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NATIONAL UNIVERSITY OF LESOTHO
FACULTY OF LAW
LL.B FINAL EXAMINATION
L 592: LAW OF EXPORT TRADE

MAY 2017

MARKS 100

TIME: 3 HOURS

INSTRUCTION:

Answer any **FOUR** questions.

Question 1

On the 15 May 2007 a Lesotho Company **A**, entered into a contract of sale FOB Durban in which he bought pineapples from a Swaziland company **B**. The pineapples were to be packed in 25kg bags and shipment to be made in November 2007. Part of the cargo had been resold to a catering company, **C**, who was to take delivery in the same month. But most of the cargo was shipped in August. Furthermore, the cargo was shipped partly in 25kg bags and partly in 12.5 kg bags.

On what grounds could **A** reject the goods?

[25 MARKS]

Question 2

An agreement is concluded between **A** (a Dares Salaam buyer) and **B** (a Maseru seller) for the sale of wool. The wool is not yet in a deliverable state but will be

ready for delivery in Tanzania in three months' time. **B** agrees with **C** (based in Mokhotlong Lesotho) that she, **C**, supplies **B** with 100 tons of wool in two months' time. **A** has a responsibility under the contract to find a carrier to transport the wool to Tanzania and engages a freight forwarding agent to book shipping space on a boat calling in Tanzania at the relevant time. He also undertakes to arrange marine insurance for the voyage.

Describe the several contracts which will be concluded by all the parties involved in this transaction and determine whether domestic or international law will apply in each case.

[25 MARKS]

Question 3

Dd is on his way to London, boarding at OR Tambo International Airport in South Africa. He leaves his aeroplane seat just before take-off and approaches the open door of the aircraft in order to wave goodbye to his parents and friends who are watching from the airport terminal. As he waves goodbye, the boarding ramp is pulled away from the aircraft and he falls from the plane. The 'fasten seat belt' sign was on when he left his seat. South Africa has incorporated the Warsaw Convention into its legislation.

Should the airline carrier be responsible for **Dd's** injuries?

[25 MARKS]

Question 4

(a) Describe the nature of the buyer's remedies where there is a breach of a CIF contract.

15marks

(b) What are the legal requirements for obtaining export/import licences in Lesotho?

10 Marks

[25 MARKS]

Question 5

(a) Discuss the advantages of arbitration in international commercial contracts.

15 Marks

(b) Draft an arbitration agreement for **A** (a Lesotho business man) and **B** (a Canadian businessman) who are parties involved in a contract of sale for pumpkins.

10 Marks

[25 MARKS]

Question 6

Critically examine the view that letters of credit, by and large, offer the kind of security sought by a seller and a buyer situated in different countries.

[25 MARKS]