



FACULTY OF LAW
END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: LLB

YEAR/SEM: YEAR 1/SEMESTER 1

COURSE CODE: LLB 1107

NAME: LAW OF CONTRACTS I

DATE: 2025-04-24

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:

(a) John, a shop owner, places a designer handbag in his store window with a price tag of UGX 1.000.000/= [One million shillings]. Sarah sees the handbag and enters the store, stating that she wants to buy it for the displayed price. However, John refuses to sell it, claiming that the price was mistakenly placed and the actual price is UGX 1.500.000/= [One million five hundred thousand shillings].

Sarah insists that John must sell the handbag for UGX 1.000.000/= [One million shillings] since it was advertised in the window.

(b) On the 1st of February 2025, Redmond offered his car for sale at a value of UGX 20.000.000/= [Twenty million shillings]. On the 15th of February 2025, Hughes accepted to buy the car but at UGX 15.000.000/= [Fifteen million shillings]. Redmond refused to sell to him at the said UGX 15.000.000/= [Fifteen million shillings].

On the 20th of February 2025, Hughes returned with UGX 20.000.000/= [Twenty million shillings] and was ready to pay for the car.

However, Redmond informed him that he was no longer selling the said car. Hughes claims that this is a breach of contract.

(c) Kim, a car dealer, enters into a contract with Olivia to sell her a "brand-new 2024 Tesla Model S with autopilot and full self-driving capability." Upon delivery, Olivia discovers that the car is a 2023 model and lacks the advertised self-driving features. When she raises the issue, James insists that the car is still in excellent condition and offers a small discount instead of replacing it.

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

Section B Choose ONE from TWO.

Question 1:

Write short notes on the following:-

- (a) Void contract.
- (b) Voidable contract.
- (c) Express contract.
- (d) Executory contract.
- (e) Executed contract.

Question 2:

Write short notes on the following:

- (a) Display of goods for sale.
- (b) Sales by auction.
- (c) Advertisements.
- (d) Tickets.

(e) Tenders.

Section C Choose TWO from FOUR.

Question 1:

Citing relevant applicable laws discuss the terms implied in a contract of sale of goods.

Question 2:

Citing relevant applicable laws discuss the various modes through which an offer can be extinguished.

Question 3:

With the aid of relevant applicable laws, discuss the rules governing consideration.

Question 4:

• A party that wants to rely on an exclusion clause must make sure that such clause is incorporated into the contract. • Per Powell the Chairperson of Modern Traders Association.

Citing relevant applicable laws discuss the various ways through which an exclusion clause can be incorporated into the contract.