



Tutorial Letter 101/3/2018

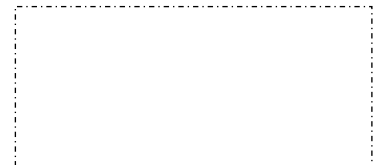
Commercial Law IIA

CLA2601

Semesters 1 & 2

Department of Mercantile Law

This tutorial letter contains important information about your module



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1 INTRODUCTION

Dear Student

We are pleased to welcome you to this module and hope that you will find it both interesting and rewarding. We shall do our best to make your study of this module successful. You will be well on your way to success if you start studying early in the semester and resolve to do the assignment(s) properly.

You will receive a number of tutorial letters during the semester. A tutorial letter is our way of communicating with you about teaching, learning and assessment.

This tutorial letter contains important information about the scheme of work, resources and assignments for this module. We urge you to read it carefully and to keep it at hand when working through the study material, preparing the assignment(s), preparing for the examination and addressing questions to your lecturers.

Please read Tutorial Letter 301 in combination with this tutorial letter as it gives you an idea of generally important information when studying at a distance and within a particular college.

In this tutorial letter, you will find the assignments and assessment criteria as well as instructions on the preparation and submission of the assignments. It also provides all the information you need with regard to the prescribed study material and other resources and how to obtain it. Please study this information carefully and make sure that you obtain the prescribed material as soon as possible.

We have included certain general and administrative information about this module. Please study this section of the tutorial letter carefully. You must also consult the publication *Study @ Unisa* for more information about myUnisa and other administrative matters.

Right from the start we would like to point out that **you must read all the tutorial letters** you receive during the semester immediately **and carefully**, as they always contain important and, sometimes, urgent information.

After registration you will receive the following study material by post or courier:

- One study guide
- Tutorial letters

Some of this tutorial matter may not be available when you register. Tutorial matter that is not available when you register will be posted to you as soon as possible, but is also available on myUnisa.

It is important for students to familiarise themselves with, and use myUnisa. Regular use of the internet is recommended. Students must be registered on myUnisa to be able to submit assignments, gain access to the library functions and various learning resources, download study material, "chat" to their lecturers and fellow students about their studies and the challenges they encounter, and participate in online discussion forums. Please also note that myUnisa provides students with additional opportunities to take part in activities and discussions of relevance to their module topics, assignments, marks and examinations.

The values and beliefs that govern the running of business operations are based on constitutional values and principles and often reflect African values that comprise amongst

others, of the concept of ubuntu. Corporate law and the law regulating other forms of business enterprises, at first glance is a technical commercial subject based mainly on statute. However, upon scrutiny several transformation values are reflected in the course content. The study guide and prescribed textbook have been infused with constitutional principles and values in the interpretation and application of the law regulating different types of enterprises. The Constitution of the Republic of South Africa, 1996 ('the Constitution') and its values that also imbue values of ubuntu play an important role particularly in the interpretation of legislation. Promoting these values in the development of the common law plays a pivotal role in ensuring that the law adapts to suit the community it serves. This evolving nature of law is foundational to the principle of transformative constitutionalism.

We hope that you will enjoy this module and wish you all the best!

2 PURPOSE AND OUTCOMES

2.1 Purpose

After you have studied this module you will be able to identify, distinguish and compare the basic characteristics of a partnership, a trust, a company and a close corporation. You will learn that a partnership does not enjoy separate legal personality and that it must have as its objective the pursuit of gain. A company and a close corporation, on the other hand, acquire separate legal personality as soon as they are registered and neither need be incorporated for the purpose of making profit. Some of the advantages of legal personality are that the company and the close corporation acquire their own rights and liabilities and also enjoy perpetual succession. You will learn the basic characteristics of different types of companies and whether they are suitable for a particular business. You will also discover that a close corporation provides a simpler and less expensive corporate form for the single business person or for a business that has a maximum of ten participants. Incorporation of new close corporations are, however, no longer possible. Once you have grasped the characteristics of the different business forms, you will be able to determine which form of enterprise is best suited to a particular business. You will be able to solve problems by applying the relevant legal principles.

