



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW

EXAMINATION PAPER

COURSE CODE : LLB 302
COURSE TITLE : Commercial Law
DURATION : 3 Hours
LEVEL : 3.1
DATE : 17 AUG 2021

INSTRUCTIONS TO CANDIDATES:

1. This exam is out of 70
2. Answer **Three** questions.
3. **SECTION A** is compulsory.
4. Choose any two questions from **SECTION B**
5. Notes, handouts and textbooks **are not** allowed into the examination.
6. Cellphones **are not** allowed into the examination room.
7. Begin each answer to a full question on a fresh page

SECTION A

Answer all questions in this section

Question One

Discuss the following structures as a mode of conducting business in Zimbabwe.

- a) Company (15)
- b) Partnership (15)

Your discussion should primarily focus on how each structure is created, the powers/capacity it accumulates, and the relationships it creates amongst the parties involved. Make sure you make reference to relevant legal authority in your discussion where necessary.

TOTAL [30 MARKS]

SECTION B

Answer any two questions from this section.

Question Two

- a) Outline and briefly discuss the ways of incorporating terms into a valid contract. (5)
- b) In terms of the *caveat subscriptor* rule, any persons who signs a contract is bound by whatever that appears above his/her signature inclusive of exclusion clauses. However, the position has slightly changed due to the introduction of the Consumer Protection Act. In light of these developments, critically discuss the legally recognised grounds of a valid exclusion clause and the various methods/ways in which a consumer can escape the consequences of such a clause. (15)

TOTAL [20 MARKS]

Question Three

- a) Compare and contrast the following tax regimes, using clear illustrations and relevant legal authority to substantiate your explanation:
 - i. Source based tax system
 - ii. Resident based tax system. (10)

- b) Discuss the roles, functions, powers and constitution of the Zimbabwe Revenue Authority (ZIMRA) using relevant legal authority. (10)

TOTAL [20 MARKS]

Question Four

- a) Discuss the concept of delivery and ownership in a contract of sale involving both a movable and an immovable asset. (8)
- b) Discuss the term 'auction' and briefly explain the three contracts that are involved in an auction. (5)
- c) Name and describe the developments that a lessee may make on the property of the lessor and discuss whether the lessee is entitled to compensation for these developments. (7)

TOTAL [20 MARKS]

End of Examination