

AI Statement.

Throughout this 'Contract Law Essay' there is the acknowledgement of AI. The use of Artificial Intelligence has become undeniably important throughout academic writing & has been utilised solely for structure & mass text analysis. This is to better understand complex writing & developing structural format. AI is the future of planet earth & will develop overtime in academic study 100%. This statement provides acknowledgement to that fact.

Scenario.

There are 3 separate contract disputes involving Martha, Mario, Jonothan & Mary. Martha has asked for legal advice & find the correct solution to protect herself from potential lawsuits.

The aim is to help Martha navigate each dispute with confidence and the understanding of UK law & contract legalities. All 3 scenarios shall provide a different outcome of advice, and the focus of this paper is to provide evidence to who is liable in each contract dispute.

This thesis shall provide Martha with legal advice involving unilateral contracts, breach of contracts, offer & acceptance on agreements made, invitation to treat & the involvement of the postal rule.

According to (Taylor & Taylor, 2023, p. 23) an offer is something that can be made by the offeree. However, there has to be a binding agreement or an acceptance of the offer for it to then become an official agreement. It is a crucial part of an offer; there is no acceptance or rejection on the part of Martha in this 1st contract dispute, rather a firm answer saying that she will get back to Mario if she would like to continue with his offer. This can be identified as an 'invitation to treat.'

An 'invitation to treat' is an invitation to allow another to make an offer Chen, (2026).

This provides support for the first stage of contract negotiation. Martha has invited Mario to negotiate a price through a general quote for building work & materials required. Mario has made the offer of £17,000 excluding material. Although Martha has invited Mario to make a quote there is no agreement on the offer made.

A key case to examine where the terms of an agreement must be clear is the case of 'Scammell (G) & Nephew Ltd v Ouston' (1941). The case proves the point of no certain agreement & can provide a common law answer to support Martha & her claim for no contract obligation to Mario.

Another key case to examine is that of 'Gibson v Manchester City Council' (1979). The case proves the point of acceptance & also an 'offer to treat.' The case supports the case of 'Scammell (G) & Nephew Ltd v Ouston' (1941).

Furthermore, there is no intention to create legal relations as found in the case of 'Balfour v Balfour' (1919), & neither is consideration present, however there was an offer made with no acceptance. Consideration is a pivotal factor of a binding contract and examined by (Finch & Fafinski, 2023, pp. 57-59).

There are two cases that support the definition of consideration & evidence gives an answer in the case of 'Dunlop Pneumatic Tyre Co Ltd v Selfridge & Co Ltd' (1915) & according to Chen (2026) the key point is the 'privity ruling.'

The facts of the situation in this incident are that Martha has not agreed to anything on Mario's services & for that reason there is no contract obligation with this incident.

Mario has misinterpreted the situation & through his own actions has gone ahead with the lack of any forbearance on his part & bought materials to undertake a job where no agreement was official.

The 2nd contract dispute involves Martha & Jonothan & is again a legal requirement to understand that can become a potential legal dispute, especially when trying to resolve whether a contract is accepted in such circumstances.

The terminology to understand in this dispute is the 'postal rule.' The postal rule. According to LexisPSL Dispute Resolution Q&As [Lexis Plus UK], (2019), is only acceptable when postal use is reasonable & within this incident it can be considered reasonable. It is the defining factor in this dispute.

A key case to examine is that of 'Henthorn v Fraser' (1892) & proves that the postal rule is a valid point Chen, (2026).

What the evidence can give is an answer to whether there has been an offer & whether there has been an acceptance of the offer.

Martha & Jonothan have made an agreement via post. This is clearly visible in the scenario. After multiple exchanges of dates & quotes sent between Martha & Jonothan there is an official quote received by Martha from Jonothan for £16,000 received on the: 15 January 2026. Martha sends a letter of acceptance on the: 16 January 2026. What this proves is a clear acceptance of offer & there is a unilateral contract formed between both parties.

There is a key case that supports this analysis of unilateral contract formation and that is in the case of 'Taylor v Laird' (1856). The case supports contract agreement with reference to the scenario involving Jonothan that an offer made by himself has not been ignored by Martha. The case can be further scrutinised in 'Henthorn v Fraser,' providing the correct case law to establish that a written contract has in fact been formulated.

