

UNIVERSITY OF SWAZILAND
INSTITUTE OF DISTANCE EDUCATION
DEPARTMENT OF LAW
FINAL EXAMINATION PAPER, MAY 2006

TITLE OF PAPER : **LAW OF CONTRACT**

COURSE CODE : **DL 023**

TIME ALLOWED : **THREE (3) HOURS**

INSTRUCTION : **1. ANSWER ANY FOUR (4) QUESTIONS.**
2. ALL QUESTIONS CARRY EQUAL MARKS.

THIS PAPER SHOULD NOT BE OPENED UNTIL PERMISSION HAS BEEN GIVEN BY THE INVIGILATOR.

QUESTION 1

- (a) What is a contract?
- (b) All contracts are agreements but not every agreement is a contract. Do you agree? Discuss. [25 MARKS]

QUESTION 2

Does the fact that a contract is valid at its conclusion mean that it cannot be challenged subsequently? Discuss.

[25 MARKS]

QUESTION 3

Fikile phones Thembi and tells her that she wants to purchase Thembi's house for E3000,000. Thembi accepts. Discuss the principles regarding offers and acceptance.

[25 MARKS]

QUESTION 4

Sipho concludes a building contract with a contractor, Vusi, in terms of which Vusi must build a house of Sipho's specification for a fee of E200,000. Vusi is to be paid on completion. However, he only completes the walls of the house before he is sequestered. The curator of his insolvent estate institutes action against Sipho for payment of E200,000. Sipho comes to you for advice. Discuss.

[25 MARKS]

QUESTION 5

Write notes on the following:

- | | |
|------------------------------|-----|
| (i) <i>Stipulatio alteri</i> | [5] |
| (ii) Unjust enrichment | [5] |
| (iii) Error in corpore | [5] |
| (iv) Suspensive condition | [5] |
| (v) <i>Mora debitoris</i> | [5] |

[25 MARKS]