

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTANCY

E- JUN 2023

PROGRAMMES

Bachelor of Accountancy (Honours) Degree

Bachelor of Commerce (Marketing) Degree

Bachelor of Business Studies (Banking and Finance) Degree

Bachelor of Business Studies Human Resources Management Degree

Bachelor of Commerce (Financial Intelligence) Degree

Bachelor of Business Administration (Police and Security Studies) Degree

Bachelor of Commerce (Purchasing and Supply) Degree

COURSE: BUSINESS LAW (AC102) EXAMINATION 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.

Question 1

Explain the term 'judicial precedent' and highlight its advantages. [20 marks]

Question 2

Assuming that all the essentials of a contract are present in the agreement, there may nevertheless be some cause, reason or flaw existing at the time of the agreement which entitles one of the parties to cancel the contract and to claim that both parties be restored, where possible, to their original position.

Required:

Analyse and discuss the above statement in relation to the law of contract.

[20 marks]

Question 3

Describe how a contract of agency may be terminated.

[20 marks]

Question 4

By concise notes, define the following terms:

- | | |
|-------------------------|-----------|
| a. Insurable interest | (2 marks) |
| b. Promissory note | (2 marks) |
| c. Actio redhibitoria | (2 marks) |
| d. Statutory tenant | (2 marks) |
| e. Ratification | (2 marks) |
| f. Traditio brevi manu | (2 marks) |
| g. Sale by description | (2 marks) |
| h. Quasi mutual assent | (3 marks) |
| i. Holder in due course | (3 marks) |

[Total: 20 marks]

Question 5

Malume is a driver employed by Tender Meat Supplies (Pvt) Ltd, a large wholesale supplier of fresh and frozen beef, pork, poultry, fish and processed meat products to various outlets throughout Harare and its environs. He is instructed by his supervisor to take a delivery of the company's products from the company's factory in Graniteside to several retail outlets in Chitungwiza about 30 kilometres away. After his delivery Malume decides to pass through Glen

Norah Township which is twenty kilometres away from Chitungwiza and is markedly off route from the company's headquarters. After spending two hours at a braai with Zodwa, his girlfriend and in his eagerness to make up for lost time he fails to stop at a stop sign. As a result his delivery van is involved in an accident with another car driven by Mr. Munyama, a resident of Glen Norah Township. Mr. Munyama's car is extensively damaged. Mr. Munyama confronts Malume's employer, Tender Meat Supplies with a bill of \$5 000.00 being the estimated cost of repairing his vehicle. Malume's employer wants to repudiate liability arguing that Malume was on 'a frolic of his own' at the time of the accident.

Required:

Advise Mr. Munyama as to the approach which the courts are likely to adopt.

[20 marks]

END OF EXAMINATION PAPER