your detriment. You accepted the cheque and gave up the vase because of Robert's lies. You are the innocent party here, and you lost your precious vase due to the fraudulent assumptions.

#### *Fraudulent, Negligent, and Innocent Misrepresentation*

It is vital to differentiate between the three main categories of Misrepresentation: fraudulent, negligent, and innocent Misrepresentation (Chen, 2018). Fraudulent Misrepresentation occurs when a party deliberately or recklessly lies. It is the worst Misrepresentation and can nullify a contract (Barnes and Whewell, 2019). Negligent Misrepresentation is where a party makes a false statement without reasonable care or caution (Klass, 2023); this is the type of Misrepresentation that Robert committed; this is also reasonable legal ground to void the contract. Innocent Misrepresentation, on the other hand, is when a party lies without knowing or being negligent. It can lead to contract nullification, but the innocent party may not get damages.

The remedies for these misrepresentations include rescission and damages. For your case, you can claim rescission, where you can aim to undo your contract with Robert and thus return to the position you were in before the contract; this means that Kam would have to return the vase to you. Another remedy for the Misrepresentation may be claiming damages where you can sue to be compensated by Robert for the losses of the precious vase and receiving a fraudulent cheque due to the Misrepresentation.

From this evaluation, we can also argue that the contract between you and Robert is void due to a mistake in identity; in this way, you can claim the vase from Kam. Contracts that are made in a face-to-face environment generally carry a presumption that there was a personal meeting of the minds. In contrast, contracts that are signed through correspondence may entail a more complex assessment of the intentions of the parties. If the contract is not void due to a mistake, it should be considered how it can be avoided on the grounds of Misrepresentation. That is why it is necessary first to assess the type of Misrepresentation. With the use of precedents and case examples focusing on fraudulent Misrepresentation, we can resolve the intricacies of this matter.

In the case of, In the case of; Redgrave v Hurd is a contract law case concerning a misrepresentation. The decision of Sir George was reversed after he held that there was no plea that Mr Redgrave knew his statements were untrue and was not entitled to damages. Fry J held that relying on the representation was enough and that there was no duty to inspect the papers. He noted the difference between law and equity when it comes to matters of innocent misrepresentation. Mr Kam therefore is liable to pay for damages caused.

### **Wilson V Sandra**

I would also like to provide you with legal advice regarding the recent issue concerning Sandra's inability to perform on the opening night due to her leg injury. To navigate your situation, you should understand that there are different ways that a contract can come to an end.

#### *Contract Termination*

Below are some ways contract termination can occur:

**Performance.** This is usually the expected natural progression of a contract where both parties comply and fulfill their obligations as per the agreement, and then the contract comes to an end (Rouhani and Deters, 2019).

**Agreement.** This is when the parties can mutually agree to terminate the contract (Bag, 2018).

**Breach.** When one party breaches the terms of the agreement, the contract can be terminated (Bag, 2018).

Frustration. This is when unexpected occurrences prevent a contract from being fulfilled (Berger and Behn, 2019). This type of contract termination is what you have found yourself in with the case of Sandra.

### *Doctrine of Frustration*

According to the Law Reform (Frustrated Contracts) Act 1943, frustration occurs when unanticipated and uncontrollable events make a contract impossible to fulfill. It protects the parties from contractual obligations in such instances (Asuhami et al., 2020); this is the case with Sandra's incapacity to perform due to a broken leg, thus rendering her unable to fulfill her contractual duties. This philosophy releases parties from their obligations to maintain fairness and prevent excessive hardship when the original agreement is no longer practicable due to external conditions beyond anyone's control. Frustration is crucial to contractual equity and justice. In the case of ending a contract because of frustration, the innocent might demand damages for loss (Friedmann, 2020). In your case, the £2000 paid before the performance is recoverable. In the case of; A contract is frustrated when it becomes impossible to perform due to a supervening event one that is not the fault of any of the parties, and that they could not have reasonably predicted. In this case, the contract between Wilson and Sandra was frustrated with the incident of Sandra breaking her leg and this could not have been anticipated by the parties. In the case of; Taylor v Caldwell (1863) a contract between C and D to hire a hall for performance was terminated 6 days to the day of performance as the subject matter was destroyed by a fire. The court of King's bench held that the contract was frustrated and therefore no liability to pay damages. In this instance, unless one successfully proves that the frustration could be anticipated, Sandra is not liable to pay damages.

Should you require further elucidation or legal assistance in these matters, please do not hesitate to contact us.

