Specimen Exam

Exam Name: Business Law - Ireland (K3 IRL)
Time Allowed: 2 hours
Pass Mark: 50%
This exam contains:

50 questions, each worth 2 marks
100 marks in total

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Question 1

Which of the following is NOT one of the core terms that must be provided to an employee within five days of starting work under the Employment (Miscellaneous Provisions) Act 2018?

A The full names of the employer and employee
B The expected duration of the contract (if temporary)
C The rate or method of calculating pay and pay reference period
D The employee's annual leave entitlement

Question 2

In company law, which of the following is described as a person in accordance with whose instructions the directors of a company are accustomed to act?

A *De facto* director
B *De jure* director
C Shadow director
D Managing director

Question 3

Which of the following refers to the *ratio decidendi* in a judgment?

A Other things said
B The outcome of the case
C The reason for the decision
D A legal rule established in an earlier case

Question 4

In agency law, which of the following refers to the authority that an agent is assumed to have to conduct business on behalf of the principal?

A Express authority
B Ostensible/apparent authority
C Implied authority
D Delegated authority

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Question 5

In contract law, in which of the following agreements is an intention to create legal relations presumed to exist?

A An agreement between family members
B A commercial agreement
C A written agreement
D A social agreement

Question 6

In contract law, which of the following would be granted by a court to prevent a breach of contract?

A Recission
B Injunction
C Specific performance
D *Quantum meruit*

Question 7

Which of the following describes a contract in which an advertisement offers a reward for the return of lost property?

A Bilateral contract
B Unilateral contract
C Voidable contract
D Unenforceable contract

Question 8

In employment law, which of the following is NOT a potentially FAIR reason for dismissal?

A Capability of the employee
B Redundancy
C Statutory illegality
D Involvement of the employee in litigation against the employer

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Question 9

Which of the following tests, for determining employment status, focuses on whether the worker is in business on their own account?

A Control test
B Integration test
C Enterprise test
D Economic reality test

Question 10

In company law, which of the following statements about examinership is NOT TRUE?

A Applications can be made in both the High Court and the Circuit Court
B The petition must be presented by the company directors
C The petition must nominate a person to act as the examiner
D The usual period of protection is 70 days

Question 11

Which of the following is NOT a right of the company auditor?

A The right of access at all reasonable times to the company accounting records
B The right to ask questions of relevant persons
C The right to attend any general meetings of the company
D The right to speak on any matter at a general meeting of the company

Question 12

Which of the following is NOT an area of public law?

A Company law
B Tax law
C Criminal law
D Planning law

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Question 13

John guesses his colleague's email password and logs into the account to read private messages without permission.

Under the Criminal Justice (Offences Relating to Information Systems) Act 2017, which of the following offences could John be charged with?

A Interference with data without lawful authority
B Interference with an information system without lawful authority
C Accessing an information system without lawful authority
D Intercepting the transmission of data without lawful authority

Question 14

Which of the following statements about an express term in a contract is NOT CORRECT?

A It can be made verbally
B It can be made in writing
C A breach automatically results in the repudiation of the contract
D It is agreed upon explicitly by the parties

Question 15

In company law, which of the following statements in relation to the issue of shares is NOT TRUE?

A They may be issued at a premium
B They may be issued at a discount
C They may be issued on a partly paid basis
D They may be issued as an alternative to a dividend

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Question 16

Which of the following does NOT terminate an offer?

A Rejection
B Counter-offer
C Lapse of a reasonable period of time
D Request for further information

Question 17

In company law, which of the following statements about dividends is NOT CORRECT?

A They are paid out of profits only
B Directors decide whether and when to declare dividends
C They can be paid without a shareholders' resolution
D Shareholders are entitled to dividends in proportion to their shares

Question 18

Which of the following types of contractual term automatically entitles the innocent party to repudiate the contract if breached?

A Condition
B Warranty
C Innominate term
D Exemption clause

Question 19

Which of the following statements relating to the Criminal Justice (Corruption Offences) Act 2018 is CORRECT?

A An offence is committed only if a gift is received
B A company may be liable for the actions of its officers or employees
C Corruption offences apply only to public officials
D Corruption requires that the recipient personally benefits financially

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Question 20

In company law, which of the following is NOT a requirement for a creditors' voluntary liquidation?

A A creditors' meeting
B An ordinary resolution of the shareholders in a general meeting
C A declaration of solvency
D A statement of affairs

Question 21

In company law, which of the following may list its debentures but not shares on the stock market?

A Private company limited by shares
B Designated activity company
C Public limited company
D Company limited by guarantee

Question 22

Sean is negotiating a contract with XYZ Ltd. He has received a document which appears to accept the offer, but it contains the words 'binding in honour only'.

In contract law, which of the following is the effect of this statement?

A Sean is contractually bound but XYZ Ltd is not
B Neither party is contractually bound
C Both parties are contractually bound
D XYZ Ltd is contractually bound but John is not

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Question 23

In company law, which of the following is NOT required in the constitution of a private company limited by shares?

A The company's name
B The objects clause
C The share capital clause
D The limited liability statement

Question 24

Which of the following courts consider a Bill, referred by the President, to determine whether it is repugnant to the Constitution?

A Court of Appeal
B High Court
C Supreme Court
D Circuit Court

Question 25

In a criminal case, which of the following courts will hear a 'case stated' appeal from the District Court?

A High Court
B Special Criminal Court
C Court of Appeal
D Circuit Court

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Question 26

In company law, which of the following is the difference between a rights issue and a bonus issue of shares?

A A rights issue gives existing shareholders the option to buy additional shares, while a bonus issue provides shares for free

B A bonus issue requires shareholders to pay cash for new shares, while a rights issue issues shares for free

C Both rights issues and bonus issues require shareholders to pay cash for additional shares

D Both rights issues and bonus issues issue shares for free to all shareholders

Question 27

In relation to insider dealing, which of the following about the information is NOT an essential element of the offence?