2.2 Outcomes

You will notice that we have included learning outcomes/key questions and activities for each study unit. The learning outcomes at the beginning of each study unit and the activities indicate what competence you should be able to demonstrate at the end of this learning experience. We expect you to achieve the learning outcomes. If you work through the study material by following the guidance and doing the activities in your study guide, you should be able to achieve the learning outcomes.

3 LECTURER(S) AND CONTACT DETAILS

3.1 Lecturer(s)

All queries that are not of a purely administrative nature but are about the content of this module should be directed to lecturers.

Additional information about the lecturers responsible for this module will be provided in Tutorial Letter 102. When we are not available telephonically, **please send an e-mail with your name, module code and student number**. We shall reply as soon as possible.

You are welcome to visit us to discuss any queries about or problems with the contents of this module. However, please **make an appointment beforehand**, otherwise you run the risk of the lecturer not being available to see you. Our offices are situated in the **Cas van Vuuren Building, Main Campus, Muckleneuk Ridge, Pretoria**.

Students who have access to the internet can contact the lecturers by e-mail via the myUnisa facility at <https://my.unisa.ac.za/>.

Your lecturers for this module are:

Ms M Bekink (module leader)	Tel 012 429 8441	email bekinm@unisa.ac.za
Ms M Lombard	Tel 012 429 2240	email lombam1@unisa.ac.za
Mrs BM Masuku	Tel 012 429 8481	email masukbm@unisa.ac.za
Mr S Makhubu	Tel 012 429 4878	email makhusn@unisa.ac.za
Mr V Madlela	Tel 012 429 8378	email madlev@unisa.ac.za

PLEASE NOTE: Letters to lecturers may not be enclosed with or inserted into assignments.

3.2 Department

You might also want to write to us. Letters should be sent to:

The Module Leader (CLA2601)

Department of Mercantile Law

PO Box 392

UNISA

0003

Letters may also be **faxed** to us. Our fax number is 012 429 3343.

The general number for the Department of Mercantile Law is 012 429 8579. Please have your tutorial material with you when you contact us by telephone.

3.3 University

Communication with the University

- **Unisa website** (<http://www.unisa.ac.za> & <http://mobi.unisa.ac.za>) All study-related information is now available on the new Unisa corporate website in both web and mobi formats.
- **myUnisa**(<http://my.unisa.ac.za/portal> & <http://my.unisa.ac.za/portal/pda>) You can access your own information via the myUnisa website or mobi site.
- **E-mail** (info@unisa.ac.za)

You may send an email to info@unisa.ac.za for information on how to contact Unisa via e-mail.

- **SMS** (32695 – only for students in South Africa)

You may send an SMS to 32695 for more information on how to contact Unisa via SMS. You will receive an automatic response SMS with various SMS options. The cost per SMS is R1,50.

- **Fax** (012 429 4150) Enquiries can be faxed to 012 429 4150, whereafter it will be distributed to and processed by the relevant department.

If you need to contact the University about matters not related to the content of this module, please consult the publication *Study@Unisa* that you received with your study material. This booklet contains information on how to contact the University (e.g. whom you can write to for different queries, important telephone and fax numbers, addresses and details of the times certain facilities are open).

Always have your student number at hand when you contact the University.

4 RESOURCES

Note for library service request procedures (listed below), please consult the *Study @ Unisa* brochure.

4.1 Prescribed books

Prescribed books can be obtained from the University's official booksellers. If you have difficulty locating your book(s) at these booksellers, please contact the Prescribed Books Section at 012 429 4152 or e-mail vospresc@unisa.ac.za. The prescribed book for this module is:

Dennis Davis et al *Companies and other Business Structures in South Africa* 3 ed (2013) Oxford University Press Southern Africa Cape Town.

Please consult the list of official booksellers and their addresses listed in *Study @ Unisa*.

4.2 Recommended books

There are no recommended books for this module.

4.3 Electronic Reserves (e-Reserves)

There are no e-reserves for this module.

