

UNIVERSITY EXAMINATIONS



October/November 2024

PVL3702

Law of Contract

100 Marks
25 October 2024
08h00-11h00 (3 Hours)

First examiner: Adv R Ismail (First Examiner)

Second examiner: Professor CJ Pretorius (Second Examiner)

This paper consists of 9 pages.

This is a closed-book examination

THIS IS A TAKE-HOME EXAM

PLEASE READ THE FOLLOWING VERY IMPORTANT INFORMATION CAREFULLY BEFORE ANSWERING THE EXAMINATION QUESTIONS.

1. The examination question paper counts **100 marks**.
2. It consists of **six (6)** questions. Answer **ALL** the questions.
3. The duration of the examination on the timetable is **three (3) hours**.
4. In addition to the duration of the examination indicated on the timetable, you are given **30 minutes to FINALISE the uploading of your Pdf exam answer file**. Your Pdf exam answer file must be uploaded via the myExams platform **BEFORE 11h30 AM** (South African Standard Time) on **25 October 2024**. **There will be NO contingency link available to submit your PVL3702 Pdf answer document.**
5. This is a **closed-book examination**. While the examination is in progress, you are not allowed to consult another person, or any source in order to assist you to answer any of the questions contained in this question paper. While the examination is in progress, you cannot assist another student in answering any of the questions for this examination. Your answers must be set out in your own words. **Do not submit a bibliography because this is a closed book examination and you are not allowed to consult any source to assist you with your answers during the examination session.**

6. This examination is proctored via the Invigilator App. Please take note that you can only scan the QR code from **07h45 AM until 08h30 AM (South African Standard Time) on 25 October 2024**. Thereafter you will not be able to scan the QR Code.

The QR code is below:



QR Access Code: fe543539

- 6.1 **Please note:** If a student is found to have been outside the invigilator app for a total of 10 minutes during their examination session, they will be considered to have violated Unisa's examination rules and their marks will be withheld.
- 6.2 **You only have 10 minutes after the scheduled (timetabled) exam time to submit your script on the Invigilator App.** This should be done **BEFORE 11h10 AM** (South African Standard Time) on 25 October 2024.
- 6.3 You will have **48 hours from the date of their examination to upload their invigilator results from the Invigilator App**. Failure to do so will result in students deemed not to have utilised the invigilation or proctoring tools.
7. The uploading of your exam file on the **myExams platform** must be **finalised within 30 minutes of the scheduled (timetabled) end of the exam**.
- 7.1 You are advised to preview your submission (answer script) to ensure legibility and the correct answer script file has been uploaded.
- 7.2 Once the official examination time per the examination timetable has expired, you are provided 30 minutes to submit your answer script. Submissions made after the submission period has lapsed will be

rejected as per the examination regulations and will not be marked.

7.3 **The cover page for your take-home exam must include your name, student number and the module code.**

7.4 When ready to submit, open the Take-Home (Assignment) assessment again and click on the Add Submission button.

Submission status

Submission status	No attempt
Grading status	Not marked
Due date	Saturday, 11 June 2022, 12:00 AM
Time remaining	37 days 8 hours
Last modified	-

Submission comments

▶ Comments (0)

▼
Add submission

7.5. Note the file requirements such as:
a. File size limit.
b. Number of files that can be submitted.
c. File formats allowed.

7.6. Check the acknowledgment checkbox and upload your answers document and then click on the Save changes button.

File submissions

☒ This submission is my own work, except where I have acknowledged the use of the works of other people.

Maximum file size: 50MB, maximum number of files: 1

Files



A Sample PD...

Accepted file types:

Document files .doc .docx .epub .gdoc .odt .ott .pdf .rtf
PDF document .pdf
Word 2007 document .docx
Word document .doc

Save changes Cancel

7.7. Review your submission information regarding the status and click on your submission file link to check if it's correct.

Submission status

Submission statusSubmitted for grading

Grading statusNot marked

Due dateSaturday, 11 June 2022, 12:00 AM

Time remaining37 days 8 hours

Last modifiedWednesday, 4 May 2022, 3:05 PM

File submissions

A Sample PDF.pdf4 May 2022, 3:05 PM

Submission comments

Comments (0)

7.8 If you need to resubmit a file, you can click on the Edit Submission button. Note: You will need to delete any existing files.

Submission status

Submission statusSubmitted for grading

Grading statusNot marked

Due dateSaturday, 11 June 2022, 12:00 AM

Time remaining37 days 8 hours

Last modifiedWednesday, 4 May 2022, 3:05 PM

File submissions

A Sample PDF.pdf4 May 2022, 3:05 PM

Submission comments

Comments (0)

Edit submission
Remove submission

7.9 Use proper PDF conversion software to create the final file for upload. Free PDF conversion software is available on the Internet.

7.10 Add your student number and the module code in the file name. That will assist you to select the correct document to upload during submission.

7.11 You are advised to preview your submission (answer script) to ensure legibility and that the correct answer script file has been uploaded.