Best regards,

[Your Name]

## Reference List

- Asuhaimi, F.A., Makhtar, M. and Abd Ghadas, Z.A., 2020. Right of cancellation for booking of short-term accommodation through digital economy platform before movement control order (MCO). <https://oarep.usim.edu.my/jspui/handle/123456789/16407>
- Bag, S. and Bag, S., 2018. Economics of Damage Remedies I: Unilateral Reliance, One-Sided Information Asymmetry. *Economic Analysis of Contract Law: Incomplete Contracts and Asymmetric Information*, pp.59-90. [https://link.springer.com/chapter/10.1007/978-3-319-65268-9\\_3](https://link.springer.com/chapter/10.1007/978-3-319-65268-9_3)
- Bag, S., 2018. Economic analysis of contract law: incomplete contracts and asymmetric information. Springer. <https://books.google.com/books?hl=en&lr=&id=i-xIDwAAQBAJ&oi=fnd&pg=PR7&dq=Parties+can+mutually+end+contracts.+1.3+Breach+Parties+can+terminate+contracts+for+breach.&ots=v1fgZ-5rPA&sig=OROiwkOXnhrwArU1HoBBxuK-zsY>
- Barnes, V. and Whewell, E., 2019. English Contract Law Moves East: Legal Transplants and the Doctrine of Misrepresentation in British Consular Courts. *The Chinese Journal of Comparative Law*, 7(1), pp.26-48.
- Berger, K.P. and Behn, D., 2019. Force majeure and hardship in the age of corona: a historical and comparative study. *McGill J. Disp. Resol.*, 6, p.76. [https://heinonline.org/hol-cgi-bin/get\\_pdf.cgi?handle=hein.journals/mgjd6&section=5](https://heinonline.org/hol-cgi-bin/get_pdf.cgi?handle=hein.journals/mgjd6&section=5)
- Chen, C.Y., 2018. Reassessing Accountability and Sophistication of Insured in Insurance Misrepresentation: Lessons and Implications for Taiwan. *Asian Journal of Law and Economics*, 9(3), p.20180011. <https://www.degruyter.com/document/doi/10.1515/ajle-2018-0011/html>
- English, J.E., 2021. The nature of "promissory conditions". *Law Quarterly Review*, 137. <https://ora.ox.ac.uk/objects/uuid:fb78fee3-ca64-4d50-8f25-459af5a84764/files/sv405sb60m>
- Friedmann, D., 2020. Restitution of Benefits Obtained through the Appropriation of Property or the Commission of a Wrong. In *Restitution* (pp. 491-545). Routledge. <https://www.taylorfrancis.com/chapters/edit/10.4324/9781003073321-20/restitution-benefits-obtained-appropriation-property-commission-wrong-daniel-friedmann>
- Goldberger, J., 2018. Assessment of damages for breach of contract. *Commercial Law Quarterly: The Journal of the Commercial Law Association of Australia*, 32(3), pp.12-51. <https://search.informit.org/doi/abs/10.3316/ielapa.030955070076457>
- Governatori, G., Idelberger, F., Milosevic, Z., Riveret, R., Sartor, G. and Xu, X., 2018. On legal contracts, imperative and declarative smart contracts, and blockchain systems. *Artificial Intelligence and Law*, 26, pp.377-409. <https://link.springer.com/article/10.1007/s10506-018-9223-3>

Griffo, C., Almeida, J.P.A., Guizzardi, G. and Nardi, J.C., 2021. Service contract modeling in enterprise architecture: An ontology-based approach. *Information Systems*, 101, p.101454. <https://www.sciencedirect.com/science/article/pii/S030643791930506X>

Henricksen, W.E., 2018. Scientific Knowledge Fraud. *Or. L. Rev.*, 97, p.307. [https://heinonline.org/hol-cgi-bin/get\\_pdf.cgi?handle=hein.journals/orglr97&section=12](https://heinonline.org/hol-cgi-bin/get_pdf.cgi?handle=hein.journals/orglr97&section=12)

Khalef, R., El-adaway, I.H., Assaad, R. and Kieta, N., 2021. Contract risk management: A comparative study of risk allocation in exculpatory clauses and their legal treatment. *Journal of Legal Affairs and Dispute Resolution in Engineering and Construction*, 13(1), p.04520036. [https://ascelibrary.org/doi/full/10.1061/\(ASCE\)LA.1943-4170.0000430](https://ascelibrary.org/doi/full/10.1061/(ASCE)LA.1943-4170.0000430)

Klass, G., 2022. Misrepresentation and Contract. *Georgetown Law Journal*, Forthcoming, *Research Handbook on the Philosophy of Contract Law* (Prince Saprai & Mindy Chen-Wishart eds., Edward Elgar Publishing, 2022), Forthcoming.

Knapp, C.L., Crystal, N.M., Prince, H.G., Hart, D.K. and Silverstein, J.M., 2023. *Problems in Contract Law: cases and materials*. Aspen Publishing.

Macaulay, S., 2018. Non-contractual relations in business: A preliminary study. In *The Sociology of Economic Life* (pp. 198-212). Routledge. <https://www.taylorfrancis.com/chapters/edit/10.4324/9780429494338-12/non-contractual-relations-business-preliminary-study-stewart-macaulay>

Mik, E., 2019. Smart contracts: A requiem. *Journal of Contract Law*, Forthcoming. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3499998](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3499998)

Reed, B.B., 2018. Liquidated Damages Provisions. *Franchise Law Journal*, 37(4), pp.523-552. <https://www.jstor.org/stable/26641482>

Rouhani, S. and Deters, R., 2019. Security, performance, and applications of smart contracts: A systematic survey. *IEEE Access*, 7, pp.50759-50779. <https://ieeexplore.ieee.org/abstract/document/8689026/>



# Want a paper of the same quality?

Our experts can help you today!

[Hire an expert](#)



100% human writing –  
no AI tools used



Compliance with  
guidelines & standards



Timely delivery, even  
for urgent orders