4.4 Library services and resources information

For brief information go to : <http://www.unisa.ac.za/brochures/studies>

For more detailed information, go to the Unisa website at <http://www.unisa.ac.za/> click on Library

For research support and services of Personal Librarians, go to:

<http://www.unisa.ac.za/Default.asp?Cmd=ViewContent&ContentID=7102>

The Library has compiled numerous library guides:

- find recommended reading in the print collection and e-reserves - <http://libguides.unisa.ac.za/request/undergrad>
- request material - <http://libguides.unisa.ac.za/request/request>
- postgraduate information services - <http://libguides.unisa.ac.za/request/postgrad>
- finding, obtaining and using library resources and tools to assist in doing research http://libguides.unisa.ac.za/Research_Skills
- how to contact the Library/find us on social media/frequently asked questions - <http://libguides.unisa.ac.za/ask>

4.5 Prescribed cases and legislation

In this module you must study the cases and legislation as discussed in your prescribed textbook and in your study guide. You are not expected to read the cases yourselves. Cases that are mentioned in brackets in your textbook refer to the cases from which the principle stated in your textbook was derived. You need not memorise these references. You only need to learn the name of the case and the principle decided in that case where a case is specifically discussed in the textbook, (for example the Regal case). The same applies where legislation is discussed.

4.6 Study guide

There is one study guide for this module that must be used in conjunction with the prescribed textbook as a guide through the chapters in the textbook. At the beginning of the study guide you will find detailed instructions on how to use it.

4.7 Tutorial letters

Apart from Tutorial Letter 101, you will also receive other tutorial letters during the semester.

Tutorial letters that are not available when you register will become available on myUnisa. Please consult myUnisa regularly.

Students who have access to the internet can view the study guides and tutorial letters for the modules for which they are registered on the University's online campus, myUnisa, at <http://my.unisa.ac.za>.

5 STUDENT SUPPORT SERVICES

5.1 General

For information on the various student-support systems and services available at UNISA (e.g. student counselling, tutorial classes, language support), please consult the publication *Study@Unisa* that you received with your study material.

5.2 Contact with fellow students

5.2.1 Study groups

It is advisable to have contact with fellow students. One way to do this is to form study groups. The addresses of students in your area may be obtained from the following department:

Directorate: Student Administration and Registration

PO Box 392

Unisa

0003

5.2.2 myUnisa

If you have access to a computer that is linked to the internet, you can quickly access resources and information at the University. The myUnisa learning-system is Unisa's online campus that will help you to communicate with your lecturers, with other students and with the administrative departments of Unisa – all through the computer and the internet.

To go to the myUnisa website, start at the main UNISA website, <http://www.unisa.ac.za>, and then click on the "Login to myUnisa" link on the right-hand side of the screen. This should take you to the myUnisa website. You can also go there directly by typing in <http://my.unisa.ac.za>.

Please consult the publication *Study@Unisa*, which you received with your study material for more information on myUnisa.

5.3 Discussion classes

Kindly note that no discussion classes will be presented for this module.

5.4 Satellite delivery

There will be no satellite delivery for this module.

5.5 E-tutors

Unisa offers online tutorials (e-tutoring) to students in this module.

Once you have been registered for this module, you will be allocated to a group of students with whom you will be interacting during the tuition period as well as an e-tutor who will be your tutorial facilitator. Thereafter you will receive an SMS informing you about your group, the name of your e-tutor and instructions on how to log onto myUnisa in order to receive further information on the e-tutoring process.

Online tutorials are conducted by qualified e-tutors who are appointed by UNISA and are offered free of charge. All you need to be able to participate in e-tutoring is a computer with internet connection. If you live close to a UNISA regional centre or a telecentre contracted with UNISA, please feel free to visit any of these to access the internet. E-tutoring takes place on myUnisa, where you are expected to connect with other students in your allocated group. It is the role of the e-tutor to guide you through your study material during this interaction process. For you to get the most out of online tutoring, you need to participate in the online discussions that the e-tutor will be facilitating.

There are modules which students have been found to repeatedly fail; these modules are allocated face-to-face tutors and tutorials for these modules take place at the Unisa regional centres. These tutorials are also offered free of charge, however, it is important for you to register beforehand.

5.6 Telecentres

Free computer and internet access

Unisa has entered into partnerships with establishments (referred to as Telecentres) in various locations across South Africa to enable you (as a Unisa student) free access to computers and the Internet. This access enables you to conduct the following academic related activities: registration; online submission of assignments; engaging in e-tutoring activities and signature courses; etc. Please note that any other activity outside of these are for your own costing e.g. printing, photocopying, etc. For more information on the Telecentre nearest to you, please visit www.unisa.ac.za/telecentres.