8. It is preferred that your take-home exam is typed. However, handwritten submissions will also be accepted.
9. Whether your answers are typed or handwritten, your submission on the myExams platform on Moodle must be made in the form of **one PDF** document. Only the last file uploaded and submitted will be marked.
- 9.1 **The exam answer file that you submit must not be password protected or uploaded as a “read only” file.**
- 9.2 Your examination answer file will not be marked if:
 - 9.2.1 you send your examination answer file via email.
 - 9.2.2 you submit the incorrect examination answer file. A mark of 0% will be awarded.
 - 9.2.3 you submit your exam answer file on an unofficial examination platform.
 - 9.2.4 you submit your examination answer file in the incorrect file format.
 - 9.2.5 you submit a password-protected document.
 - 9.2.6 you submit your examination answer file late.
 - 9.2.7 you submit your answer file from a registered student account that is not your own.
- 9.3 The mark awarded for an illegible examination answer file submission will be your final mark. You will not be allowed to resubmit after the scheduled closing date and time of the exam.
- 9.4 Listening to audio (music) and utilising audio-to-text software has been strictly prohibited during your examination session, unless use of the software is related to a student's assistive device which has been declared. Listening to music, utilising such software and/or failing to declare the software is a transgression of Unisa's examination rules and the student's marks will be withheld.
10. If your answers are typed, ensure that the following requirements are adhered to. Items 10.3-10.6 applies to written assignments as well.
 - 10.1 The text must be typed in Arial font, size 12 with single line spacing within the paragraph, and double line spacing after the paragraph.
 - 10.2 The text must be justified.
 - 10.3 All of the pages must be numbered in the right hand corner at the bottom of the page.
 - 10.4 All margins must be 2.5cm, but the left margin must be 3cm.
- 11.5 South African English and not American English should be used. For example, the correct spelling is “Labour” and not “Labor”.
- 10.6 Do not use abbreviations or SMS language.
11. **DO NOT CUT AND PASTE ANSWERS FROM THE STUDY GUIDE OR THE PRESCRIBED TEXTBOOK (OR ANY OTHER SOURCE).**

12. The arguments that you make must be logical, well-structured and substantiated by all of the relevant legal principles, which must be done in your own words. Use the time given wisely.
- 12.1 A number of students lose marks because they do not approach problem-type questions correctly. When answering such questions, it is important to first clarify for yourself the area of work where the answer must be sought. Once you have done this, set out the relevant legal principles. Deal only with those principles that relate to the given facts. Next, apply these principles to the facts. This is where most of the students lose marks - they set out the law in some detail, but then do not illustrate how it applies to the factual situation they have been asked to solve. Finally, state your conclusion.
13. You must complete the online declaration of own work when submitting.
- 13.1 By ticking the Honesty Declaration, you confirm that you have read (i) the University's [Policy on Copyright Infringement and Plagiarism](#) and the [Student Disciplinary Code](#), which are both available on myUnisa: www.unisa.ac.za/unisarules, and (ii) the information relating to student values and plagiarism that is found at <https://www.unisa.ac.za/sites/myunisa/default/Study-@-Unisa/Student-values-and-rules>.
- 13.2 Students suspected of dishonest conduct during the examinations will be subjected to disciplinary processes. Students may not communicate with any other person or request assistance from any other person during their examinations. The use of Telegram, WhatsApp or any other instant messaging services with any other person (except when asking for technical assistance via official channels of the SCSC or the Invigilator WhatsApp line) are strictly prohibited. Plagiarism is a violation of academic integrity and students who plagiarise, copy from published works or use Artificial Intelligence Software (eg ChatGPT) or online sources (eg course material. For open book exams, change to 'other than the course material') will be in violation of the Policy on Academic Integrity and the Student Disciplinary Code and may be referred to a disciplinary hearing. Unisa has a zero tolerance for plagiarism and/or any other forms of academic dishonesty.
- 13.3 Unless a student is exempted because of disability or incarceration, students who have not utilised invigilation or proctoring tools will be deemed to have transgressed Unisa's examination rules and will have their marks withheld.

PLEASE NOTE:

If you experience challenges with the Invigilator app, please WhatsApp the technical helpdesk on **073 505 8273**. **Do not contact the lecturers. Also do not phone/call the technical helpdesk.**

For all other exam-related challenges, you may contact the SCSC on 080 000 1870 or e-mail Examenquiries@unisa.ac.za or CLAWExams@unisa.ac.za or refer to [Get-Help](#) for the list of additional contact numbers.