The correct terminology for this type of contract is a 'bilateral' contract & not an 'unilateral' contract, according to Cornell Law School [LII], (no date). 'A bilateral contract is a contract in which both parties in the agreement exchange promises to perform a specific action.' What this provides is a foundational understanding of how this contract has been implemented & 100% formulated.

A key case to support unilateral contracts is that of 'Errington v Errington' (1952), Chen (2026). This case proves the point of unilateral contracts & once entered by the offeree on performance, the contract can not be revoked.

Another key case to prove this point can be found in 'Entores v Miles far east corpn' (1955). The case provides facts on the terms of 'acceptance.' The argument identified is that Jonothan does not receive the offer of acceptance via the post from Martha in this dispute & does not attend the job as expressed by both himself & Martha.

There is a vital difference between both scenarios again & another defining factor is the importance of the 'promiser' & the 'promisee' & this is best described by Hall Ellis Solicitors (no date) identifying if there is a promisee within an agreement then there is also a promiser & once there is a promise between two parties that is when there is sufficiency to form the contract.

This can also be strengthened by Chen, (2026) who expertly finds the provision in s. 1(7) of the (*Contracts (Rights of Third Parties) Act 1999*).

Importantly at this point in the analysis there has been a breach of contract by Jonathan for not turning up to the job. According to (Chen-Wishart, 2018, p. 466) a contract has been breached when there is a failure to perform the obligations of the contract. In this case, Jonathan can be seen to have breached the contract due to his lack of performance.

Jonathan has made an offer, accepted a response & also corresponded via post. The only issue remaining is that Jonathan has not received the final letter from Martha agreeing upon a date. There is enough time for Jonathan to follow up on an agreement made prior & should not have just disregarded previous negotiation with Martha. Jonathan is fully aware of the location of the property having already completed a quote for Martha & should have made efforts to fulfil his contract obligations throughout this negotiation.

There is a case to strengthen the analysis of a breach of contract & lack of consideration as found in the key case of 'White v Bluett' (1853). The point in this instance is that there was no intention to create legal relations. The scenario involving Martha & Jonathan is clearly visible that there is an intention to create legal relations, the case provides clarity & the conclusion of this scenario that Martha is entitled to seek legal action if believed necessary & is not liable for any dispute in this contract agreement. However, Jonathan is responsible for not fulfilling his contractual obligations & can be held liable in this scenario.

The 3rd contract dispute involving Martha & Mary involving the return of Martha's cat Midnight can again be examined through the case of 'Taylor v Laird' (1856). According to Tutor2u, (2026) there has to be a communication of offer from the offeror for an offer to be accepted. The offer can be found within the poster posted from Martha.

The case of 'Carlill v Carbolic Smoke Ball Co (1892) can give evidence to an acceptance of an offer & is a foundational case in common law jurisdiction. The case also provides acknowledgement to an offer, acceptance & an invitation to treat and links to the scenario involving both Martha & Mary. After consideration & though there is a contract in place the advice would be to follow through on the promise of the reward stated upon the poster and pay Mary the reward of £200.

The conclusion for this assignment is that Martha has entered legally into two contract agreements, one with Jonothan & one with Mary. The scenario involving Mario has been proven through analysis of evidence that there was no official agreement of contract.

The advice to Martha would be to contact a solicitor if Mario persists to threaten with legal action and claim a remedy of an injunction against Mario if matters escalate (Chen-Wishart, 2018, p. 554).

In Scenario 2 there is a contract established between Martha & Jonothan & Martha legally can summons Jonothan through the power of attorney to complete the contractual obligations agreed upon within postal negotiations.

The postal rule being the defining factor in this incident & also Jonothans breach of contract.

Evidence provides that Jonothan has not turned up to the job neither has Jonothan followed up on his working commitment to Martha.

The (The Law Academy, 2023) provides clear evidence to the postal rule & strengthens the argument for Martha's dispute through the case of 'Adams v Lindsell' (1818). The case proves that an agreement is legally official when the letter of acceptance is posted to the offeror.

The conclusion for scenario 3 is that Martha has made an offer to the public providing an invitation to treat with a cash reward for the return of her cat Midnight.

This contract has been satisfied by Mary who has returned the cat to Martha. The advice for Martha is to fulfil the promise of her contract and pay the reward to Mary of £200.

This interesting subject of contract law has proven difficult and very fulfilling and the conclusion is the correct conclusion for Martha's advice enquiry.

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