6 STUDY PLAN

Please consult the publication *Study @ Unisa* which you received with your study material for general time management and planning skills.

We would like to support you in your learning process. However, we can support you only if you take responsibility for your own learning. To help you to work on this module regularly and systematically, we provide a proposed study programme below and also for assignments. Try to adhere to this study programme as far as possible.

Proposed study programme

Week 1: Partnerships

Week 2: Trusts

Week 3: Legal personality

Week 4: Capacity and representation of a company

Week 5: Corporate finance

Week 6: Shareholders and company meetings

Week 7: Directors and board committees

Week 8: Auditors and the company secretary

Week 9: Remedies, enforcement of rights and ensuring compliance

Week 10: Close corporations

Week 11: Review topics 3-6

Week 12: Review topics 7-10

Week 13: Preparation for examination

Week 14: Preparation for examination

7 PRACTICAL WORK AND WORK-INTEGRATED LEARNING

There are no practicals for this module.

8 ASSESSMENT

8.1 Assessment criteria

The assessment criteria for this module are to:

- Identify and analyse legal issues regarding the law on companies, close corporations, partnerships and business trusts.
- Understand and apply the terms, rules, concepts, established principles and theories related to Entrepreneurial Law.
- Critically analyse and synthesize legal material, including case law related to Entrepreneurial Law.
- Present and communicate information reliably and coherently in professionally accepted format using basic information technology.
- Understand the basic operations and functions of the various forms of enterprises.
- Identify the main differences, i.e. the distinct advantages and disadvantages connected to the different forms of South African business enterprises.

8.2 Assessment plan

If you submit **Assignment 01** before or on the due date the mark obtained will contribute to your year mark and you will be admitted to the examination regardless of the marks obtained for the assignment. In other words, if you submitted Assignment 01 but obtained 0%, you will still be admitted to the examination. Although submission of **Assignment 02** does not determine whether you will be admitted to write the examination or not, it contributes to your year mark.

The year mark is calculated by adding the marks you obtained for Assignment 01 and 02 and will account for 30% (15% for each assignment) of your final mark. You need to obtain at least 40% in the examination before your year mark will be taken into account. If you obtained at least 40% in the examination and you have a good year mark you will have a great advantage over a student who has a year mark of 0% or a poor year mark.

To pass this module, you must have a final mark of 50%. If a student fails the examination with less than 40%, the year mark will not be used to pass the student.

You should also provide the unique numbers for Assignments 01 and 02. Assignment 03 does not have a unique number. State the module code and assignment number in all enquiries about assignments.

8.3 Assignment numbers

8.3.1. General assignment numbers

There are THREE assignments in this module. Assignment 03 is a written self-assessment assignment. Assignment 01 is a compulsory assignment. Both Assignments 01 and 02 contribute to your year mark. Assignment 01 must be submitted to qualify for examination admission. Remember that your assignments must be numbered number 01 or 02.

You will not receive credit for assignments received after the due date. Students registered for the first semester must submit **Assignment 01 for first semester** on or before **12 March 2018** to gain admission to the examination and to have the mark count towards the year mark. **Assignment 02 for first semester students** must be submitted on or before **9 April 2018** in order to have the assignment count towards the year mark.

Students registered for the **second semester** must submit **Assignment 01 for second semester students** on or before **13 August 2018** to gain admission to the examination and to have the mark count towards the year mark. **Assignment 02 for second semester students** must be submitted on or before **10 September 2018** in order to have the assignment count towards the year mark.

If you do not submit Assignment 01 before the relevant date, your registration will be cancelled and you will not be admitted to the examination in CLA2601. If you do not submit Assignment 02 you will forfeit a portion of your year mark.

Students who use word processors should consult the brochure **Study @ Unisa** about the format and paper to be used for assignments.

No extension: On the due date for Assignment 01 and 02, the commentary on the assignment will be sent out and published on myUnisa. As a result, no extension for submission of the assignment will be granted under any circumstances. Assignments posted after the due date will be returned unmarked.