QUESTION 1

In each question identify the type of breach of contract that the facts relate to:

- 1.1 Where a debtor culpably fails to make timeous performance of his or her contractual obligations. [2]
 - 1.2 Where the creditor culpably fails to cooperate timeously with the debtor so that the debtor may perform his or her contractual obligations. [2]
 - 1.3 Where the debtor's contractual performance is defective or incomplete. [2]
 - 1.4 Where through the fault of either party to a contract, this renders performance of the contract impossible. [2]
 - 1.5 Where a party to a contract by his or her words or conduct, and without lawful excuse, he or she manifests an unequivocal intention to no longer be bound by the contract or any obligation forming part of the contract. [2]
- [10]

QUESTION 2

The Consumer Protection Act 68 of 2008 recognises a number of fundamental consumer rights. List any 5 (five) consumer rights. **Do not** discuss these rights. [10]

QUESTION 3

Jack offers to sell his 2012 Honda Ballade to Jane for R100 000. Jane asks Jack to give her some time to decide if she wants to purchase the car, and Jack agrees. In this regard, on 1 July both parties agree that Jane will be given 30 days to decide whether she wants to purchase the car. On 15 July, Jane meets Jack, and she informs Jack that she accepts his offer. Jack responds that he has decided not to sell the car and that he will be keeping it, as his dad gave it to him and as such it is of sentimental value to him. Jane approaches you for legal advice. Critically analyse the facts and fully advise her if a preliminary legally binding contract (*pacta de contrahendo*) was concluded between both parties. Furthermore, advise Jane fully whether a contract of sale was concluded between the parties. Discuss fully and also use the legal principles relating to offer and acceptance to assist you in your analysis. Do not apply the Consumer Protection Act 68 of 2008. [20]

QUESTION 4

Cyber International (Pty) Ltd (“Cyber”) concluded a nine-year lease agreement with Fibre Logistics (Pty) Ltd (“Fibre”), for premises in Cape Town, wherein Cyber is the lessee and Fibre is the lessor (owner of the premises). The lease agreement has been operating for three years and the parties have decided to sign an addendum to this lease agreement to cater for new matters such as the installation of air conditioning in the leased premises. Fibre’s attorney drafted the addendum wherein he mistakenly shortened the original lease period from nine years to six years. Fibre’s authorised representative saw the mistake and did not say a word when he signed the addendum. Cyber’s authorised representative signed the addendum without knowing that the lease period was shortened in this document. Fibre stood to gain from a shortened lease period because a recent property boom in the area meant that a higher rental could be achieved for the premises in comparison to the rental that was agreed to with Cyber. Apply the will theory and the direct reliance theory and advise Cyber whether the signed addendum by both parties constitutes a legally binding contract. Discuss fully and refer to case law. Do not apply the Consumer Protection Act 68 of 2008. [20]

QUESTION 5

The Ultimate Fight (Pty) Ltd (“the company”) hosts boxing matches wherein people who have serious disagreements on online social media platforms are invited to settle their differences in a boxing ring. This company generates monetary profits and fame by hosting these boxing contests. Often the participants get badly hurt as the intention is to inflict bodily harm in these events. Recently the company engaged with Otis and Frank to participate in a boxing match as both adults have been having verbal altercations and feuds on social media and the company thought it was time to invite them into the boxing ring to settle their differences physically. Subsequently, the company concluded a contract with Frank which included a term wherein the parties agreed that for Frank to participate he must pay the company R50 000 and if he wins the boxing match against Otis, the R50 000 will be returned to him and in addition to this, the company will also pay him a further R50 000 for his victory. The contract further provided that if Frank lost the match, he agrees to forfeit the R50 000 to the company. Frank paid the R50 000 to the company and contested the boxing match with Otis. Unfortunately for Frank, he lost the boxing match. In accordance with the South African Boxing Act 12 of 2004, it is illegal to promote and host boxing matches without obtaining a license from the Minister of Sports and Recreational Events. This Act also provides that a contract concluded by any entity with a person to participate in a boxing match is illegal and is deemed void if that entity does not have the requisite license to promote and host boxing matches. The company was operating this business without a license even though the director’s knew that a license was required. Because the director’s felt that the Minister will not grant the company the license for various reasons, they decided to host the boxing matches for as long as possible, as the business was very profitable. At the time of concluding the contract with the company, Frank was only 19 years old, having recently completed high school. He was young and not aware of statutory legislation that regulated boxing as a sport, and he did not know that it was illegal to conclude the contract to participate in the boxing match against Otis. Frank approaches you for legal advice as he wants to claim back the R50 000 he paid to the company. Discuss fully if he will

succeed with such a claim. Refer to case law in your answer. Do not discuss whether the term in the contract was unfair to enforce. Do not apply the Consumer Protection Act 68 of 2008. **[20]**

QUESTION 6

Thabo has contracted with Sipho to build a perimeter wall at his house, for R100 000. In terms of the contract, Sipho must have the wall completely built by 10 March, and after doing so, Thabo must pay Sipho R100 000. After building 80% of the wall on 7 March, Sipho's workers go on strike, and on 20 March, Sipho informs Thabo that the strike appears to be indefinite, therefore he (Sipho) will definitely not be returning to complete building the wall. Thabo then hires Romano who completes the building of the wall at a cost of R30 000. Sipho approaches you for legal advice as Thabo is refusing to pay him for the work that he has already done with the wall at Thabo's house. Advise Sipho if he can recover any amount from Thabo, and if so, on what basis. Discuss fully and refer to case law to substantiate your legal advice to Sipho. Note that Thabo did not commit breach of contract by refusing to pay Sipho. Do not apply the Consumer Protection Act 68 of 2008. **[20]**

TOTAL:[100]