

**UGANDA MARTYRS UNIVERSITY, NKOZI/LUBAGA CAMPUS**

**FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT  
DEPARTMENT OF MANAGEMENT SCIENCE**

**BAM II AND BSC FIN & ACC II SEMESTER ONE 2021/2022**

**COURSE UNIT: LAW CONTRACT**

**DATE: Thursday, 27th January 2022**

**Time allowed: 9:30am -12:30pm**

**Instructions to Candidates:**

**Read the following before answering the examination questions.**

- 1) Do not write anything on this question paper.**
- 2) This is strictly a closed book.**
- 2. No excuse for cheating / Test malpractice.**
- 3. Attempt 4 questions.**
- 4. Question 1 is compulsory**
- 5. All questions carry equal marks.**

### **Question One**

Angella and Penninah entered into a contract; and Angella has defaulted. Unfortunately, Penninah cannot be in position to demand from Angella and so she has approached you saying that Julius cannot demand from her, since he was not privy to the contract. Advise Penninah on whether she is right in relation to exceptions of the general rule to Privity of a contract **(25 marks)**.

### **Question Two**

Write short notes about the following

- i) Chief Magistrates Court **(5 marks)**
- ii) The constitution of Uganda 1995 **(5 marks)**
- iii) The deputy chief justice **(5 marks)**
- iv) The constitutional court **(5 marks)**
- v) The supreme court **(5 marks)**

### **Question Three**

Dr. Lizard a Ugandan top artiste contracted with Mr. Nkima to perform on his daughter's birthday on 24/08/2021, and made partial payment. On the 20/08/2021, the country Uganda was put on a total lockdown and no one was allowed to perform. Dr. Lizard did not perform and then Mr. Nkima is very furious and wants a remedy from you. Advise Mr. Nkima in relation to frustration of a contract. **(25 marks)**

### **Question Four**

Explain the meaning of these legal terms

- i) Counter offer **(5 marks)**
- ii) Consideration must not be adequate but sufficient **(5 marks)**
- iii) Civil law **(5 marks)**
- iv) Misrepresentation **(5 marks)**
- v) Criminal Law **(5 marks)**

### **Question Five**

Muhoozi is a minor of 17 years old, he went to Rasta's shop and got 7 suites only paid for 4 suites and has failed to pay the balance. Rasta has also found out that Muhoozi is a son to a Minister and has over 70 suites. Rasta has heard that he cannot claim for his balance because there was no legally binding contract. Advise Rasta on the way forward in relation to elements of a contract.

### Question Six

- (a) Discuss the term “invitation to treat” and give its examples **(15marks)**.
- (b) With the help of examples, explain the conditions governing Acceptance **(10marks)**.

### Question Seven

Discuss the remedies available for breach of a contract **(25 marks)**.