

UNIVERSITY OF SWAZILAND

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FACULTY OF SOCIAL SCIENCE

DEPARTMENT OF LAW

SUPPLEMENTARY EXAMINATION PAPER, JULY 2012

COURSE NAME : LAW OF CONTRACT

COURSE CODE : L206

TIME ALLOWED : THREE (3) HOURS

INSTRUCTIONS :

- 1. ANSWER ANY FOUR (4) QUESTIONS.**
- 2. MARKS ARE INDICATED AT THE END OF EACH QUESTION.**
- 3. CANDIDATES ARE THEREFORE ADVISED TO ALLOCATE THEIR TIME ACCORDINGLY.**

THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR

QUESTION 1

Funky entertainment stable organises a disco night which is to feature music bands from South Africa, a braai, drink stands and fireworks. Two hours before the disco is due to start, there is a raging storm which is accompanied by very strong winds. The storm results in a power outage necessitating the cancellation of the disco.

Funky entertainment's loss is E3000.000.

They consider suing the Swaziland Electricity Company. Will they succeed? (25 marks)

QUESTION 2

Dudu a 17 year old minor enters into a hire-purchase agreement with Tracar, in terms of which she acquires a car. On reaching maturity, she continues using the car as her own but refuses to continue paying the instalments arguing that the contract is void.

Discuss (25 marks)

QUESTION 3

Dlamini approaches Dube with a view to buying manure for his potato fields. After applying the manure, Dlamini's crops are destroyed because the manure is unfit for potato crops, a fact which was known to the seller.

Dlamini wants to rescind from the contract. Discuss. (25 marks)

QUESTION 4

Mabuza, the owner of a dancing studio contracted with Maseko his employer that on severing connection with the school he would not teach ballroom dancing within 50 miles of the Manzini Library, for a period of one year. Upon leaving the employ of Mabuza, Maseko opened his own dancing studio within 30 miles of Manzini Library.

Advise Mabuza. (25 marks)

QUESTION 5

Masuku entered into a contract with Bhembe in terms of which Masuku loaned Bhembe E50,000. the money was for the purpose of illicit diamond buying, a fact known to Masuku.

After numerous reminders/requests by Masuku to Bhembe for payment of the loan, Bhembe has neglected/refused to pay.

Advise Masuku. (25 marks)