A It must be of a precise nature

B It has yet to be made public

C It is used to make a profit

D It is price sensitive

Question 28

Jim has offered to buy Eóin's farm. He sends the offer by post and states that the offer is open until 10 December. Eóin sends his acceptance of the offer by post on 20 November.

The letter was delivered on 7 December and read by Jim on 12 December.

Which of the following dates is the contract formed on?

A 10 December

B 7 December

C 20 November

D 12 December

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Question 29

Fiona is planning to set up a business offering financial advice.

Which of the following is likely to be rejected by the Companies Registration Office in a company name?

A Limited
B Bank
C Services
D Solutions

Question 30

ABC Ltd has an authorised share capital of €100,000, of which €60,000 has been allotted to shareholders.

Which of the following terms CORRECTLY describes the remaining €40,000 of share capital?

A Reserve capital
B Uncalled capital
C Nominal capital
D Unissued capital

Question 31

In company law, which of the following would NOT be an exception to the prohibition on loans made by the company to a director?

A If the loan is less than 20% of the net assets of the company
B If the loan is in the normal course of the business of the company
C If the company advances a reasonable sum to the director to cover business expenses
D If the loan is approved under the summary approval procedure

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Question 32

Which of the following is NOT a difference between a sole trader and a partnership?

A A sole trader is owned by one person, whereas a partnership is owned by two or more people

B A sole trader keeps all profits, whereas profits in a partnership are shared among partners

C A sole trader has unlimited liability, whereas partners have limited liability

D A sole trader makes all decisions alone, whereas partners share management decisions

Question 33

In company law, which of the following statements about company resolutions is NOT CORRECT?

A All resolutions must be notified to the Companies Registration Office

B A special resolution requires 21 days' notice

C An ordinary resolution requires a simple majority to pass

D A special resolution requires a 75% majority to pass

Question 34

In relation to money laundering, designated persons must report suspicious transactions to which of the following?

A The Revenue Commissioners and the Corporate Enforcement Authority

B The Revenue Commissioners and An Garda Síochána

C An Garda Síochána and the Corporate Enforcement Authority

D An Garda Síochána only

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Question 35

In relation to money laundering, which of the following is NOT a requirement of customer due diligence?

A Establishing and verifying proof of identity
B Identifying the beneficial ownership in relation to a company
C Monitoring transactions on an ongoing basis
D Establishing whether a customer is a politically exposed person

Question 36

Which of the following refers to a situation where an employer dismisses an employee in breach of the terms of the contract of employment?

A Summary dismissal
B Wrongful dismissal
C Constructive dismissal
D Unfair dismissal

Question 37

In company law, which of the following is a right held by a debenture holder?

A Voting at general meetings
B Receiving interest
C Receiving dividends
D Participating in bonus issues

Question 38

In company law, which of the following is required to effect the removal of a director?

A A special resolution with 21 days' notice
B An ordinary resolution with 28 days' notice
C A special resolution with 28 days' notice
D An ordinary resolution with 21 days' notice

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Question 39

Which of the following statements about fraudulent trading is CORRECT?

A Only company officers may be held liable for fraudulent trading
B Liability will result in criminal sanctions only
C A conviction may result in the imposition of a restriction order
D Liability requires proof of intention

Question 40

Under the Companies Act 2014, which of the following offences can result in a company being struck off the Register of Companies?

A Failure to register a charge within the deadline
B Failure to keep adequate accounting records
C Failure to file annual returns
D Failure to hold an annual general meeting

Question 41

In intellectual property law, which of the following protects inventions and industrial processes?

A Copyright
B Patent
C Trademark
D Design rights

Question 42

In relation to copyright, which of the following is NOT a remedy available in cases of primary infringement?

A Injunctions to stop the infringing activity
B Damages to compensate for losses
C Automatic transfer of copyright ownership
D Delivery up or destruction of infringing copies

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Question 43

In company law, which of the following is required to have a trading certificate?

A Private company limited by shares
B Designated activity company
C Public limited company
D Company limited by guarantee

Question 44

Seán has booked a venue for his birthday party on 30 March. On 20 March, he is informed by the venue that the party cannot take place due to a double booking of the room.

Which of the following applies to the contract between Seán and the venue?

A Discharge by frustration
B Discharge by agreement
C Anticipatory breach of contract
D Actual breach of contract

Question 45

What is the statutory MINIMUM period of notice for an employee with six years of service?

A 2 weeks
B 4 weeks
C 6 weeks
D 8 weeks

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Question 46

Which of the following types of European Union law must be transposed by member states?

A Regulations
B Treaties
C Directives
D Recommendations

Question 47

In contract law, which of the following is NOT a valid form of consideration?

A Part payment of a debt before it is due
B A promise to pay for services already performed
C A promise exchanged for another promise
D A promise not to enforce a legal right

Question 48

On the company website of ABC Ltd, Olivia is listed as the managing director. In reality, she is a director but has never been formally appointed to the position of managing director.

Relying on the website, Patrick negotiates with Olivia to supply stock to the company.

Which of the following types of agency has been created?

A Express agreement
B Ratification
C Necessity
D Estoppel

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Question 49

In company law, which of the following is NOT categorised as a preferential debt in the event of liquidation?

A Social welfare payments in relation to the previous 12 months
B Members' dividends which have been declared but not paid
C Local authority rates and charges
D Statutory redundancy payments

Question 50

Which of the following statements about a partnership is CORRECT?

A All partners are required to participate in the management of the firm
B Each partner must contribute an equal amount of capital
C A written partnership agreement is legally required
D All partners are jointly and severally liable for the debts of the firm

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