

**INSTITUTE OF BANKERS IN MALAWI**

**ADVANCED DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: PROPERTY LAW (IOBM-AD314)**

**Date: Thursday, 2nd May 2013**

**Time Allocated: 3 hours (13:30 – 16:30 Hours)**

**INSTRUCTIONS TO CANDIDATES**

1 This paper consists of **TWO** Sections, A and B.

2 Section A consists of 4 questions, each question carries 15 marks.

Answer **ALL** questions.

3 Section B consists of 4 questions, each question carries 20 marks.

Answer **ANY TWO** questions.

4 You will be allowed **10 minutes** to go through the paper before the start of the examination, when you may write on this paper but not in the answer book.

5 Being each answer on a new page

6 **Please write your examination number on each answer book used. Answer books without examination number will not be marked**

7. DO NOT open this question paper until instructed to do so.

**SECTION A (60 MARKS)**

Answer **ALL** questions from this section.

**QUESTION 1**

An object of property can be granted or held by two or more persons. Discuss this statement. **(Total 15 marks)**

## QUESTION 2

1. Explain the following terms

(i) Future interest in an object of property. *(5 marks)*

(ii) Present interest in an object of property. *(5 marks)*

(b) A mother has made a grant in her will for a house in Chinyonga to John for life with remainder to Josephine. Analyse and identify an interest that is vested in possession and also an interest that is vested in interest. *(5 marks)*

(**Total 15 marks)**

**QUESTION 3**

(a) Explain the term ‘Bona fide purchaser for value’. *(7 marks)*

(b) Gonthi in his capacity as an administrator of a deceased estate, has sold prime land under the deceased estate to his wife. Advise if Gonthi’s wife is a bonafide purchaser for value. *(8 marks)*

**(Total 15 marks)**

**QUESTION 4**

4 Duduluza has developed a concoction of herbs that cures cancer. There has been scientific approval of its acclaim. Advise Duduluza the advantages and disadvantages of having it registered as a patent. *(15 marks)*

(**Total 15 marks)**

**SECTION B (40 MARKS)**

Answer **ANY TWO** questions from this section

**QUESTION 5**

(a) Explain the difference between testamentary succession and intestate succession*. (10 marks)*

(b) Explain the following terms:

(i) Mortagage by demise *( 5 marks)*

(ii) Mortgage by legal charge *( 5 marks* )

(**Total 20 marks)**

**QUESTION 6**

Compare and contrast registration of land at the Deeds Registry and the Lands Registry.

**(Total 20 marks)**

**QUESTION 7**

Tilitonse Tea Company is an established and reputable tea company which has operated in Thyolo for over 100 years. An influential local tycoon has recently renamed his tea company also operating in Thyolo from Bwandilo Tea Company to ‘Tilitonse T Company’. Advise Tilitonse Tea Company on this development and any possible remedies.  ***(*Total 20 marks)**

**QUESTION 8**

Bandulo Bank has advanced a loan of K3 million Kwacha to Anzanthu Investments. The latter offered its 35 years leasehold interest in its realty property in the City Centre by way of mortgage. In the mortgage documents Bandulo Bank has put in a clause that the loan can only be repaid in the last ten (10) years of the leasehold interest. Three years later, Anzanthu Investments wants to repay the loan in full but the Bank is refusing to accept the repayment. Advise Anzanthu Investments. ***(*Total 20 marks)**

**END OF EXAMINATION PAPER**