



**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 1A	COURSE CODE: CML 111 S
SESSION: JULY 2019	PAPER: THEORY
DURATION: 2 HOURS	MARKS: 100

SUPPLEMENTARY / SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	Mr. B Tjatjara/Mrs. M Saayman/Mrs. Von Alten/Mrs. R van Zyl/Mrs. E Wabomba/Mrs M Hanekom
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 paper5. Candidates will be penalised for incorrect and illegible spelling	

PERMISSIBLE MATERIALS

[None]

THIS QUESTION PAPER CONSISTS OF 2 PAGES (Excluding this front page)

QUESTION 1

State whether each of the following statements is **TRUE** or **FALSE**. NO motivation required.

- 1.1. All contracts must comply with formalities to be valid.
- 1.2. Mistake even if not material can render a contract void.
- 1.3. An aggrieved party to a contract may as a result of misrepresentation claim for delictual damages.
- 1.4. A contract for the sale of land can be concluded orally.
- 1.5. Repudiation is a remedy for breach of contract.
- 1.6. Penalty clause is a term of a contract and also a remedy for breach of contract.
- 1.7. Supervening impossibility of performance and subjective impossibility of performance both renders a contract void.
- 1.8. All concluded contracts of restraint of trade must be reasonable to be valid.
- 1.9. Consensus is also known as a disagreement between the parties to a contract
- 1.10. The age of majority in Namibia is 18.
- 1.11. An unrehabilitated insolvent cannot conclude a valid contract of marriage.
- 1.12. Spouses married out of community of property are jointly liable for the household necessities.
- 1.13. If an offer is vague, a valid contract can be concluded.
- 1.14. A contract is always an agreement between two persons with serious intention to create legal obligations.
- 1.15. A contract is subject to a resolutive time clause if the continued operation of an existing obligation is subject to a certain future event.
- 1.16. A contract is invalid if it is against a statutory provision.
- 1.17. An option and a right of pre-emption are examples of valid acceptance.
- 1.18. An offer and acceptance must comply with same requirements to be valid.
- 1.19. Revocation and death have the same effect on an offer.
- 1.20. There is a joint estate in respect to spouses married out of community of property.

Each correct answer is worth 2 marks

(40)

QUESTION 2

Moses enters into a contract of sale with Kativa to buy a new truck from Kativa, one month after Simon's death. Answer the following questions:

- 2.1. Distinguish between a time clause and a condition. (8)
- 2.2. Name the type of a time clause involved in the case above. Motivate your answer. (2)
- 2.3. State the purpose of the following clauses when included in a contract:
 - (a) Penalty clause;
 - (b) Warranty clause;
 - (c) Entrenchment clause;
 - (d) Choosing domicilium citandi clause;
 - (e) Service clause

10)
(20)

QUESTION 3

Explain duress and discuss its requirements. (10)

QUESTION 4

- 4.1. Discuss the contractual capacity of spouses married out of community of property. (4)
 - 4.2. Distinguish between a contractual capacity of a prodigal and an intoxicated person. (4)
 - 4.3. Explain who is an unrehabilitated insolvent. (2)
- (10)

QUESTION 5

Name the formalities required by law for the conclusion of the following contracts.

- 5.1. Sale of land.
- 5.2. Suretyship.
- 5.3. Antenuptial contract.
- 5.4. Credit Agreement.

(10)

QUESTION 6

Name the requirements for a valid acceptance in relation to formation of a contract. (10)

END OF PAPER

TOTAL: (100 MARKS)