

FACULTY OF HUMAN SCIENCES

DEPARTMENT OF SOCIAL SCIENCES

QUALIFICATION: BACHELOR OF ACCOUNTING AND FINANCE / BACHELOR OF CHARTERED ACCOUNTANCY/BACHELOR OF ENTERPRENUESHIP	
QUALIFICATION CODE: 07BACC/07BOAC/07BENT	LEVEL: 5
COURSE CODE: BLW 512S	COURSE NAME: BUSINESS LAW
SESSION: NOVEMBER 2019	PAPER: THEORY AND CASE STUDY
DURATION: 2 HOURS	MARKS: 100

FIRST OPPORTUNITY QUESTION PAPER	
EXAMINER(S)	MS.WABOMBA
MODERATOR:	MS. NGHISHEKWA

INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Number the answers clearly.

THIS QUESTION PAPER CONSISTS OF 11 QUESTIONS AND 4 PAGES (Including this front page)

QUESTION 1

Indicate whether the following statements are true or false. Motivate your answer.

- 1.1 The right of ownership in a thing purchased, is passed to the purchaser immediately the contract of purchase and sale is concluded and if the seller is a true owner. (2)
 - 1.2 The legal meaning of the word deliver in the contract of lease, means the physical handing over of the property leased. (2)
 - 1.3 All movable goods can be sold in terms of the Credit Agreement Act, Act 75 of 1980. (2)
 - 1.4 Upon completion of a contract of purchase and sale, the risk of accidental loss or damage to the thing, passes to the purchaser, if it is not the fault of the seller. (2)
 - 1.5 In a contract of *emptio rei speratae*, the purchase price must be paid by the purchaser, for only what materialises. (2)
- [10]

QUESTION 2

- 2.1 Define and discuss the guarantee against eviction and also highlight the duties of the purchaser in case there is eviction. (7)
 - 2.2 Under what circumstances will the purchaser in the contract of purchase and sale not be protected under the tacit guarantee against eviction? (6)
- [13]

QUESTION 3

Mr. Mulati was doing his shopping at GG Stores. He picked some tomatoes but decided to continue with the rest of the shopping and only weigh the tomatoes later. Somehow, before the tomatoes could be weighted, they dropped from the shopping basket and were damaged beyond human consumption. The shop owner, wants Mulati to pay for the tomatoes. Advise mulati on his legal rights, if any.

[10]

QUESTION 4

WWW store specialises in selling tinned meat. Tom was a regular customer to the store. On one occasion Tom bought some tinned meat and after consuming it, he developed food poisoning. WWW store claims it was unaware of the damaged meat. Is there any right of recourse, accorded to Tom in terms of the law? Discuss fully. [7]

QUESTION 5

What is the difference between a suspensive condition and resolutive condition in a contract of purchase and sale under the Credit Agreement Act, Act 75 of 1980? [4]

QUESTION 6

Yusufu is a hawker, he sells his goods from door to door. On the 10 of August 2019, he sold to Jane a modern radio at her place of residence, in terms of the Credit Agreement Act, 75 of 1980. Three (3) days after the transaction, Jane noticed that she was struggling financially. She thought of ways of cutting costs and one of them was, to return the radio to Yusufu. Refer to the appropriate section of the Credit Agreement Act, Act 75 of 1980 and advice Jane on her rights as a credit receiver in terms of the said Act. [6]

QUESTION 7

- 7.1 Joe rents a house in Windhoek. He rears Rabbits and chickens. Due to economic difficulties, he wants to sublet the property. Advise him on the requirements of subletting. (4)
- 7.2 Will the answer be different if he rented that property in Windhoek, for strictly residential purposes? (4)
- [8]

QUESTION 8

- 8.1 What are the advantages of a sole proprietorship? (4)
- 8.2 List instances where our law recognizes a partnership as a legal person. (6)
- 8.3 What are the essentialia of a partnership agreement? (3)
- [13]

QUESTION 9

OCE partnership has four partners. They buy and sell wine. John, one of the partners, has been restricted to a transaction of up to, only N\$ 100 000. He enters into a contract of buying wine and wine glasses, for an amount of N\$ 120 000. Will the partnership be bound? [10]

QUESTION 10

10.1 John entered into a contract with Zebra Enterprises without authority. The other partners, are aware of the contract but have not indicated whether, they accept the contract or not. It has been over a month since the contract was entered into. What is the implication of their conduct? (6)

10.2 John is in possession of a partnership vehicle. He has been using the vehicle for his private purposes, to transport firewood from the fields. The car is damaged, due to the rough roads in the fields. The other partners are not happy and would like to seek for a legal remedy. Advise them on the use of partnership assets. (8)

[14]

QUESTION 11

11.1 Jane is a lessee in an indefinite lease agreement. She now wants to terminate the contract of lease agreement but the lessor claims, she can't terminate because it is an indefinite contract. Can Jane terminate this contract? (3)

11.2 What is the difference between latent and patent defect? (2)

[5]