

CIMG Programme Pathway 1 Professional Certificate in Marketing

Business, Law and Ethics (PCM 102)

DECEMBER 2023

DURATION: 3 HOURS

The examination comprises of two parts:

Part A - a compulsory case study, worth 40 marks

Part B - answer any three questions, worth 60 marks in total

PART A

CASE STUDY - COMPULSORY

QUESTION ONE

The following are **FOUR** scenarios. State whether the various contracts are frustrated and **BRIEFLY** explain why.

- a. Oliver agreed to build 3 houses for Elizabeth within one year for a fixed price. Due to bad weather, and a shortage of labour in the construction industry, the work took two years and cost GHS30,000 more than was anticipated by the contract. Oliver contends that the contract is frustrated. **[10 MARKS]**
- b. Cindy has agreed to supply Abena with 100 boxes of yam. However, there is a turn of events which they did not at both anticipate – a wholly abnormal rise in the prices of yam due to increases in production costs, such as fertilizer and labour. In addition, there is a sudden depreciation of the Ghana Cedi. Cindy refuses to supply the goods, insisting rather innocently, that her lawyers have informed her that the contract is frustrated. **[10 MARKS]**
- c. Emerald is an up-and-coming Reggae artiste who needs someone to manage her career. She is introduced to Mr. Boakye, a well-known songwriter and record producer. Emerald employs Mr. Boakye as her manager for seven years. After one year, Mr. Boakye was imprisoned for a term of 5 years for shooting a friend. On his release from prison, Mr. Boakye sued Emerald for certain breaches of the agreement and Emerald is alleging that by reason of Mr. Boakye's crime, the management contract was frustrated. **[10 MARKS]**
- d. Grace has ordered firecrackers and Carlo Rossi wine from Pablo Limited to be delivered from Mexico on 5th October 2023. On 1st October 2023, the government passed a law making the importation of firecrackers into Ghana illegal. Also, Pablo Limited is prevented by the Food and Drugs Authority (FDA) from supplying Grace with the wine because it failed to obtain the required permit to sell Carlo Rossi wine. Pablo limited says the contracts are frustrated.

[10 MARKS]

PART B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION TWO

- a. Differentiate an OFFER from an INVITATION TO TREAT. **(10 MARKS)**
- b. Explain why the distinction is necessary. **[10 MARKS]**

QUESTION THREE

Briefly explain the following terms for FOUR (4) marks each:

- a. Vicarious liability
- b. Contributory negligence
- c. Veil of incorporation
- d. Partnership
- e. Precedent

[20 MARKS]

QUESTION FOUR

- a. Outline FIVE (5) sources of law in Ghana
- b. State and explain THREE (3) types of delegated legislation.
- c. List any TWO (2) examples of delegated legislation.

[20 MARKS]

QUESTION FIVE

- a. Differentiate between lower courts and superior courts.
- b. List the THREE (3) superior courts of judicature in Ghana.
- c. List any TWO (2) lower courts of judicature in Ghana.

[20 MARKS]

QUESTION SIX

- a. State and explain any TWO (2) ways in which an agency relationship may be created.
- b. State and explain any FIVE (5) duties owed by an Agent to a Principal.

[20 MARKS]