

## READING PASSAGE

Mr Mills visited a lawyer after encountering financial difficulties related to a caravan purchase agreement. During a caravan exhibition in Southampton, Mr Mills and his wife became interested in a luxury caravan called the Traveller VIP. After discussing the features of the caravan with a sales representative from Sunrise Caravans, Mr Mills decided to purchase it immediately. The total purchase price was £22,500.

At the exhibition, Mr Mills informed the sales representative that the purchase would be made jointly with his wife. However, since his wife was not present at the time, he was instructed to sign the contract on behalf of both parties. Mr Mills also paid a 10% deposit through an online bank transfer. According to the agreement, the remaining balance had to be paid in two instalments within specific time periods.

Initially, Mrs Mills was unhappy about the purchase decision, but she later supported the idea and even began planning a caravan trip around Ireland. Mr Mills intended to finance the remaining amount through a bank loan secured against his house. However, the bank rejected the loan application because property values in his area had decreased significantly. As a result, the bank believed that Mr Mills did not have sufficient equity in his home to secure the loan.

Unable to continue with the purchase, Mr Mills contacted Sunrise Caravans to explain the situation. The company informed him that cancelling the agreement would place him in breach of contract and that his deposit would not be refunded. Mr Mills then sought legal advice regarding whether the contract was valid since his wife had not signed it.

The lawyer explained that the matter was complicated because the contract included a "joint and several liability" clause. He referred to a previous legal case, *Marlbury Ltd v Liditi* (2016), where a husband signed a joint agreement without his wife's signature, yet the court still found the husband individually liable under the contract. Therefore, the lawyer advised that Mr Mills might still be legally responsible for fulfilling the agreement.

As a possible solution, the lawyer suggested negotiating with Sunrise Caravans to allow Mr Mills to forfeit his deposit in exchange for terminating the contract. Although this would result in a financial loss, it could help him avoid further legal action and additional financial obligations.

# READING WORKSHEET

## Part A: Main Idea Identification (Multiple Choice)

1. What is the main issue discussed in the passage?

- a) A property dispute
- b) A breach of contract involving a caravan purchase
- c) A criminal investigation
- d) A family disagreement

3. Why could Mr Mills not continue with the caravan purchase?

- a) The caravan was damaged
- b) His wife refused to support the purchase
- c) The bank rejected his loan application
- d) Sunrise Caravans cancelled the agreement

2. Why did Mr Mills seek legal advice?

- a) He wanted to sue the bank
- b) He wanted to cancel the caravan purchase agreement
- c) He wanted to buy another caravan
- d) He wanted to change the contract terms

4. What did Sunrise Caravans say would happen if Mr Mills cancelled the agreement?

- a) He would receive a full refund
- b) He would be in breach of contract
- c) He could exchange the caravan
- d) He would receive a discount



# READING WORKSHEET

## Part B: WH-Questions (Short Answer)

1. How much was the caravan purchase price?

3. What legal clause was included in the contract?

2. Why did the bank reject Mr Mills' loan application?

4. What solution did the lawyer suggest?



# READING WORKSHEET

## Part C: Vocabulary in Context (Matching)

Breach of contract

Liability

Deposit

Litigation

Equity

Value of a property after deducting mortgage debt

Initial payment made before full payment

Failure to follow a legal agreement

Legal action in court

Legal responsibility

