



SCHOOL OF LAW

NLLB203: COMMERCIAL LAW

END OF FIRST SEMESTER EXAMINATIONS

NOVEMBER 2025

LECTURER: SIPHETHILE PHIRI

DURATION: 3 HRS

INSTRUCTIONS

- 1. Answer four questions - Question 1 is compulsory.**
- 2. This exam carries a total of 100 Marks.**
- 3. Where necessary, you are encouraged to provide appropriate references in your answer.**

SECTION A

THIS SECTION IS COMPULSORY

QUESTION 1

Caro signed a hire-purchase agreement for a used vehicle with Mutare Auto Ltd, a reputable car dealer in Manicaland Province. The agreement contains a clause stating that the car is sold "*voetstoots*," and the company accepts no liability for defects. The salesperson informed Caro that the vehicle is in perfect condition and it drives well. Within a week of driving it, the vehicle broke down due to a pre-existing mechanical fault, which was known to the seller but was not disclosed to Caro. Caro wants to sue Mutare Auto Ltd for selling her a defective vehicle. The Mutare Auto Ltd alleges the *voetstoots* clause precludes Caro from instituting any legal action against them.

Discuss the enforceability of the exclusionary clause. Refer to relevant authorities in your discussion. [25 marks]

SECTION B

ANSWER ANY THREE QUESTIONS FROM THIS SECTION

QUESTION 2

Referring to authorities, discuss the *huur gaat voor koop* principle. [25 marks]

QUESTION 3

Discuss the following in relation to commercial transactions:

(a) Principal and agent; [10 marks]

(b) Powers of attorney; and [5 marks]

(c) Guarantee and warranty. [10 marks]

QUESTION 4

Enzo insured her retail store against fire. Six months later, fire destroyed the shop. The insurer refuses to pay out, alleging that Enzo failed to disclose that she stored flammable

chemicals in the basement. Enzo insists that it was immaterial for her to disclose such information to the insurer and sues the insurer for breach.

Advise the parties. In your answer, explain the principle of utmost good faith and material non-disclosure in insurance contracts. [25 marks]

QUESTION 5

Name and briefly explain any five (5) forms of delivery of the *merx* in a contract of sale.

[25 marks]

END OF EXAMINATION