



ZIMBABWE EZEKIEL GUTI UNIVERSITY  
**COLLEGE FOR LIFELONG LEARNING.**

*Faculty of Law, Business Intelligence and Economics.*

**DIPLOMA IN BANKING AND FINJANCE**

**COURSE CODE** : DBF 112.  
**COURSE TITLE** : BANKING LAW  
**SPECIAL REQUIREMENTS** : NONE

**DURATION** : 2 Hours  
**LEVEL** : 1.1  
**DATE** : 11 FEB 2025

**INSTRUCTIONS TO CANDIDATES:**

1. No cell phones are allowed in the examination venue.
2. Answer all questions in section A and choose any three (3) questions in Section B.
3. The number of marks for each question or part question is shown in brackets [ ]
4. Begin each answer on a new page.
5. **DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR INSTRUCTS YOU.**

**SECTION A.**

**ANSWER ALL QUESTIONS**

**Each question carries one (1) mark [total 25 marks].**

1. A bank can keep on behalf of its clients' valuables such as jewellery under a facility known as:
  - A jurisprudential custody
  - B *sui generis* protection
  - C bailment.
  - D account
  
2. Which one is an offence under Zimbabwean law?
  - A tax avoidance
  - B ultra vires
  - C tax evasion.
  - D none of the above
  
3. The Regulator of Financial Institutions in Zimbabwe:
  - A is the Ministry of Finance
  - B is the Treasury
  - C is the Reserve Bank.
  - D. none of the above

4. When a bank acts on behalf of its customer, such as when paying out cheques, the relationship of:

- A sent and "santee" is created
- B master and servant is created
- C principal and agent is created
- D banker and customer

5. Equity holding in a company relates to:

- A shareholding in a company
- B employee scrutiny in a company
- C empowerment and equality in terms of the Indigenous Regulations.
- D Security holding

6. A tenant has:

- A rights under contract law
- B a real right
- C a serious right.
- D voice to be heard

7. In Zimbabwe the law of torts is referred to as:

- A labour law
- B criminal law
- C the law of delict.
- D banking law

8. Quasi-fiscal activities are

- A at the core of central banking
- B at the centre of commercial banking
- C permissible to some extent under amendments to the Reserve Bank Act.
- D none existant in banking law

9. A person with *locus standi* has right to:

- A give judgment in the fulcrum of the matter
- B give legitimate legal standing
- C institute or defend legal proceedings.
- D borrow in commercial banks

10. The Chairman of the Reserve Bank of Zimbabwe Board of Directors in terms of the Act is:

- A the Governor of the Bank
- B the Minister of Finance
- C the Permanent Secretary of Finance.

D the President

11. *Rei vindicatio* does not relate to:

A acquisition of rights

B assertion of rights

C disposal of rights.

D banking rights

12. A cheque in terms of the law is:

A valid currency

B disposable money

C a bill of exchange.

D not negotiable

13. The following is not legal tender in Zimbabwe:

A Zig

B Zimbabwe Bond notes

C Cheques.

D USD

14. Which of the following is the odd one?

- A Chief Justice
- B Judge President
- C Chief Magistrate.
- D None

15. A banker has an implied right to charge a customer ... for keeping the customer's account and for rendering other banking services to the customer:

- A interest
- B a commission
- C bank charges.
- D None of the above

16. A seller is obliged to:

- A accept the price
- B to accept delivery
- C to deliver the *merx*.
- D None of the above

17. Novation relates to:

- A creation of new of rights
- B extinction of rights

C registration of rights.

D human rights

18. *In mora debitoris* means:

A in breach of a debtor to make timeous performance of his obligation which is due and enforceable

B a debt which is morally unenforceable

C a debt which sets off another debt.

D none of the above

19. An inchoate instrument is:

A one with two payees

B one which has not been filled through

C one which has double payees against one drawer.

D None of the above

20. An injury to reputation can:

A attract an award of damages only

B attract both civil and criminal remedies

C attract criminal remedies only.

D none of the above

21. The Reserve Bank is the following except:
- A a body corporate
  - B a legal person
  - C a judicial person.
  - D none of the above
22. Banks are registered by:
- A Registrar of Companies
  - B Fiscal Authorities
  - C Monetary Authorities.
  - D none of the above
23. The following persons have no legal capacity to transact:
- A an unregistered trust
  - B a person on remand
  - C a registered trust.
  - D none of the above
24. Curatorship in terms of banking laws is usually associated with the following:
- A troubled banking institutions
  - B money laundering
  - C disposal of bank profits.

D none of the above

25. The common law of Zimbabwe is:

A Statutory law

B General law

C Roman-Dutch law

D none of the above

**[Total 25 marks]**

## SECTION B

Answer any 3 questions

Each carries 25 marks [Total 75 Marks].

### Question 1

- a. Who is a banker's customer? (5 marks)
- b. Discuss the sources of law as applied in Zimbabwe (5 marks)
- c. What is the role of the Reserve Bank of Zimbabwe? (15 marks)

### Question 2

Distinguish between fiscal policy and monetary policy having regard to the Reserve Bank Act and its broad statutory functions.

[25 marks]

### Question 3

- a. Discuss the meaning of a company being a separate legal person. (12 marks)
- b. Explain the mutuum concept of the banker-customer relationship. (13 marks)

[Total 25 marks]

### Question 4

Write an essay about the law as it relates to the banker's duty of confidentiality and the fact that the duty is, however, not absolute.

[Total 25 marks]

### Question 5

- a. What are the characteristics of a good law? (6 marks)
- a. Discuss Suretyship as a form of personal security (13 marks)
- b. What is the definition and characteristics of a bank (6 marks)

[Total 25 marks]

**END OF EXAMINATION PAPER**