

UGANDA MARTYRS UNIVERSITY
NKOZI
UNIVERSITY EXAMINATION DECEMBER 2023

FACULTY OF LAW
BACHELOR OF LAWS (LLB) YEAR 3 END OF SEMESTER I FINAL
ASSESSMENT

ACADEMIC YEAR 2023/2024

INTERNATIONAL TRADE AND BUSINESS LLB 3106

DATE: Wednesday 13th December, 2023

TIME: 2:00PM– 5: 30PM

DURATION: 3 & ½ HRS

Instructions:

1. This is a **PARTLY OPEN** book exam.
2. ONLY UNMARKED statutory materials are allowed in the exam room.
3. Carefully read through ALL the questions before attempting.
4. **SECTION A is COMPULSORY. At least one question should be attempted from SECTIONS B & C respectively. A total of FOUR QUESTIONS SHOULD BE ANSWERED IN ALL.**
5. No **names** should be written anywhere on the examination book.
6. Ensure that your **Registration number** is indicated on all pages of the examination answer booklet.
7. Ensure your work is **clear** and **readable**. Untidy work shall be penalised.
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 1 (COMPULSORY)

- a) In November, a seller Chi, in China and buyer Shine in Uganda agreed that Chi would sell them an automated teller machine (ATM), on 'Free On Board terms' (FOB). Advise Chi, on his duties under an FOB Contract. (20 marks)
- b) The ATM has arrived at its destination but it is not in good shape. Advise the parties on their liabilities. (5 marks)

SECTION B

Question 2

Fraud is an exception to the rule of autonomy of the Letter of Credits under the Uniform Customs and Practice for Documentary Credits (UCP) 600. Using authorities, provide an explanation on the manner in which courts have dealt with fraud under the UCP. (25 marks)

Question 3

Using authorities, explain the rules in the UN Convention on the Contracts for the International Sale of Goods (CISG) on the following items:

- a) Offer (5 marks)
- b) Acceptance (5 marks)
- c) Conclusion of a contract need not be in writing (5 marks)
- d) Contract of service (5 marks)
- e) Contract for the manufacture of goods (5 marks)

SECTION C

Question 4

CISG is a treaty that provides a uniform regime for contracts for the international sale of goods. (25 marks)

Subject to article 1 of the CISG, the CISG only applies to international contracts of sale under certain conditions. Using supportive authorities, provide notes on the applicability of the CISG within the following terms:

- a) The internationality of the contract (5 marks)
- b) Place of business (5 marks)
- c) Autonomous applicability of the CISG (5 marks)
- d) Indirect applicability (5 marks)
- e) The types of contracts governed by the CISG (5 marks)

Question 5

A Free On Board (FOB) contractual term imposes more duties on the buyer than the seller. With the aid of relevant authorities, Discuss. (25 marks)

Question 6

Using case law, explain the following with regards to documentary credits:

- a) The legality of documentary credits (15 marks)
- b) Principle of conformity (5 marks)
- c) Principle of compliance (5 marks)