

BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF COMMERCE
DEPARTMENT OF ACCOUNTANCY

PROGRAMMES

Bachelor of Accountancy (Honours) Degree
Bachelor of Business Studies (Marketing)
Bachelor of Business Studies (Banking and Finance)
Bachelor of Business Studies (Human Resources Management)
Bachelor of Commerce (Financial Intelligence)
Bachelor of Business Administration (Police and Security Studies)
Bachelor of Commerce (Purchasing and Supply)

COURSE: BUSINESS LAW (AC102) QUESTION PAPER

Time: 3 hours.

INSTRUCTIONS TO CANDIDATES

1. Answer ALL questions.
2. All questions carry equal marks.
3. Where necessary candidates are encouraged to make reference to case law authorities.

Question 1

- a. Highlight the remedies available to the buyer should a contract of sale of goods be breached. [10 marks]
- b. State and explain the duties of the lessee under a contract of lease. [10 marks]

[Total marks: 20marks]

Question 2

- a. Explain the difference between an instrument "payable to bearer" and one "payable to order." [5 marks]
- b. Write brief notes on the passage of risk in a contract of sale. [5 marks]
- c. What is meant by the doctrine of judicial precedent? [5 marks]
- d. Distinguish between a unilateral mistake and a mutual mistake. [5 marks]

[Total marks: 20 marks]

Question 3

Jane agrees to accompany Sipho to dinner and the movies on Friday night. However, at the last minute Sipho agrees to go with Dave to watch a soccer match. Jane has decided to sue Sipho for breach of contract and approaches you for advice.

Required:

Explain the essential elements of a valid contract and Jane's prospect of success in the suit. [20 marks]

Question 4

Kembo wants to buy the tyre fitment centre owned by his arch-rival Jacob. He is convinced that Jacob would never sell to him out of spite so he appoints Tendai as his agent with the specific instruction that Tendai must not disclose to Jacob that he is acting as an agent. Tendai successfully negotiates a purchase agreement and then drops the bombshell on Jacob that he was in fact acting as Kembo's agent.

Required:

Fully explain this type of arrangement under the law of agency. [20 marks]

Question 5

Rudo visits a shop and buys two pre-packed sandwiches. The sandwiches were made by a local company which supplied many local shops with sandwiches. Rudo and her friend Stembile shared the sandwiches. Both Rudo and Stembile become seriously ill, as the sandwiches were contaminated with rat poison.

Required:

Advise Rudo and Stembile of their legal positions.

[20 marks]

END OF EXAMINATION PAPER