



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

**BOTSWANA OPEN UNIVERSITY**

**DIPLOMA IN BUSINESS MANAGEMENT**

**BUSINESS LAW**

**BL 112**

**SESSIONAL EXAMINATION**

**Marks – 100**

**Time – 3 Hours**

---

**Instructions to candidates:**

1. The examination consists of Fourx sections: A, B, C and D.
2. Begin each answer to a new question on a new page.
3. Answer questions according to instructions given in each section.
4. Write answers in the answer booklet provided.
5. Write in grammatical English.



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

**SECTION A MULTIPLE CHOICE QUESTIONS**

**[10 MARKS]**

**Answer ALL questions. Each question carries ONE (1) mark.**

**Choose the best answer from the given alternatives.**

1. Characteristics of good laws include the following, except \_\_\_\_\_.
  - A. Equality
  - B. Selective
  - C. Consistence
  - D. Uniformity
  
2. A court in Zambia cannot hear cases for offense committed in Botswana because \_\_\_\_\_.
  - A. It does not have jurisdiction.
  - B. It does not use the same language used in Botswana.
  - C. Judges in Zambia are not Batswana.
  - D. It does not have contractual capacity.
  
3. \_\_\_\_\_ is the process of publication of legislation.
  - A. Abrogation
  - B. Repealing
  - C. Promulgation
  - D. Ratification
  
4. What are the key parties in an Agency Contract?
  - A. The Agent and the Client.
  - B. The Government and the Agent.
  - C. The Agent and the Principal.
  - D. The Agent and the Seller.



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

5. Three business partners are X, Y, and Z. Partners X, and Z are involved in the daily running of the business but partner Y is not actively involved in running the business. What type of partner is Y?
- A. Ordinary partner.
  - B. Main partner.
  - C. Sleeping partner.
  - D. Anonymous partner.
6. Which of the following is not a source of law in Botswana?
- A. Textbooks.
  - B. Custom.
  - C. Schools.
  - D. Judicial precedence.
7. A seller advertises a vehicle for P100 000, but a potential customer comes and says she can only buy it for P90 000. In terms of the principles of offer and acceptance, the P90 000 is termed a/an\_\_\_\_\_.
- A. Counter offer
  - B. Initial offer
  - C. Good offer



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

8. Agency can be defined as a \_\_\_\_\_.
- A. Contract between two people.
  - B. Relationship between a buyer and seller.
  - C. Contract between two parties, one a principal and the other an agent.
  - D. Contract between two business people.
9. Which of the following negotiable instruments are used as a method of payment?
- A. Share Warrants.
  - B. Bills of Exchange.
  - C. Debentures.
  - D. None of the above.
10. Which of the following may not be a way of termination of a contract?
- A. Consensus ad idem.
  - B. Merger.
  - C. Set-Off.
  - D. Death.



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

**SECTION B - TRUE /FALSE QUESTIONS**

**[10 MARKS]**

**Answer ALL questions. Each question carries ONE (1) mark**

**State whether each of the following is True or False**

1. Private law is often referred to as civil law.
2. Legislation passed by parliament is called an Act or Statute.
3. Common law refers to unwritten law that has been adopted or inherited from another legal system.
4. Attorney General is the presiding officer in the High Court.
5. Consensus is not essential for a valid contract.
6. Undue influence usually arises when there is no special relationship between the parties to a contract.
7. Once the contract of sale is signed, the seller will no longer have a duty to care for the goods.
8. The power of attorney authorises an agent to act on behalf of the principal.
9. Commanditarian partnerships are not in any way similar to anonymous partnerships.
10. The Principal Debtor must always be part of the contract of surety for it to be valid.



**DIPLOMA  
January-June**

**SESSIONAL EXAMINATION  
BL112 - Business Law**

---

**SECTION C - SHORT ANSWER QUESTIONS**

**[30 MARKS]**

**Answer all questions from this section**

**Question 1**

List five duties of a landlord

**(5 marks)**

**Question 2**

Giving examples, briefly discuss the following terms.

- a. Undue influence
- b. Contractual capacity
- c. General power of attorney

**(5 marks)**

**(5 marks)**

**(5 marks)**

**Question 3**

List the five court structures in Botswana.

**(5 marks)**

**Question 4**

Give five examples of legal objects.

**(5 marks)**



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

**SECTION D -ESSAY-TYPE QUESTIONS**

**[50 MARKS]**

**Answer any two questions from this section**

**QUESTION 1**

**(25 marks)**

**Read the following extract and then answer the questions below.**

- a. You have been awarded the best Business Law student (2019) award by the Botswana Open University, and this makes you a Brand Ambassador for the university. This role gives you the platform to address Batswana youth at the annual Young Farmers symposium, and this time around the topic you have to present on or discuss is, 'Public Law and its branches'. Discuss in detail, Public Law and its branches. **(15 marks)**
- b. As a District Commissioner, you are required to explain to couples getting married, situations when a written consent of the spouse is required should they wish to enter into a valid contract. **(10 marks)**



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

**QUESTION 2**

**(25 Marks)**

**Read the following extract and then answer the questions below.**

- a. LEA has appointed you for a business development role and you have been tasked to give local SMME farmers a crash course on the 'Rules for acceptance of an offer'. This is meant to prepare them for supply contracts that they will be signing with various chain supermarkets and wholesalers. Discuss in detail the rules for acceptance of an offer.

**(15 marks)**

- b. During Law of contract class, you are asked to discuss in detail the two (2) types of defects that can be associated with an article that is being sold.

**(10 marks)**



**DIPLOMA**  
**January-June**

**SESSIONAL EXAMINATION**  
**BL112 - Business Law**

---

**QUESTION 3**

**(25 marks)**

**Read the following extract and then answer the questions below.**

- a. A client comes for advice on how to claim damages against a party to a contract that breached the agreement. This client is blank on the rules for claiming damages and is reliant on your expertise. Discuss the rules for claiming damages as well as the principles that apply.

**(15 marks)**

- b. In an Entrepreneurship class, one of your students asks you to discuss the 3 (three) duties of a buyer in a contract of sale.

**(10 marks)**

**END OF EXAMINATION**