

# CONTRACTS

---

***Conventional Penalties Act 15 of 1962***, with South African amendments.

**Summary:** This Act alters the pre-existing common law by providing for the enforceability of penalty stipulations in breaches of contract.

**Applicability to SWA:** Section 6 of the Act states “This Act shall apply also in the territory of South West Africa.” The only amendment to the Act in South Africa prior to Namibian independence is contained in section 18(1) of the *General Law Amendment Act 102 of 1967*, and it is made expressly applicable to South West Africa by section 18(2).

**Transfer of administration to SWA:** There is no reference to any minister in the Act, so it is not clear what transfer proclamation, if any, was applicable.

**Amendments:** As noted above, the Act is amended by the RSA *General Law Amendment Act 102 of 1967*.

**Cases:** *Barotti Furniture (Pty) Ltd v Moodley* 1996 NR 295 (HC).