

UNIVERSITY OF SWAZILAND
DEPARTMENT OF LAW
L301 SUPPLEMENTARY EXAM PAPER

Programme of Study : LLB (N/P) Year III

Title of Paper : Mercantile Law I

Time Allowed : 3 Hours

INSTRUCTIONS:

1. Answer ALL questions.
2. Make sure that you write legibly, your expressions are clear, and that you refer to applicable case law.
3. Begin each question on a new page.

THIS PAPER MAY NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY INVIGILATOR(S).

QUESTION 1

On Monday, Sarah sells her motor vehicle to Benny for E5 000. They agree that Benny will pay Sarah immediately, but Sarah will only deliver the vehicle to Benny on Thursday. On Wednesday, lightning destroys the vehicle while parked outside Sarah's house. Discuss the legal position of each party after the car has been damaged.

Would your answer be any different if Sarah had failed to deliver the car on Thursday, and the car had been struck by lightning outside her house on Friday?

[25 MARKS]

QUESTION 2

Sipho buys a car from Alfies and pays Alfies E5000 in cash but will only take delivery of the car the next week. What would happen to the risk in each of the two separate cases below?

- (a) Lightning strikes the car the very night that Sipho fetches it and the car is completely destroyed.
- (b) Alfies takes the car for a test drive the day before Sipho takes delivery, and negligently crashes the car into a tree.

[25 Marks]

QUESTION 3

Write an essay in which you describe how, in credit agreements, consumers are protected by Swazi legislation.

[25 Marks]

QUESTION 4

If a person purports to conclude a contract on behalf of another but without express or tacit authority to do so, two main questions arise. Can the 'principal' be held liable? Is the 'agent' liable? Discuss.

[25 Marks]

END OF EXAM