

Examination in Commercial Contract Law 3780  
15 December 2011

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Four hours  
No materials

Please answer the following five questions.

1

Flash Gordon Ltd, a Finnish company with its registered seat and operations in Vaasa, Finland, has bought electricity from Elfjord AS, a Norwegian electricity supplier that has its seat in Bergen, Norway. The electricity is to be delivered in Vaasa. The law of what country (one or more countries) governs the contract? Where can Elfjord be sued for breach of contract?

2

Flash Gordon Ltd builds innovative and transportable container-sized power generators in its Vaasa plant. A normal power generator unit would cost about € 2 million. The power generators are basically standardized but may be customized according to each customer's needs. Flash Gordon Ltd is in the process of negotiating a deal with three potential buyers. Please choose the payment term and the delivery term. The buyers are as follows: a) Helsingin Energia (the energy business of the City of Helsinki), b) Piraeus Port Authority S.A. (a Greece-based company engaged in the management and operation of Piraeus port, the largest passenger port in Europe), and c) Sheremetyevo International Airport (one of the three major airports serving Moscow).

3

When does risk pass to the buyer according to the CISG?

4

Flash Gordon Ltd wants to operate a system of sole distributors in the Nordic countries. In order to maximise profits, it wants to: a) appoint just one sole distributor for each country, b) prohibit cross-border sales to customers, c) set a resale price for each country, and d) prohibit sole distributors from manufacturing or selling competing products during the term of the contract. Are such clauses legal?

5

Flash Gordon Ltd, the Finnish company, buys components from Siemens AG, a German company. What rights does Flash Gordon Ltd have in the event that the components do not conform to the contract?

Good luck! You may take the questions with you, if you like.