

**BOTSWANA COLLEGE OF DISTANCE  
AND OPEN LEARNING**

**Diploma in Human Resources Management  
Diploma in Business Management**

**Business Law**

**BL101**

Special Examination

**Marks : 100**

---

**Instructions**

1. The examination consists of Four 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.

SECTION A  
MULTIPLE CHOICE QUESTIONS

**NB: Each question carries 1 mark**

1. If we had no Laws the world will be full of \_\_\_\_\_.
  - A. Chaos
  - B. Peace
  - C. Joy
  - D. Prosperity
  
2. A Juristic Person is \_\_\_\_\_.
  - A. A human being which is recognized by the law
  - B. An entity which is not a human being which is recognized by the law
  - C. An Animal being which is not recognized by the law
  - D. None of the above
  
3. Rights can be divided into \_\_\_\_\_ classes.
  - A. 2
  - B. 4
  - C. 6
  - D. 8
  
4. Agency is BEST described as a Contract between \_\_\_\_\_.
  - A. Master and Servant
  - B. Buyer and Seller
  - C. Principal and Agent
  - D. All of the above
  
5. Who brings a Buyer and a Seller together to do business?
  - A. Broker
  - B. Estate Agent
  - C. Sub-Contractor
  - D. Supplier

6. In the contract of lease, the Tenant has the right to \_\_\_\_\_.
- A. receive and enjoy the leased property
  - B. sub-lease the leased property
  - C. partition the leased property
  - D. none of the above
7. What is the maximum number of partners in a Partnership?
- A. 5
  - B. 10
  - C. 15
  - D. 20
8. Partners normally share profits by way of \_\_\_\_\_.
- A. Profit dividends
  - B. Profit salary
  - C. Profit sharing ratio
  - D. Any standard financial method
9. A \_\_\_\_\_ is NOT a party to a Cheque
- A. Broker
  - B. Payee
  - C. Drawee
  - D. Drawer
10. Which one is a Real Security?
- A. Lease
  - B. Liens
  - C. Agency
  - D. Partnership

**SECTION B:**

**ANSWER TRUE OR FALSE**

**NB: Each question carries 1 mark**

1. Law controls all the people including The President of the country.
2. Retrospective Legislation affects acts done or rights acquired in the past.
3. The Law treats a Partnership business as a separate entity from its owners.
4. Ratio Decidendi is the part of the judgment that is binding on other courts.
5. It is possible enforce an illegal contract.
6. The buyer has remedies against the seller for goods sold “voetstoots”.
7. If a man signs a contract under “Duress”, he was persuaded to sign.
8. Cheques are made valid by a personal or company stamp.
9. Suretyship involves guaranteeing someone’s credit risk.
10. Securing a debt cannot be done by cession.



SECTION C – SHORT ANSWER QUESTIONS

[30 MARKS]

Answer ALL questions.

- Give 3 people or institutions which create law (3 marks)
1. What are the 3 ways in which consent can be obtained improperly (3 marks)
  2. Complete this Law Formula: **Offer + Acceptance = \_\_\_\_\_**  
(1 mark)
  3. Mrs. Peters advertised to sell Drugs considered “Dangerous Drugs” by the Law of the country. She did not know that these Drugs were prohibited. She was lucky to get a valid Offer from Mr. James and she gave valid Acceptance. Mr. James got the Drug after paying half of the price. Mrs. Peters has now hired a Lawyer to get the other half payment.  
-Do you think Mrs. Peters can win the case? (1 mark)  
-Given this scenario, Briefly give reasons for your answer (5 marks)
  4. List any 5 duties of the Lessee in a Contract of Lease (5 marks)
  5. Under the contract of Sale:  
List the 4 kinds of special Sale (each answer carries 1 mark) (4 marks)
  6. In a contract of Sale, a Purchase Consideration is a \_\_\_\_\_ of an item  
(1 mark)
  7. There are two main kinds of partnership, name and define each of them.  
(2 marks)
  8. The signature on a cheque can fulfil three main functions, give any 2 functions:  
(2 marks)
  9. Acting beyond one’s powers is called \_\_\_\_\_.  
(1 mark)
  10. Define an Agent.  
(2 marks)



**SECTION D**

**ESSAY QUESTIONS**

**Answer any TWO questions**

**QUESTION 1**

**[25 Marks]**

Discuss branches of Law which are subdivisions to Private Law.

**QUESTION 2**

**[25 Marks]**

Entering into a valid contract:

- (a) Explain what constitutes a valid contract **(5 marks)**
- (b) Why does a counter offer nullify efforts to secure a valid contract? **(5 marks)**
- (c) What is the rationale of the Law considering the following persons as lacking Contractual Capacity:
  - (i) Insolvents **(5 marks)**
  - (ii) Intoxicated persons **(5 marks)**
  - (iii) Mentally ill Persons **(5 marks)**

**QUESTION 3**

**[25 Marks]**

Business Transactions rely on the use of Cheques as a mode of payment

- (a) What is a Cheque? Give examples. **(5 marks)**
- (b) Explain, with examples, the 4 main markings on a cheque and their effects. **(20 marks)**