



FACULTY OF LAW
END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: LLB

YEAR/SEM: YEAR 1/SEMESTER 2

COURSE CODE: LLB 1207

NAME: LAW OF CONTRACTS II

DATE: 2025-04-15

TIME: 9:00AM-12:00PM

INSTRUCTIONS TO CANDIDATES:

1. Read the instructions very carefully
2. The time allowed for this examination is STRICTLY three hours
3. Read each question carefully before you attempt and allocate your time equally between all the Sections
4. Write clearly and legibly. Illegible handwriting cannot be marked
5. Number the questions you have attempted
6. Use of appropriate workplace examples to illustrate your answers will earn you bonus marks
7. Any examination malpractice detected will lead to automatic disqualification.

DO NOT WRITE ANYTHING ON THE QUESTION PAPER

Section A This Question is COMPULSORY

Question 1:

James on the 1st of January, 2025 concluded a contract with Elite Supplies Ltd. to purchase high-quality building materials for the construction of his house at Sixth Avenue. The contract states that the materials would be delivered on the 1st of April 2025 .

However, on the 10th of March, the managing director of Elite Supplies Ltd informed James that they were no longer going to be in position of supplying the said building materials.

In another contract, James contracted with BuildRight Builders Ltd. to renovate his house, with the work to be completed within three months for a fixed price of UGX 5.000.000/= [Five million] . The contract specified that high-quality materials would be used on effecting the renovation exercise.

However, half way into the work BuildRight Builders Ltd abandoned the renovation exercise. James claims this is unfair on the part of the BuildRight Builders as regards their contractual obligations.

Citing relevant applicable laws identify the legal issues raised in the facts above and advise the parties accordingly.

Section B Choose ONE from TWO.

Question 1:

Citing relevant applicable laws write short notes on the following:

- (a) Common mistake.
- (b) Unilateral mistake.
- (c) Mutual mistake.
- (d) Doctrine of non est factum.
- (e) Force majeure clause

Question 2:

Citing relevant applicable laws write short notes on the following:

- (a) Fraudulent misrepresentation.
- (b) Negligent misrepresentation.
- (c) Innocent misrepresentation.
- (d) Mistake of fact.
- (e) Mistake of Law.

Section C Choose TWO from FOUR

Question 1:

Discuss the concept of 'mistake' in the law of contract, distinguishing between common, mutual, and unilateral mistakes.
To what extent do these mistakes affect the validity and enforceability of a contract?

Question 2:

With the aid of relevant applicable laws distinguish between repudiation and fundamental breach as applied to discharge of a contract.

Question 3:

Citing relevant applicable laws discuss the contracts prohibited by public policy.

Question 4:

Citing relevant applicable laws, discuss the precise and exact performance rule and the exceptions thereunder.