



**CHARTERED INSTITUTE OF BANKERS, GHANA**  
**ASSOCIATESHIP EXAMINATION**  
**LEVEL I**  
**PRINCIPLES OF BANKING LAW**  
**APRIL 2023**

**N.B.**

- 1. Read carefully the instructions on the cover of the answer book.**
- 2. Answer FIVE QUESTIONS.**
- 3. Total number of questions is EIGHT.**
- 4. All questions carry equal marks.**
- 5. Time allowed: THREE HOURS.**
- 6. Candidates must ensure that they answer questions in the appropriate answer book and NOT on loose sheets which are used only as supplementary sheets. Such answers will not be marked.**
- 7. DO NOT WRITE YOUR NAME ON THE ANSWER BOOK.**
- 8. DO NOT OPEN THIS QUESTION PAPER UNTIL YOU HAVE BEEN INSTRUCTED TO DO SO.**

## ANSWER ANY FIVE (5) QUESTIONS

### **Question One**

The Chiefs and people of Nunguase who celebrate their festival in the fifth month of the year have imposed a one-month ban on noise making as part of their customary law. This ban is being flouted by ‘God Is There International Church’ located within Nunguase.

Required:

- a. Explain what Customary Law in Ghana is. (5 marks)
- b. How is Customary Law ascertained? (15 marks)

(Total: 20 marks)

### **Question Two**

What are the sources of Ghana Law? (20 marks)

### **Question Three**

- a. What does the phrase the “veil of incorporation” (corporate veil) mean? (5 marks)
- b. What is the benefit of having the “veil of incorporation”? (10 marks)
- c. When, (if at all) may the “veil” be removed? (5 marks)

(Total: 20 marks)

### **Question Four**

- a. Explain with examples the equitable doctrine of part performance. (5 marks)
- b. Under what conditions may the court make the order? (15 marks)

(Total: 20 marks)

### **Question Five**

An “indorsement” in relation to a Bill of Exchange may be made in four (4) ways. Explain the four types of indorsements available. (20 marks)

### **Question Six**

Describe and illustrate the four (4) types of crossing on cheques. (20 marks)

### **Question Seven**

Discuss the legal duties that a bank owes to its customers. (20 marks)

### **Question Eight**

“A contract is an agreement with the intention to have legal relations”. State the other ingredients for a valid contract.

(20 marks)