

UNIVERSITY OF SWAZILAND
FACULTY OF COMMERCE
DEPARTMENT OF ACCOUNTING
LAW214 (SUPPLEMENTARY) EXAM PAPER

Programme of Study	:	B. Comm. Level 2
Title of Paper	:	Commercial Law II
Course Code	:	LAW214
Time Allowed	:	3 Hours
Examiner	:	Dr. M.N. Shongwe
Total Marks	:	100

INSTRUCTIONS:

1. The total number of Questions on this paper is 5 (five).
2. Answer any Four (4) Questions.
3. Each question carries 25 Marks.
4. Begin each question on a new page.
5. In answering any question ensure that your expression is clear, and refer to relevant case law.

THIS PAPER MAY NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY INVIGILATOR(S).

QUESTION 1

- a) Give a comprehensive definition of a contract of insurance. [12 Marks]
- b) With reference to case law, explain the doctrine of disclosure as it applies in the law of Insurance. [13 Marks]

[TOTAL: 25 Marks]

QUESTION 2

- a. With reference to the case of *Bank of Baroda v Punjab*, 1942, discuss the essential differences between a bill of exchange other than a cheque and a cheque. [15 Marks]
- b. With reference to the case of *Standard Bank v Sham Magazine Centre* 1979 (1) SA 484, discuss the various ways in which a drawer may render a bill completely and absolutely non-transferrable. [10 Marks]

[TOTAL: 25 MARKS]

QUESTION 3

- (a) Define “negotiable instrument” and name two types of negotiable instruments. [5 Marks]
- (b) Differentiate between “general” and “qualified acceptance”, and give three examples of what constitutes “qualified acceptance”. [10 Marks]
- (c) Define the term “acceptance” as used in the law of negotiable instruments. [4 Marks]
- (d) Define “a cheque” [2 Marks]
- (e) What is a collecting bank? [4 Marks]

[TOTAL: 25 MARKS]

QUESTION 4

- a. List and briefly define any 5 qualities of money. [5 Marks]
- b. What are the functions of money? [5 Marks]
- c. To protect the insurer, the law imposes an especially onerous duty of disclosure upon the insured. Discuss what this duty entails. [15 Marks]

[TOTAL: 25 MARKS]

QUESTION 5

With reference to *Standard Bank of SA Ltd v Minister of Bantu Education* 1966 (1) SA 229, discuss the difficulties associated with defining what a bank or who a banker is.

[25 MARKS]

END OF EXAM