Don't even apply for an extension, as no extensions will be granted. Assignments 01 and 02 will each count 50 per cent of your year mark.

The year mark will count 30 per cent towards a student's final mark for the module. The examination will then count 70 per cent towards a student's final mark.

ASSIGNMENTS MAY ONLY BE SUBMITTED ELECTRONICALLY.

8.3.2 Unique assignment numbers

The unique assignment numbers are:

SEMESTER 01:

- ASSIGNMENT 01: 788153
- ASSIGNMENT 02: 831866

SEMESTER 02:

- ASSIGNMENT 01: 878083
- ASSIGNMENT 02: 635229

8.4. Assignment due dates

The closing dates for the submission of the assignments are:

SEMESTER 01:

- ASSIGNMENT 01: 12 March 2018
- ASSIGNMENT 02: 9 April 2018

SEMESTER 02:

- ASSIGNMENT 01: 13 August 2018
- ASSIGNMENT 02: 10 September 2018

8.5 Submission of assignments

Students must submit written assignments electronically via myUnisa. Assignments may **not** be submitted by post, fax or e-mail.

For detailed information and requirements as far as assignments are concerned, see the brochure *Study @ Unisa* that you received with your study material.

To submit an assignment **via myUnisa**:

- Go to myUnisa.
- Log in with your student number and password.
- Select the module.
- Click on assignments in the left-hand menu.
- Click on the assignment number you want to submit.
- Follow the instructions on the screen.

8.6 The assignments

8.6.1 Assessment of assignments

In your assignments, we expect you to use your knowledge of the general principles of the law of partnerships and trusts. You will be required to analyse and evaluate problem situations, identify the relevant legal issues, apply the relevant legal principles and suggest solutions and provide responsible advice.

Each student must write and submit his or her own individual assignment. In other words, each student must submit his or her own work. It is unacceptable for students to submit identical assignments on the basis that they worked together. That will amount to plagiarism and none of these assignments will be marked. Furthermore, these students may be penalised or subjected to disciplinary proceedings of the University.

NB! You will only be examined on the law relating to **Companies and Close Corporations**. You will be assessed on partnerships and business trusts in Assignment 01 and 02 only. **The law relating to partnerships and trusts will be written off with Assignment 01 and 02. You will not be examined on it in the examination written at the end of the semester.**

8.6.2 Commentary on assignments

A comprehensive commentary on Assignment 01 and 02 will be made available on myUnisa in a tutorial letter in due course so you can assess your answers against it.

WRITTEN ASSIGNMENT 03 FOR FIRST AND SECOND SEMESTER STUDENTS:

Assignment 03 is a **self-evaluation assignment** and contains short to medium length questions. **We will not mark this assignment.**

The purpose of the self-evaluation assignment is

- to assist you to work through the study material
- to teach you the necessary reading and writing skills
- to teach you to make a synthesis from various sources, in other words, to gather material and present it in a logical, ordered fashion and with convincing arguments (**merely copying the tutorial material is totally unacceptable**)
- self-evaluation

The value of Assignment 03 lies in its completion. Because the questions in the assignment are similar to the type of questions you can expect in the examination, you should try to answer them under examination conditions. Had the assignment been an examination question counting 20 marks, you would have been given 20 to 25 minutes to complete it. This means that you cannot write an answer that is several pages long for a 5 mark question.

The background knowledge that you obtain by doing the assignment and marking it, provides a good opportunity to increase your knowledge and understanding of the work to such a degree that you will be able to approach the examination with more confidence.

8.6.3 General approach to answering problem-type questions:

When answering problem-type questions, it is important to clarify for yourself the area of the work which contains the answer. For example, first decide whether you are asked about a trust, a partnership, a close corporation or a company. The nature of the company is indicated by its name, for example "(Pty) Ltd" refers to a private company and "Ltd" refers to a public company; this may be relevant to your answer. The abbreviation "CC" indicates a close corporation. Different provisions apply in each instance. Take note of the differences between trusts, partnerships, companies and close corporations while you are studying. Refer, for example, to the difference in relation to formation, membership and representation. Always identify and answer the legal question with reference to applicable legislation, court decisions and common law. Apply the legal principles to the particular set of facts. Use the correct terminology. For example, it would be incorrect to refer to shares or directors in relation to a close corporation. Deal only with those principles that relate to the given facts. Next, apply these principles to the facts. This is where a number of students lose marks – they set out the law in some detail, but then do not illustrate how it applies to the factual situation they have been asked to solve. Finally, state your conclusion or provide advice. Also remember that the facts are merely there to illustrate the legal issues we want you to address – if you think the facts are insufficient, just say that it is impossible to reach a definite conclusion. Do not waste your time on unnecessarily lengthy speculations on various potential scenarios.

