

**UGANDA MARTYRS UNIVERSITY**

**NKOZI**

**UNIVERSITY EXAMINATION**

**December 2022**

**FACULTY OF LAW**

**BACHELOR OF LAWS (LLB) YEAR 1 END OF SEMESTER TWO FINAL  
ASSESSMENT ACADEMIC YEAR 2022**

**LAW OF CONTRACT II**

**YEAR 1 SEMESTER II**

**COURSE CODE LLB 1207**

DATE: Friday, 12<sup>th</sup> December 2022

TIME: 9:30am–1:00pm

DURATION: 3HRS:30minutes

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**Instructions:**

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1. This is STRICLTLY closed book examination.
2. This exam is comprised of two sections, A& B. Answer TWO questions from each section.
3. All questions carry equal marks (25marks)
4. Time allocated is 3 ½ Hours.
5. Be concise with a clear handwriting and include your registration number clearly.
6. All UMU regulations and rules governing examinations and the accompanying penalties there to in case of breach apply to this exam in entirety.

**SECTION A**

**Question 1**

- a) Using decided cases and the relevant provisions of the law, discuss the circumstances under which silence may amount to a misrepresentation. **(10marks)**
- b) What are the bars to the remedy of rescission? **(15marks)**

**Question 2**

With the aid of statutory, case law and other relevant authorities, discuss the various situations in which illegality may operate as a vitiating factor and explain the effect of illegality. **(25marks)**

### **Question 3**

Explain the law on the discharge of contract by performance under the strict performance rule and the exceptions thereunder. **(25marks)**

### **Question 4**

With the aid of relevant authorities, analyze the law relating to award of damages **(25marks)**

## **SECTION B**

### **QUESTION 5**

Mukiibi is a violent aggressive businessman around Nkozi. Yesterday he found his way into Solome's home in Kayabwe with a gun and made her sign transfer documents which transferred Solome's car into Mukiibi's name.

Solome was also made to sign a sale agreement in Mukiibi's favour. Mukiibi throughout the transaction was pointing a gun at Solome. The agreement and transfer forms were to the effect that Mukiibi had paid cash which was not true.

- a) Advise Mukiibi and Solome on their rights and liabilities (if any). (10Marks)
- b) If Mukiibi had threatened to detain Solome's goods in her shop in Kikubo, would your advice to her be different? Please explain. (15marks)

### **Question 6**

a) Julian a singer, signs an agreement with Tom a restaurant owner for Julian to perform at his restaurant on Mondays, Wednesdays and Thursdays from 7:30pm to 11pm in the night during dinner with a half hour break. The agreement stipulates that Julian should arrive by 7:15pm on each night. There is a further provision that Julian must perform personally at least 20 songs for each night that she comes to perform and that there is no delegation of the task. Julian is to be paid Ugandan Shillings 200,000 per night. One of the Thursday nights, Julian did not arrive until 7:28pm and did not begin until 7:45pm. Without any protest from Tom, Julian decided to abruptly end her music performance at 9:00pm even though she had played only 15 songs. As a result of this, the Semakulas, a couple who regularly patronized the restaurant with their wealthy holiday guests from abroad were not sufficiently entertained. They vowed never to return to the restaurant.

When asked for an explanation, Julian cited domestic problems and Tom tendered only 50,000 Ugandan Shillings as payment for that night. Julian has decided to sue Tom for breach of contract. Advise the parties. **(5marks)**

- b) Jeff agrees with Cliff to rent a stall at the two day annual market festival to be held on Cliff's property. It is the annual rainy and stormy season in the East African Region. Two

days before the annual market festival, the country is put under Covid Alert. This is upgraded to a stormy warning the next day. Even though no rain poured, this affected the attendance of people at the market festival on the first day, Jeff marks very few sales on that day.

Overnight, Jeff carelessly leaves a candle burning in the stall. It falls when there is a sudden gust of wind and catches fire which totally destroy his stall. Jeff had paid considerable amount of money on renting and fitting the stall with food and drinks and now all that is gone. Please advise the parties. **(5marks)**

c) Rajab entered into a contract with Rebecca under which Rajab was to deliver 20 fridges of Sony brand to Rebecca at the price of 5million each. The delivery time was 26<sup>th</sup> June and the Sony fridges were to come from Germany. On 1<sup>st</sup> May 2021 the Ugandan Parliament published and gazetted a total lockdown of the country for 2 months and prohibited any kind of imports into the country. Rajab did not deliver the Sony fridges and Rebecca is angry and wants to sue Rajab for breach of contract. Advise the parties **(5marks)**

d) Musa entered into a contract with Sarah where Musa was to deliver 200kgs of sugar to Sarah on the 6<sup>th</sup> day of June 2022. Musa delivered 100kg of sugar to Sarah on the 6<sup>th</sup> day of June but Sarah refused to accept delivery of the sugar because it was not the amount the two agreed upon. Musa now wants to sue Sarah for breach of contract, please advise the parties. **(5marks)**

e) Elijah enters into a contract with Sandra under which Elijah agreed to transport Sandra's goods to Masaka at a contract price of 500,000 shillings on the 22<sup>nd</sup> of December 2022. Unfortunately before Elijah could deliver the goods, he died on his way to Masaka on the 22<sup>nd</sup> of December and Sandra has refused to pay even half of the agreed price because according to her, the agreement was for the goods to reach Masaka. The widow of Elijah wants to sue Sandra, please advise the parties. **(5marks)**

### **Question 7**

Read the scenario below and answer the questions that follow:

In yet another incident, Maria entered into an agreement with Samantha where upon Maria agreed to sell her used Premio car to Samantha. The agreement stated that Maria would deliver the car to Samantha on the 3<sup>rd</sup> of April upon which Samantha would pay the balance of 10mshs. On 2<sup>nd</sup> April, as Maria took the car to the washing bay in preparation for delivery to Samantha. At the washing bay, a mysterious fire broke out and burned the car. The police have failed to find the source of the fire and has also ruled out negligence on the part of the washing bay. Advise the parties

a) Under what circumstances may a contract be frustrated? **(15marks)**

b) Advise Maria and Samantha on the issue of the destruction of the car **(5marks)**

c) What difference, if any, would it make if the damage to the car had been caused by a fire carelessly started by Maria? **(5marks)**

### **Question 8**

Explain the following, supporting your explanation with legal authorities:

- a. Doctrine of Non es factum **(5 marks)**
- b. Mistake as to identity of the parties **(5 marks)**
- c. Res extincta **(5 marks)**
- d. Res Sau **(5 marks)**
- e. Unilateral mistake **(5 marks)**