

UNIVERSITY OF FORT HARE  
NELSON R MANDELA SCHOOL OF LAW  
(East London Campus)

LAW OF CONTRACT  
(SPECIFIC CONTRACTS)  
LOC 221E

DEGREE EXAMINATIONS

OCTOBER/NOVEMBER 2019

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Time: 3 hours

Subject: LAW OF CONTRACT (SPECIFIC CONTRACTS) LOC 221E

Marks: 100

This paper consists of 3 pages including the  
cover page

Internal Examiners

Dr T Shumba  
Prof PC Osode

INSTRUCTIONS

1. Answer ALL (4) questions.
2. Do not separate subsections of questions.
3. Refer to legislative provisions, case law, and/or any relevant authority, where applicable.
4. Pay careful attention to marks allocated.
5. WRITE LEGIBLY.

## QUESTION 1

Critically discuss the Roman law rule that when the sale is perfecta, the doctrine of passing of risk causes the risk to pass to the buyer and its application under South African law.

**[25 Marks]**

## QUESTION 2

Janet is renting a two bedroomed apartment from Nancy in Quigney, East London. For the past three months, Janet has not paid rent totalling R10 000. All she has been doing with her money is buying luxurious goods which includes a laptop, a car, a bed, pots, a microwave and some domestic utensils. She also has a piano that she got as a birthday present from her boyfriend Steven; a bicycle that she inherited from her aunt; a TV she bought on hire purchase from GAME stores; and a Stove she borrowed from her friend Roseline to cook for her special guests coming for a weekend. It has also turned out that Janet is now insolvent and all her property is going to be sold to pay her debts. Knowing her predicament, Janet has loaded all the goods from the apartment on a truck and has already left apartment heading for King Williams Town before Nancy can take any action. However, she has forgotten the piano worth R9000 and left the Stove which belongs to Roseline.

Advice Nancy on lessor's tacit hypothec. In particular, what right does she have over which property in this scenario? Please substantiate your answer. **[25 marks]**

### **QUESTION 3**

Discuss the process and possible consequences of debt review under the National Credit Act, 34 of 2005.

**[25 marks]**

### **QUESTION 4**

Discuss the various benefits/rights available to a surety under South African Law.

**[25 marks]**

**TOTAL 100 marks**