In order to answer problem-type questions satisfactorily, you must work through the prescribed tutorial material carefully. The following basic guidelines may assist you in this regard:

Students sometimes complain that they find it difficult to rewrite the tutorial material in their own words. Unfortunately you have to get used to this, because you will not have your tutorial matter with you during the examination. However, there are three easy steps to assist you in answering problem-type questions:

- (1) Study the relevant tutorial material until you understand it. While you are reading the particular section or chapter, make notes or lists of the key words and concepts.
- (2) Summarise that particular section or chapter in your own words by using your notes and key words.
- (3) Finalise your summary by making use of references to the study material, case law and other relevant authority.

In order to complete your assignment satisfactorily you are expected to consult your study guide, prescribed textbooks and tutorial letters. Carefully read the questions, determine what they pertain to, and use the relevant information in your tutorial material to answer the questions. Make sure that you have identified the relevant legal aspect, set out the legal principles briefly with reference to applicable case law and other authorities, applied these principles to the facts given in the question, reached a conclusion and have answered any specific question that may have been asked.

Restrict the length of assignment answers to teach you to write concise and logical legal arguments. It is very easy to write a long, rambling answer encompassing everything which could possibly relate to the problem, but such an answer does not earn good marks. You must learn to summarise your tutorial material so that you can answer a question in a factually correct, concise and logical manner. This will also teach you to give similar answers in an examination.

8.6.4 Commentary on assignments

The commentary on the compulsory assignments will be made available to all students registered for this module in a follow-up tutorial letter on myUnisa, and not just to those students who have submitted the assignments.

As soon as you have received the commentary, please check your answers. The assignments and the commentary on these assignments constitute an important part of your study material for the examination.

8.7 Other assessment methods

There are no other assessment methods for this module.

8.8 The examination

Students must consult the *Study @ Unisa* brochure for general examination guidelines and examination preparation guidelines.

8.8.1 Examination period

This module is a semester module. If you are registered for the first semester you will write the examination in May/June 2018 and the supplementary examination will be written in October/November 2018. If you are registered for the second semester you will write the examination in October/November 2018 and the supplementary examination will be written in May/June 2019.

During the course of the semester, the Examination Department will provide you with information regarding the examination in general, examination venues, examination dates and examination times.

8.8.2 Examination paper

You will write one **two-hour** paper. The paper counts **100 marks**. Your examination mark out of 100 will be adapted to a mark out of 70. Your year mark will be adjusted to a mark out of 30 (i.e. the mark obtained for Assignments 01 and 02) and will be added to your examination mark out of 70 to get to your final mark for this module. You need to obtain a final mark of 50% to pass this module. Remember, you have to obtain a subminimum of 40% in the examination before your year mark out of 30 (your mark for Assignments 01 and 02) will be taken into account.

For the examination you have to study the prescribed sections of your textbook (which may include cases and legislation) and the study guide, as well as all the tutorial letters you received during the semester. The questions in the examination paper will only deal with aspects of **the law of companies and close corporations**. It will not deal with aspects of the law of partnerships and business trusts. Partnerships and business trusts will only be evaluated by way of Assignment 01 and 02.

Some previous examination papers are available to students on myUnisa. However, we will not provide answers to these papers nor will we mark any answers submitted to us. A concept examination paper will be provided to you in a tutorial letter. The guidelines to answering these questions will be included in a subsequent tutorial letter.

9 FREQUENTLY ASKED QUESTIONS

Students must consult the *Study @ Unisa* brochure for the A-Z guide of the most relevant study information.

