Question	Correct Answer	Marks
1	**B** **1 and 4** Layering and integration are recognised stages in money laundering. Layering occurs when the illicit funds have been put in the financial system and they are converted or moved to other institutions separating them from their criminal source whilst integration occurs by using the laundered money in a way that appears to be clean and legitimate.	2
2	**A** **1 and 2** Punitive damages and interdict are remedies for the infringement of a trademark. Statutory damages and delivery up, search and seizure are remedies of a copyright infringement and not a trademark infringement.	2
3	**B** **No person shall serve as an auditor of a company for more than five consecutive financial years** No person shall serve as an auditor of a company for more than five consecutive years under s.191(11) Companies and Other Businesses Entities Act (Chapter 24:31).	2
4	**B** **2 only** Provision of annual leave days indicates that an individual is an employee rather than an independent contractor since they are rights granted to an employee in the Labour Act (Chapter 28:01).	2
5	**B** **1 and 3 only** Executive company directors and partners are agents of the business with which they are associated by operation of law, whilst shareholders are not agents of the business.	2
6	**D** **Soliciting for business on behalf of the partnership** Soliciting for business on behalf of the partnership promotes the interests of the partnership and is within the authority of a partner.	2

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7	**B** **It limits the number of its membership to 50, not including persons who are in the employment of the company** Section 85(1)(b) Companies and Other Business Entities Act (Chapter 24:31) limits the number of members of a private company to 50, not including persons who are in the employment of the company.	2
8	**C** **Money laundering** Money laundering is committed where illicit funds are used to generate financial gain without detection of the illegal activity that produced the funds, which is applicable to Connor and Mark.	2
9	**B** **Fraudulent trading** Fraudulent trading involves trading operations which are motivated by a wilful intention to commit fraud and cause financial distress and prejudice to others.	2
10	**C** **Profitability of agreement to both parties** Profitability of agreement to both parties is not an essential element of a valid contract in that the agreement need not be equally profitable to both parties.	2
11	**A** **Theft of an employer's property** Theft of employer's property is a dismissible offence in terms of both the common law and Labour Act (Chapter 28:01).	2
12	**B** **Advising the company's directors on the amount that can be declared as a dividend** Advising the company's directors on the amount that can be declared as a dividend is not a duty of the company secretary but that of the company auditor.	2

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13	**C** **The company resolves by a special resolution that the company be liquidated** In relation to voluntary liquidation, the members may resolve by a special resolution to liquidate the company voluntarily.	2
14	**C** **Retrenchment** Where a company dismisses its employees for operational and employment reasons, that is known as retrenchment.	2
15	**C** **Wrongful trading** Wrongful trading involves a failure in judgement or breach of duty without the intention to defraud. It is a director's duty to act diligently and failure thereof is known as wrongful trading, which Dani is guilty of.	2
16	**D** **An option** An option does not terminate an offer as it is a contract to keep the main offer open for a specified period of time.	2
17	**B** **2 and 3** The contract is formed through a quasi-mutual assent where a party to a contract is led to believe that the other party is accepting of the terms and also although there is no consensus between the two parties. Express and implied authority are not part of the doctrine of quasi-mutual assent as the doctrine dictates the opposite.	2
18	**A** **An innominate term** An innominate term is a contractual provision or term that does not clearly fit into the categories of a condition or warranty. Its effect hinges on the severity of the breach of contract.	2

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19	**C** **An agreement conveyed orally by the offeree to a close relative of the offeror** An agreement conveyed orally by the offeree to a close relative of the offeror is not a valid acceptance.	2
20	**B** **Imitation** Copyright is granted in order to prevent imitation rather than giving an exclusive right. Under copyright law an exclusive right is given for distribution, broadcasting and public performance but not for imitation.	2
21	**D** **A public company** The issuing of shares by way of a rights issue is one of the methods used by a public company to raise additional capital from existing shareholders.	2
22	**B** **An advertisement offering a reward for information leading to the recovery of a lost dog** An advertisement offering a reward for information leading to the recovery of a lost dog is an offer rather than an invitation to treat in that it constitutes a firm offer to any member of the public who provide the required information in exchange of a reward.	2
23	**D** **1 and 4** An unrehabilitated insolvent and a person who has been convicted of an offence involving dishonesty without the option of a fine are ineligible to be appointed as a company director as these two categories relate to persons who cannot be trusted to perform a director's duties in a diligent and straightforward manner.	2

