



**COLLEGE OF BUSINESSES AND ECONOMICS
JOHANNESBURG BUSINESS SCHOOL
DEPARTMENT OF BUSINESS MANAGEMENT**

SUPPLEMENTARY ASSESSMENT

SUBJECT: Mercantile Law 1B
CODE: ADBL01B
DATE: 6 January 2020
TIME ALLOWED: 120 Minutes
TOTAL MARKS: 100

LECTURER: Mr DL le Roux
MODERATOR: Ms S van Zyl
NUMBER OF PAGES: 5

INSTRUCTIONS:

1. This is a closed-book assessment.
2. Question papers must be handed in together with your answer books.
3. Read the questions carefully and answer only what is asked.
4. Answer all the questions:
5. Number your answers clearly.
6. Write neatly and legibly on both sides of the paper in the answer book, starting on the first page.
7. Structure your answers by using appropriate headings and subheadings.
8. The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.

QUESTION 1 (4)

Define a contract of Sale

QUESTION 2 (2)

What do you understand under the term “*Huur gaat voor koop*”?

QUESTION 3 (4)

Name 4 duties of the Employee

QUESTION 4 (8)

Name 4 duties of a Lessor?

QUESTION 5 (4)

Discuss (not longer than two paragraphs) why do you think the Consumer Protection Act 68 of 2008 was introduced to South Africa

QUESTION 6 (10)

Name 5 rights that consumers have under the Consumer Protection Act 68/2008

QUESTION 7 (4)

What do you understand under the terms “Agent’s Lien” and “Agent’s Sett-Off”

QUESTION 8 (8)

What do you understand under the terms “Under Insurance” and “Double insurance”

QUESTION 9 (4)

Name 4 ways a Lease Agreement may be terminated

QUESTION 10 (4)

When does ownership pass with a cash sale and a credit agreement?

QUESTION 11 (4)

Name 4 duties of an Agent

QUESTION 12 (8)

What do you understand under the terms option to purchase and right of first refusal? Explain what the differences are between the 2 terms?

QUESTION 13 (6)

What do you understand under the insurance term "subrogation"

QUESTION 14 [30]

Answer only YES or NO to the following statements (do not justify your answer):

- 1.1 An Agent may retain his / her principal's property to secure payment of compensation due to him / her (2)
- 1.2 You may give your Landlord 20 working days' notice that you are terminating your fixed term lease agreement although your contract stipulates that you must give him 2 months' notice (2)
- 1.3 If you are married in community of property, you may bind yourself as a surety without your spouse's permission (2)

- 1.4 The *essentialia* of a Lease Agreement is, *inter alia*, the temporarily use and enjoyment of someone else's property (2)
- 1.5 A reasonable man has a positive AND negative duty of disclosure towards an Insurance Company (2)
- 1.6 You may act as somebody's agent without that person's permission (2)
- 1.7 *Huur Gaat Voor Koop* is an acceptable rule in our legal system (2)
- 1.8 An Agent may receive a secret commission that is not disclosed to his / her Principal (2)
- 1.9 You may enter into a verbal purchase agreement for the sale of an immovable property (2)
- 1.10 An insurance contract may be terminated with a resolutive term in the contract (2)
- 1.11 You may enter into a verbal lease agreement for the lease of an immovable property (2)
- 1.12 You may terminate your lease, as Lessee, when there is a breach of contract (2)
- 1.13 The *Essentialia* of the contract of sale is, *inter alia*, regulated by the Consumer Protection Act 68 of 2008 (2)

- 1.14 May you automatically regard a Director of a private company as an agent of such a company? (2)
- 1.15 It is not always necessary for a Principal to indemnify an Agent against loss whilst the Agent is performing his / her obligations (2)

[100]