

TOLES HIGHER EXAMINATION

Test of Legal English Skills – knowledge and use of
legal vocabulary

Do NOT open this paper until the invigilator gives you permission to do so.

You may NOT use a dictionary.

Answer all questions on the answer sheets in this booklet, using blue or black ink.

You may NOT use a pencil..

The time allowed for this examination paper is 90 minutes.

Paper 1 - Legal reading and writing

Candidate code:																			
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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)

Example: *A penalty clause in a commercial contract is intended to act as a (*) against breach.*

- (1) According to the law of tort a breach of the duty of care will give (1) to a claim for damages.
- (2) A document that is attached to a contract which contains detailed information about part of that contract is known as a (2)
- (3) The partners have made a decision to (3) the partnership as soon as possible as it has not done as well as they expected.
- (4) When someone borrows money from a bank in order to buy a house the security that the bank holds in the property is known as a (4)
- (5) The long dispute between the two parties was finally (5) last week.
- (6) The shareholders (6) the resolution unanimously.
- (7) The employee claimed that she had been unfairly (7)
- (8) The secretary (8) some money from the bank on Monday morning.
- (9) You must file those documents with Companies House on time or your company will incur a (9) fine.
- (10) Last year the shareholders in our company received a good (10)

ANSWER SHEET SECTION 1

- (*) **A** *regulations* **B** *edicts* **C** *legislation* **D** *decrees*
- (1) **A** formation **B** rise **C** creation **D** birth
- (2) **A** supplement **B** extension **C** attachment **D** schedule
- (3) **A** extinguish **B** dissolve **C** conclude **D** expire
- (4) **A** collateral **B** encumbrance **C** guarantee **D** mortgage
- (5) **A** resolved **B** solved **C** remedied **D** agreed
- (6) **A** voted **B** agreed **C** passed **D** made
- (7) **A** fired **B** released **C** dismissed **D** discharged
- (8) **A** took **B** debited **C** removed **D** withdrew
- (9) **A** huge **B** heavy **C** terrible **D** grave
- (10) **A** payment **B** sum **C** dividend **D** fee

SECTION 2

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

There is an example at the beginning (*).

(10 points)

RUNNING A LIMITED COMPANY

‘My name is Alice Bennett. I’m one of the (*) of Bennett & Samson Ltd, which means that I am one of the people with the authority to run the company. Our company produces outdoor equipment, such as tents and waterproof clothing. We are a successful company and we are going from strength to strength.

I am pleased to say that I was one of the original (1) of the company, which means that I was one of the people who set the company up. There were five of us altogether. One, Georgina Copeland, has left the company to go and work in the USA but four of us are still here and we still have our seats on the (2) of directors and attend regular meetings in order to discuss company business and to make important decisions. When we hold meetings I often act as the (3)....., which is the name we give to the person who controls the meeting. After the meeting we all receive a copy of the (4), which is the written record of exactly what was said and agreed at that particular meeting. Being a director is hard work, and a huge responsibility, but I love the job.

As you probably know, there is new legislation in the UK now concerning the duties of a company director. When we first set up Bennett & Samson Ltd, the law on directors’ duties was a little bit confusing. However, in 2006 Parliament passed the Companies Act, which makes the duties of directors much clearer. We have always had a fiduciary duty to the (5), who are the people who actually own the company. This means we have a duty to act in the best possible interests of the people who have invested in the company – a duty to act in ‘good (6)’ at all times. One of the major duties mentioned in the Companies Act 2006 is the duty to avoid any (7) of interest. This means that a director must never be in a position where his or her personal interest may be put before the interests of the company. If a director has a personal interest that may potentially affect the best interests of the company then that director has a duty to (8) that information. In other words, he or she must tell the other directors about it and keep nothing secret.

Of course, as well as the provisions of the new Companies Act, we also have to make sure that as directors we follow the rules set out in our own Articles of (9) This is the document that states how an individual company will be governed. If we want to convene a meeting, for example, we must give people at least 4 weeks’ (10) that the meeting is going to take place.

Being a company director is an exciting job, but it does carry a lot of responsibility. It is probably advisable to ask a solicitor to explain all of the responsibilities to you before you agree to take the job.’

ANSWER SHEET SECTION 2

Example () directors*

(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 the severance clause of a commercial contract

22. SEVERANCE

Each individual clause and sub-clause of this Agreement shall be (*) and severable from each other and in the event that any of the clauses or sub-clauses contained herein are (1) invalid or unenforceable by a competent Court of Law this shall not in any way (2) the validity or enforceability of the other clauses or sub-clauses excepting where the invalid or unenforceable (3) are at the core of this Agreement and their deletion makes the Agreement so incomplete it cannot be (4) whereupon the Agreement as a whole shall be (5) to an end on terms agreed between the parties.

