

Contract law essay plan essay sample

Law



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' Alice wrote to Bill offering to sell him a block of shares in Utopia Ltd. In her letter, which arrived on Tuesday, Alice asked Bill to ' let me know by next Saturday'. On Thursday Bill posted a reply accepting the offer. At 6pm on Friday he changed his mind and telephoned Alice. Alice was not there but her telephone answering machine recorded Bill's message stating that he wished to withdraw his acceptance. On Monday Alice opened Bill's letter, which arrived that morning, and then played back the message on the machine. Advise Alice.'

Introduction

Begin by exploring what topic the question is talking about so in this case the question is talking about how Bill has revoked his acceptance. Define the term revoke his acceptance.

Main Body

Argument for the point that there is a contract that has been bound: Bill has posted a reply saying that he had ' confirmed' and ' accepted the offer.

According to the High Court it was plausible that a reply that had ' confirmed' was sufficient to have an offer accepted. Offer had already been accepted.

According to the ' Postal Rule' as soon as Bill posted his reply there was an effective acceptance. *Morrison v Tholke* (1963)

Argument for the point that there is no contract:

Lord Denning's quote in *Entores* ' But if there should be a case where the offeror without any fault on his part does not receive the message of

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acceptance — yet the sender of it reasonably believes it has got home when it has not, then I think there is no contract' Here due to the fact that Alice said to let him know by ' next Saturday' even though Bill gave his acceptance, believed that he still had time and before Alice' deadline revoked his acceptance therefore it could be argued that there was no acceptance. Talk about Lord Fraser's quote ' an acceptance sent by telex.