



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF HUMAN SCIENCES

DEPARTMENT OF SOCIAL SCIENCES

QUALIFICATIONS : VARIOUS	
QUALIFICATION CODE: VARIOUS	LEVEL: 5
COURSE NAME: COMMERCIAL LAW 1B	COURSE CODE: CML 112 S
SESSION: JANUARY 2020	PAPER: THEORY & CASE STUDIES
DURATION: 2 HOURS	MARKS: 100

SUPPLEMENTARY/SECOND OPPORTUNITY EXAMINATION	
EXAMINER(S)	Mr. B Tjatjara/Adv. Saayman/Ms. R Van Zyl/Mrs. H Von Alten
MODERATOR:	Ms. N Hjarunguru

INSTRUCTIONS	
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Number the answers clearly.4. Number answers according to the numbering structure in the examination question paper.5. Candidates will be penalised for incorrect and illegible spelling	

PERMISSIBLE MATERIALS

[None]

THIS QUESTION PAPER CONSISTS OF 5 PAGES (Excluding this front page)

Question 1

Choose a correct answer from the alternatives provided for each statement by merely indicating the letter with the correct answer. **USE BLOCK CAPITAL LETTERS.**

- 1.1. Which ONE of the following is not a right of a credit receiver in terms of the Credit Agreements Act 75 of 1980?
- (a) The right to payment;
 - (b) An opportunity rectify breach;
 - (c) The right to re-instatement;
 - (d) None of the above.
- 1.2. The following is not a requirement for a latent defect.
- (a) Defect is visible or perceivable by the precise person;
 - (b) Defect existed at the time of the conclusion of the contract;
 - (c) Defect was not known by the purchaser at the time of the conclusion of the contract;
 - (d) All of the above.
- 1.3. Which one below is not a remedy for a purchaser when a seller fails to deliver a thing purchased in a contract of sale?
- (a) Price reduction;
 - (b) Cancellation;
 - (c) Claim for damages;
 - (d) None of the above.
- 1.4. Which of the following duties of the seller in a contract of purchase and sale operates *ex lege* or tacitly and means that the seller has to ensure undisturbed use and enjoyment of a thing sold by the purchaser?
- (a) Guarantee against latent defect;
 - (b) Guarantee against eviction;
 - (c) Guarantee for eviction;
 - (d) None of the above.

- 1.5. The following is an example of a contract of purchase and sale that is subject to a resolutive condition?
- (a) Voetstoots sale;
 - (b) Sale by description;
 - (c) Sale by sample;
 - (d) None of the above.
- 1.6.is a rule which applies to the duty of the seller to keep a thing in safe custody
- (a) Impossibility of performance;
 - (b) Passing of the risk rule;
 - (c) Buyer beware rule.
 - (d) None of the above.
- 1.7. The following is not a requirement for the mere conclusion of a contract of purchase and sale.
- (a) Ownership;
 - (b) Purchase price;
 - (c) Intention to buy and sell;
 - (d) A thing.
- 1.8. In which instance will the contract of purchase and sale be *perfecta*?
- (a) Goods must still be measured, weighed or counted;
 - (b) Goods must still be isolated;
 - (c) Contract is subject to a suspensive condition;
 - (d) Contract is subject to a resolutive condition.
- 1.9. Which of the following is a right of the credit receiver in terms of section 11 of the Credit Agreements Act 75 of 1980 as amended?
- (a) Right to re-instatement;
 - (b) Right to a cooling off period;
 - (c) Right to rectify his or her breach;
 - (d) None of the above.

- 1.10. Which of the following goods are subject to the landlord's tacit hypothec?
- (a) Movable goods of the landlord;
 - (b) Movable goods of the tenant on the leased premises;
 - (c) Movable goods of the tenant wherever they are;
 - (d) All of the above.
- 1.11. Which of the following sale of goods can be described as *ad mensuram*?
- (a) Goods must still be weighed, measured or counted;
 - (b) Goods must still be isolated;
 - (c) Goods are already measured;
 - (d) All of the above.
- 1.12. The following goods cannot be sold
- (a) Stolen things;
 - (b) *Res sua*;
 - (c) Both (a) and (b) above;
 - (d) None of the above options;
- 1.13. The following leave is not provided for in the Labour Act 11 of 2007
- (a) Maternity leave;
 - (b) Sick leave;
 - (c) Paternity leave;
 - (d) None of the above;
- 1.14. Which of the following is not a requirement for valid agency?
- (a) The agent must be authorised;
 - (b) The principal need not exist;
 - (c) The principal must exist;
 - (d) None of the above.

1.15.is an example of an unaccepted practice at the workplace?

- (a) Drunkenness;
- (b) Violence;
- (c) Gross negligence;
- (d) All of the above.

Each correct answer is worth 2 Marks

[30]

QUESTION 2

State whether each of the following statement is true or false. **NO MOTIVATION REQUIRED.**

- 2.1 The Credit Agreements Act 75 of 1980 only applies to credit transactions.
- 2.2 The Credit Agreements Act 75 of 1980 only applies to contracts for the sale or lease of movable goods as declared by the Minister.
- 2.3 Failure to comply with formalities in terms of section 5 of the Credit Agreements Act 75 of 1980 when concluding a credit agreement makes the agreement invalid.
- 2.4 A credit grantor may not lend money to the credit receiver to pay the deposit.
- 2.5 It is not necessary that the initial payment (deposit) must first be paid before the credit agreement will be valid.
- 2.6 A credit receiver has a right to re-instatement in terms of section 9 of the Credit Agreements Act 75 of 1980.
- 2.7 A credit receiver has a right to payment in terms of a concluded credit agreement.
- 2.8 The landlord's tacit hypothec does not attach goods bought in terms of a credit agreement even if the landlord was not notified because they do not belong to the tenant.
- 2.9 A period of a credit agreement can be left undetermined.
- 2.10 Section 13 of the Credit Agreements Act 75 of 1980 refers to a cooling off period.

Each correct answer is worth 2 Marks

[20]

QUESTION 3

Answer the following short questions

- 3.1 Name the duties of the lessor and lessee in a contract of lease. (7)
- 3.2 Distinguish between indemnity and non-indemnity insurance. (3)
- 3.3 List five (5) examples of original works that are eligible for copyright in terms of the Copyright and Neighbouring Rights Protection Act 6 of 1994. (5)
- 3.4 What are the general requirements for the formation of a contract of employment? (5)

[20]

QUESTION 4

Wilson bought a 2012 Toyota Land Cruiser V6 motor vehicle from Peter for N\$ 300 000.00. After two months of the purchase and at the Okahandja-Windhoek Road Block on 01 January 2020, the Police seized the vehicle, on suspicion that it had been stolen after discovering that the vehicle engine number had been tampered with. Advise Wilson of the legal position in this regard. Discuss the applicable legal principles fully. [10]

QUESTION 5

Felix selects and buys 20 laptop screens from PC Centre Store at the Groove Mall on Friday. He arranges to pick up the computers on Monday. The laptop screens that Felix selected are set aside in a storeroom. Felix and the store owner agree that the price for the screens will be N\$ 30 000. During the weekend, lightning strikes the storeroom in which the screens are kept. The screens are completely destroyed. Advise Felix whether he should pay for the screens or not. Discuss fully. [10]

QUESTION 6

6. Name any five (5) methods of termination of each of the following contracts:

(a) Insurance contract. (5)

(b) Agency contract. (5)

[10]

END OF EXAM PAPER

TOTAL (100 MARKS)