Example (*)

AA. *separate*

- A. provisions
- B. deemed
- C. brought
- D. affect
- E. fulfilled

(*)	AA. <i>separate</i>
(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 publication agreement

The Publisher agrees that it will obtain all necessary consents, clearances and licences from any third party (*) respect of any copyright notice, trade mark or service mark included in the publication and any associated packaging or promotional material (1) the Publisher's sole cost. The Artist shall not be liable (2) any such sums or the cost (3) any legal disputes or legal proceedings which may arise from this Agreement. The Publisher shall not be entitled to deduct any such sums (4) royalties, advances or other sums due to the Artist and it shall be the sole responsibility of the Publisher to comply (5) and bear the costs of all such sums, expenses and legal costs in connection with this Agreement.

Example (*)

AA. *in*

- A. for
- B. with
- C. at
- D. from
- E. of

(*)	AA. <i>in</i>
(1)	
(2)	
(3)	
(4)	
(5)	

SECTION 4

Look at the letter below. A lawyer has written it on behalf of his 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)

Clarke Robinson LLP
2 Waterloo Square
London
SW1 5YH

20 March 2008

Julie Adams and Diana Frith
16 Town Walls
Streatham Bankside
London
SW2 4FF

Dear (*) Julie and Diana

Your partnership agreement

Thank you for (1) telling me to act on your behalf in the matter of (2) writing a partnership agreement. I wish you the best of luck with your new venture, which will (3) work under the name 'Streatham Graphic Design'.

As I told you during our discussion on Tuesday, it is not compulsory in the UK to have a formal partnership agreement in place, but it is certainly advisable. I have (4) put in this envelope a copy of the draft agreement based upon the information that you provided. Please read it carefully paying particular attention to the following points:

- the amount of money that each of you agrees to (5) give to the partnership
- how you intend to divide (6) the money that the partnership makes between you
- the amount of drawings that each of you (7) have the right to receive from the partnership on a monthly basis
- the procedure that will be followed in the event that one of the partners wishes to resign or (8) stop working because she is too old
- the circumstances in which the partnership can be (9) permanently ended.

I would be grateful if you would contact me again when you have had the opportunity to read the document and we can then move on to (10) executing the partnership agreement.

Yours sincerely

Walter Dyer

ANSWER SHEET SECTION 4

Example () Dear Ms Adams and Ms Frith*

(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)

Example: I am very concerned (*) your ability to repay your loan.

- (1) There are usually two parties (1) any contract, for example, a buyer and a seller.
- (2) The invoice is due to be paid (2) 31 March 2008 at the very latest.
- (3) What are your grounds for making a claim (3) my client?
- (4) When you send this document to us please write the page number very clearly (4) the top of every page.
- (5) How many shares do you have (5) Reflex Ltd?
- (6) How much interest is the bank paying me (6) the amount in my deposit account?
- (7) The customer must pay this invoice (7) twenty-eight working days of receipt.
- (8) You need a minimum (8) £5000 to start up a limited company in my country.
- (9) You must act in accordance (9) the laws of the USA as that is the jurisdiction of this contract.
- (10) Last year we worked with a German law firm (10) a particularly complicated merger.

ANSWER SHEET SECTION 5

- (*) *A for* *B in* *C about* *D to*
- (1) **A of** **B to** **C from** **D for**
- (2) **A until** **B at** **C by** **D of**
- (3) **A to** **B on** **C of** **D against**
- (4) **A in** **B to** **C at** **D for**
- (5) **A of** **B for** **C in** **D within**
- (6) **A on** **B for** **C in** **D of**
- (7) **A during** **B within** **C over** **D through**
- (8) **A of** **B to** **C over** **D under**
- (9) **A for** **B of** **C to** **D with**
- (10) **A over** **B for** **C in** **D on**

SECTION 6

Read the following extract from a contract to use the services of a finance company. 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)

Terms and conditions of use

Merihill Finance (UK) Ltd ("Merihill Finance (UK) Ltd" or "We" or "Us") provides the Services available to you, subject to the following terms and conditions, which may be updated by us from time to time (*) without notice to you.

When using a particular service, guidelines or rules may be posted on our website which are applicable to (1) such service. You and Merihill Finance (UK) Ltd shall be subject to any such guidelines or rules that may be posted from time to time on the website, and all such guidelines or rules are hereby (2) incorporated by reference into this Agreement. By using the Services you are agreeing (3) to be bound by all of the terms and conditions of the most current version of the User Agreement and any guidelines and rules posted on the website. If you do not agree to be bound by this agreement, do not use the website. If the user is not an individual, then "you" shall mean your company, its (4) officers, members, (5) agents, successors and assigns.

ANSWER SHEET SECTION 6

Example () without any period of warning or advance notification*

(1)

(2)

(3)

(4)

(5)