10 SOURCES CONSULTED

Not applicable

11 IN CLOSING

We trust that you will enjoy studying this module and that you will find the knowledge you gain in the process to be of great value. We wish you all the best with your studies.

12 ADDENDUM

ASSIGNMENT 01 FOR FIRST SEMESTER STUDENTS

DUE DATE: 12 March 2018

Unique number: 788153

You must submit this assignment in time to remain registered as a student in this module and to be admitted to the examination!

Assignment 01:

John, Busi and Mpho enter into a partnership agreement to establish a partnership to conduct a catering business. They approach you for legal advice, as they want to ascertain what the main differences are between a company and a partnership. They also want to be briefed on the advantages and disadvantages of each of these business structures.

Advise John, Busi and Mpho fully regarding these abovementioned aspects.

(15)

ASSIGNMENT 02 FOR FIRST SEMESTER STUDENTS

DUE DATE: 9 April 2018

Unique number: 831866

You must submit this assignment in time for your assignment to count towards your final year mark!

Assignment 02:

Peter wants to form a business trust. He approaches you for legal advice as he wants to know the following:

- how to form a valid trust, and (10)
- what the advantages and disadvantages of a business trust are. (5)

Advise Peter fully on the abovementioned aspects, referring to case law where applicable.

(15)

ASSIGNMENT 01 FOR SECOND SEMESTER STUDENTS**DUE DATE: 13 August 2018****Unique number: 878083****You must submit this assignment in time to remain registered as a student in this module and to be admitted to the examination!****Assignment 01:**

Megan, Pretty and Johan are partners in a catering business. They seek your advice regarding the following:

- What are the essentialia of a partnership? (5)
- They want to know what the exact legal nature of a partnership is. (10)

Fully advise Megan, Pretty and Johan regarding the above questions referring to applicable case law where relevant.

(15)

ASSIGNMENT 02 FOR SECOND SEMESTER STUDENTS**DUE DATE: 10 September 2018****Unique number: 635229****You must submit this assignment in time for your assignment to count towards your final year mark!****Assignment 02:**

Rafael and Zingapi want to register an *inter vivos* trust for their minor children. They have never formed a trust before and want you to advise them on the following aspects:

- The different classifications of trusts in South Africa. (8)
- How to form a valid trust. (7)

Advise them fully on these aspects referring to case law where applicable.

(15)

ASSIGNMENT 03 FOR FIRST and SECOND SEMESTER STUDENTS

No submission date

No unique number

This is a self-assessment assignment for revision purposes. This assignment must not be submitted. It will not be marked or sent back with commentary. Guidelines to answer these questions will be provided in Tutorial Letter 201.

Assignment 03:

QUESTION 1

Briefly discuss the duties of a director to disclose his personal financial interest when that conflicts with the interests of the company in terms of section 75 of the Companies Act 71 of 2008.

(5)

QUESTION 2

Tim is the auditor of Hide Your Money Limited. He wants to perform the annual audit of Hide Your Money Limited, but is being prevented access from all the relevant books and information of the company by Thabo, the bookkeeper of the company. Discuss what Tim's rights are, and what remedies are available to him under the Companies Act 71, 2008.

(5)

QUESTION 3

John, Johannes and Thandi hold 34% of the shares in Good Gold Limited. The managing director of the company, Brian, is acting in a manner which will result in their rights as shareholders being detrimentally affected. They are of the opinion that Brian's conduct is unfairly prejudicial towards them. John, Johannes and Thandi approach you for legal advice. Advise them in broad terms regarding their right to relief from prejudicial conduct in terms of section 163 of the Companies Act 71 of 2008. Also refer to relevant case law very briefly where applicable.

(5)

QUESTION 4

Discuss the most important differences between debentures and shares.

(5)

QUESTION 5

Portia, the newly appointed legal advisor of an up and coming new public relations company, Sell Your Business (Pty) Ltd, has to present a PowerPoint presentation at the YABW annual conference on the power/authority of the members of a close corporation to contract on behalf of the close corporation. She seeks your advice on the power of the members to contract on behalf of the close corporation in order to prepare her presentation. Advise her accordingly in terms of section 54 of the Close Corporations Act 69 of 1984, and name an important relevant court decision. **(5)**