

UGANDA MARTYRS UNIVERSITY- NKOZI

UNIVERSITY EXAMINATION

July 2022

FACULTY OF LAW

BACHELOR OF LAWS (LLB) YEAR 1 END OF SEMESTER ONE FINAL
ASSESSMENT ACADEMIC YEAR 2022 JANURAY INTAKE

LAW OF CONTRACT I

LLB 1102

DATE: Friday, 15th July 2022

TIME: 9:30 AM – 1: 00 PM

DURATION: 3 & HALF HRS

Instructions

1. Carefully read through ALL the questions before attempting
2. This examination is composed of seven (7) questions. Answer any four (4) questions, selecting at least one question from each section.
3. This is a STRICTLY CLOSED BOOK examination. No printed or written materials in any form should be taken into the examination room and/ or looked at therein.
4. No **names** should be written anywhere on the examination book.
5. Ensure that your **Registration number** is indicated on all pages of the examination answer booklet.
6. Ensure your work is **clear** and **readable**. Untidy work shall be penalized
7. **Clarity of expression, provision of relevant authorities/examples and logical arguments will earn you extra marks**
8. Any type of Examination Malpractice will lead to automatic disqualification
9. Do not write anything on the questions paper.
10. Use the exam answer booklet for all your rough work

SECTION A

QUESTION ONE

- a) List and authoritatively explain the essential requirements for a valid contract. (15marks)
- b) In a detailed explanation support with authorities, discuss the ways through which an offer is terminated (10 marks)

QUESTION TWO

With the aid of authorities discuss the circumstances under which a stranger to a contract can sue or be sued. (25 marks)

QUESTION THREE

“Part payment of debt is not good consideration”.

Discuss the above statement using relevant authorities explaining exceptions thereunder if any. (25 marks)

QUESTION FOUR

With the aid of relevant legal authorities, discuss the law relating to contractual capacity of minors. (25 marks)

SECTION B

QUESTION FIVE

Write short notes on the following

- a) Past consideration (10marks)
- b) Promissory estoppel (10marks)
- c) Counter offer (5marks)

QUESTION SIX

Read the following scenario carefully and answer the questions that follow

- a) Joan went to downtown Kampala for shopping, and she saw a beautiful dress through the window displayed at 100,000/=shillings. She decided to enter the shop to buy the dress, she picked it from the display and brought it to the shop attendant handing her the 100,000/=shillings. The lady on counting the money returned it to Joan saying its less because the dress costs 150,000/=shillings. Joan is furious and wants to sue the shop owner for breach of contract. Advise her on her intended suit. (5 marks)

- b) Joan entered another transaction where Adam agreed to sell a phone to her and having waited for the phone, she wrote to Adam, "if I don't hear from you by the end of the week, I will consider the phone mine." Indeed, she didn't hear from Adam, so she went to Adam's shop to pick the phone where Adam informed her that he had already sold the phone to another person. She wants to sue Adam for breach of contract, please advise her. **(5 marks)**
- c) Joan wanted to buy a party dress from one of the bridal stores in town so she called the elegant bridals. She then went to the shop and inquired how much it cost, and the shop keeper told her it is 500,000/=. Joan told the shop keeper that she has 400,000/= to which the shop owner said no. Joan went out of the shop to look at other dresses in other shops but her mind was on the earlier dress and having found something that equals the stunning beauty of the dress from the elegant bridals shop, she went back and told the shop keeper that she will pay the 500,000/= as asked for by the shop keeper. The shop keeper refused to sell the dress to Joan saying that she is not serious. As Joan was contemplating her next action, a gentleman enters the shop and points at the dress that Joan wanted whereupon the shop keeper sells it to him at 480,000/=. Joan is furious and has informed the shop keeper of her impending legal suit against the shop keeper for refusing to sell the dress to her.

Advise her concerning the legal issues her encounter **(5marks)**

- d) Kenneth is a businessman in Kampala. He has always desired to have a lawyer in his family. His only son Malema intended to pursue a Bachelor of Science in Electrical Engineering but after completing his high school, Kenneth convinced him to study law. He promised his son an allowance of 500,000/= shillings per a month in addition to tuition, hostel fees and other expenses until completion of his Bachelor of Laws (LLB) degree. Kenneth paid the allowance for only the first 8 months. Having developed misunderstandings with Malema's mother, he stopped the payment of the allowance although he continued paying tuition and other expenses. The son is now threatening to sue him. Advise Kenneth. **(5marks)**
- e) Musa a 17-year-old student at St. Mary's Secondary School went to a shop and bought on credit a flat iron, two pairs of trouser, three shirts and two fancy suits for a total sum of 3million shillings. He had always visited the shop with his father who is a wealthy importer of Turkish products. Musa was supposed to pay within two weeks, but he failed to. Advise Musa. **(5marks)**

QUESTION SEVEN

Explain with clear examples supported with case law authorities what is an invitation to treat and the different examples of invitation to treat as understood in the law of contract. In your discussion, explain the difference (s) if any between an invitation to treat and an offer as understood in the law of contract. **(25marks)**