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24	**C** **Judges in lower courts are bound by decisions of the higher courts** The meaning of the doctrine of stare decisis is that judges in the lower courts are bound by the decisions of the higher courts as these decisions have persuasive and binding authority.	2
25	**B** **Customary law** Customary law regulates issues like chieftainship disputes amongst the various tribes and indigenous ethnic groups in Zimbabwe.	2
26	**B** **Insider dealing** Information relating to the listing of Ndarama Ltd was only known to a few individuals and not yet in the public domain. Disclosure of this information by Rob to Smart, who in turn made a profit out of it, constitutes insider dealing.	2
27	**C** **Four of the top managers received vehicles and are relatives of Zee, the managing director** Four of the top managers who received vehicles are relatives of Zee, the managing director can be classified as corruption in Renaissance (Pvt) Ltd as the company's resources are being used for the personal benefit of the managing director and his close relatives.	2
28	**A** **Shareholders** Shareholders are placed at the end of the list in the order of payment in liquidation proceedings.	2
29	**B** **It must always be in writing** Section 12(1) Labour Act (Chapter 28:01) stipulates that an employment contract may or may not be reduced in writing.	2

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30	**D** **Register of creditors and debtors of the company** The register of creditors and debtors of the company do not constitute statutory records.	2
31	**A** **An employer may dismiss an employee for health reasons when the employee has exhausted their sick leave days** An employer can dismiss an employee for health reasons when the employee has exhausted their sick leave days as it is unlawful to dismiss an employee who has not exhausted all their sick leave days.	2
32	**C** **A counter-offer** A counter-offer does not constitute a valid acceptance as it has the effect of negating or cancelling the original offer.	2
33	**B** **Bribery** Bribery entails an act of secretly giving and accepting something of value as consideration to influence the actions of others. Jerry gave, and Terry accepted, the bribe, which makes them guilty of the offence.	2
34	**B** **The resolution must be passed at a meeting where not less than 14 days' notice has been given** The correct notice period for a meeting for the passing of a special resolution is 21 days.	2
35	**D** **A company may cancel any paid-up share capital without any consideration made to its members** A company may not cancel any paid-up share capital without any consideration made to is members. Section 145(2) Companies and Other Businesses Entities Act (Chapter 24:31) requires members who object to capital reduction to show admissible proof in court and the court will either grant them full consideration or an amount the court deems fit.	2

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36	**C** **2 and 4** Ordinary and preference shareholders are entitled to the payment of a dividend if, and when, one is declared, and also to vote at company meetings.	2
37	**D** **The company does not hold an annual general meeting within 12 months of the previous annual general meeting** The company does not hold an annual general meeting within 12 months of the previous annual general meeting is not grounds for the compulsory liquidation of a company as the mandatory time lapse is 18 months of the previous annual general meeting.	2
38	**A** **The name of an individual** The name of an individual is referred to as personal information, which is often publicly available, whereas the religious beliefs of an individual, the racial or ethnic origin of an individual, and the health information of an individual are special sensitive data that needs the consent of that individual before accessing it.	2
39	**D** **It is an order to perform a specified act that concerns an item that can be readily bought anywhere** Where the item claimed can be readily bought anywhere, an order of specific performance cannot be ordered.	2
40	**B** **The parties** Whilst custom, the courts and legislation may imply certain terms into a contract, the parties themselves may not.	2
41	**C** **Supreme Court** The Supreme Court is only an appeal court, and not a court of first instance. Cases can originate in all the other courts including the Constitutional Court, the High Court and the Labour Court.	2

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42	**D** **Statutory instruments** Statutory instruments fall under legislation and the other three sources of law; judicial precedent, common law and customary law are non-legislative.	2
43	**C** **By frustration** Discharge by frustration occurs when an unforeseen event makes performance impossible and neither party is to blame. If the contract's fundamental objective is frustrated, it may be discharged, as is the case with Davis and Theo's wedding.	2
44	**A** **To pay an annual bonus to both directors and employees** Proceeds from the share premium account cannot be used for the purposes of paying an annual bonus to employees and directors.	2
45	**A** **All debentures are secured through a mortgage bond** Some debentures can be unsecured and therefore not all debentures are secured through a mortgage bond.	2
46	**A** **They are not open to public inspection** The articles of association are open to public inspection.	2
47	**C** **It can be listed on the Zimbabwe Stock Exchange** A small-sized company cannot be listed on the Zimbabwe Stock Exchange as membership of the Stock Exchange is restricted to large companies, which offer shares to the investing public through the Stock Exchange.	2
48	**C** **Duty of care and skill** Leaving Trey and Vic unsupervised, when Wangu was on holiday, amounts to a dereliction of Wangu's duty of care and skill.	2

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49	**D** ***Negotiorum gestor*** *Negotiorum gestor* is the name given to an agent of necessity who acts to safeguard the property of another party that may be in danger.	2
50	**B** **A special resolution** A special resolution must be passed in cases involving the alteration of articles of association of a company.	2

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