

**NATIONAL UNIVERSITY OF LESOTHO**  
**FACULTY OF LAW**  
**LL.B EXAMINATIONS**  
**L2301: LAW OF CONTRACT I**

**JANUARY 2024**

**MARKS 100**

**TIME: 3 HOURS**

**INSTRUCTIONS:**

1. There are six questions. Answer any **FOUR (4)** questions.
2. The use of relevant cases will be rewarded.
3. Write legibly.

## **QUESTION 1**

Mpho offered to sell Neo 5 sheep at the cost of M1200 each. He delivered the sheep to Neo's farm in the absence of Neo. Mpho left a note for Neo stating that if he hears nothing from him about the sheep, the sale is complete. Neo did not respond to Mpho. Mpho later claimed the cost of the 5 sheep from Neo. He alleged that Neo's silence indicated an acceptance of his offer. Neo rejected the claim on the argument he did not accept Mpho's offer, therefore, there is no contract of sale of the sheep between them.

Discuss whether there is an agreement between the two parties with respect to the sheep. **[25 MARKS]**

## **QUESTION 2**

Gogo sends a letter by post to Makhi on August 22. The letter reads as follows:

“Will you sell me 100 laptops at M14, 000.00 per laptop? Please let me have your reply no later than 5pm close of business on 26 August.”

Makhi receives the letter of offer on the 26<sup>th</sup> August and immediately writes a letter accepting the offer. She posts the acceptance letter to Gogo on that same day. On the 1<sup>st</sup> September, the price of laptops dropped in value to M7, 000.00. Gogo no longer wants to pay such a high price for Makhi's laptops. She informs Makhi that she has no obligation to pay the money because there is no contract between herself and Makhi.

Advise Gogo as to whether she and Makhi concluded a contract of sale of the laptops as determined by one of the theories of acceptance.

**[25 MARKS]**

### QUESTION 3

Kabelo rented a flat at Mangopeng village. The landlord requested him to sign a lease agreement that regulates rentals at her flats. Kabelo signed the document without reading it. On the second week of his stay in the rental flat, the geyser burst. Water gushing from it damaged Kabelo's TV, laptop and kitchen cabinets. Kabelo claimed M70 000 as damages from the landlord for the loss he suffered due to landlord's geyser.

Upon receiving Kabelo's claim, the landlord informed him that she is not bound to pay for the loss he (Kabelo) incurred. She relied on an exemption clause in the lease agreement which says the landlord will not be held liable for any loss suffered by his tenants irrespective of whether the loss is caused by the landlord's faulty equipment or by the negligence of his staff.

Discuss whether Kabelo is bound by the exemption clause in the contract he signed, and why. **[25 MARKS]**

### QUESTION 4

Explain whether the following sets of facts constitute warranties, suppositions, time clauses, conditions or *modus*?

a) Kananelo guaranteed that the gold wrist watch that Mpho bought from him (Kananelo), will not fade away. 5 Marks

b) Mohau donates M2,000,000.00 (Two Million Maluti) to his nephew, Mothobi. However, Mothobi shall use part of the money to build his mother a house, failing which, he will have to return the money to Mohau.

5 Marks

c) Ramakoloi intends to buy land from Linoka, whose land is situated along a stream. Ramakoloi indicated that he will conclude the sale contract provided that there are rights to pump water from the stream into the land. Linoka is not confident of the existence of the pump rights and is prepared to investigate whether the rights exist. 5 Marks

d) An employer, Koon Beans, agrees to employ Thato to pick beans on the employer's farm. This will be at a rate of M30.00 per day, until 28 March 2024 or for 3 calendar months from the date of signing of the contract by the employer. 5 Marks

e) A informs Linalete that he will sponsor his hiking trip to Mount Everest if Linalete manages to complete a climb of Thabana Ntlenyane.

5 Marks

**[25 MARKS]**

### **QUESTION 5**

Thato walks past Beb clothing store and sees a dress displayed by the shop's window. She walks into the store, tries the dress on in the fitting room and finds that it is a perfect fit. She proceeds to the cashier to pay for the dress. To her dismay, the shopkeeper informs Thato that the dress is not for sale since it is the last one in the store.

Thato contends that Beb made an offer to sell the dress by displaying it at its windows for customers to see. She stated that she accepted Beb's offer to sell the dress when she walked into the store and tried on the dress. She further indicates that since a contract of sale was concluded when she walked into the store, she is claiming its delivery by giving the cashier the money.

Beb store has called on you to advise them on whether its display of the dress on its window constituted an offer to sell, which Thato allegedly accepted by entering the store and fitting on the dress.

Advise Beb stores.

**[25 MARKS]**

### **QUESTION 6**

Explain the *Delmas Milling* 3 stage approach that the courts use in the interpretation of a contract. The approach was developed by the case of *Delmas Milling Company ltd v Du Plessis* 1955 3 SA 44.

**[25 MARKS]**