

NATIONAL UNIVERSITY OF LESOTHO
FACULTY OF LAW
LL.B SUPPLEMENTARY EXAMINATION

LAW OF CONTRACT II (L2302)

AUGUST 2023

100 MARKS

TIME: 3 HOURS

INSTRUCTIONS:

1. You are required to answer **FOUR (4)** of the **SIX (6)** questions.
 2. Number your answers correspondingly to the question.
 3. Cheating is not allowed.
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QUESTION 1

- a) Outline and briefly explain the components that make up a valid and enforceable contract. 10 Marks
- b) With references to relevant case law, analytically distinguish between void and voidable contracts. 15 Marks

[25 MARKS]

QUESTION 2

The courts will not enforce contracts that involve the commission of a legal wrong, contracts that are contrary to public policy or contracts that promote immorality. To what extent do you agree or disagree with this statement?

[25 MARKS]

QUESTION 3

Explain in terms of contractual capacity, how and to what extent a contract is legally binding on the following persons:

- a) Minors 5 Marks
- b) Persons with mental incapacity 5 Marks
- c) Intoxicated persons 5 Marks
- d) Insolvents 5 Marks
- e) Married persons 5 Marks

[25 MARKS]

QUESTION 4

A contract may be void for several reasons that can vitiate or impair its validity at common law, including for vagueness, illegality, mistake, duress and undue influence as well as for misrepresentation. Summarily discuss each of these grounds through which a contract can be vitiated.

[25 MARKS]

QUESTION 5

Explain what is meant by damages on the one hand, and what is meant by remedies on the other hand and the context in which each of them may apply in redressing a breach of contract.

[25 MARKS]

QUESTION 6

Swagger Boutique has over the years grown popular in Lesotho for selling *en-vogue* urban culture youth fashion wear. In the last couple of years, their business has been dwindling because of many youths turning over to online shopping platforms to purchase similar brands at relatively cheaper prices. As a marketing strategy, Swagger Boutique puts up a discount sales advert for their main shop in Maseru for a two-months period, from 1 June to 31 July 2023. The advert reads as follows:

“Two for Three Discount: Every item at our shop in Maseru is on discount sale. For any two items of the same brand purchased, the third item is free. The discount offer is valid only while stocks last”.

Attracted by the offer, Puleng visits the Swagger Boutique shop in Maseru on 20 July 2023 and purchases two pairs of Pretty Gal hoodies at the price of M1000 each. She then asked to be given the free hoody as per the advertised discount offer. She was told the Pretty Gal hoodies were a new brand that had just arrived and were not included in the discount offer. Puleng feels very strongly that there is a breach of contract but is unsure about what to do. She approaches your law firm for legal advice.

Make an argument whether an advert constitutes an offer and proceed to advise Puleng on the possible cause of action to take against Swagger Boutique, what

claim she may be entitled to, at common law and also whether she is entitled to any other equitable remedy.

[25 MARKS]