

UMMUL QURA HIGH SCHOOL

Arowona Bus-stop, Amuloko Area, Akanran Road, Ibadan.

2ND TERM 2020/2021 EXAMINATION

Subject: **Commerce**

Class: **SSS2**

Duration : **2hrs:30mins**

Objective

1. Nigeria postal services (NIPOST) facilitates commerce in all the following except through
 - A. cash on delivery
 - B. recording delivery service
 - C. express service
 - D. free onboard services
2. The mode of transporting crude oil to the port for export purpose is by
 - A. tanker
 - B. rail
 - C. road
 - D. pipeline
3. The main disadvantages of water transport is that
 - A. it save time
 - B. can carry heavy goods
 - C. is slow
 - D. is owned by private firm
4. Which of following is the clearing house for all the banks in the country?
 - A. federal mortgage bank of Nigeria
 - B. the Nigeria industrial development bank
 - C. the Nigeria bank for commerce and industry
 - D. the Central Bank of Nigeria
5. An undertaking of indemnify an insured person or taking a risk or part of a risk is
 - A. underwritten
 - B. underwriter
 - C. actuaries
 - D. insurance agent
6. Which of these policies is not indemnity insurance?
 - A. Accident insurance
 - B. Marine insurance
 - C. Fire insurance
 - D. life Assurance
7. All the following are marine insurance except
 - A. hull insurance
 - B. cargo insurance
 - C. freight insurance
 - D. third party insurance
8. The amount paid by the insured to insurance is called
 - A. salary
 - C. wages
 - C. premium
 - D. policy
9. The insurance policy which reinstate the insured to his formal state after a loss is

- A. insurance interest
 - B. utmost good faith
 - C. indemnity
 - D. insurable risk
10. The first stage in tourism planning is
- A. assess of feed back from tourists
 - B. preparing a list of tourist attraction
 - C. creating recreational opportunity
 - D. building community support
11. A distinctive advantage of GSM is it's
- A. mobility
 - B. cost
 - C. stability
 - D. coverage
12. The type of advertising that seeks to persuade consumer to buy a particular products is
- A. informative advertising
 - B. competitive advertising
 - C. persuasive advertising
 - D. mass advertising
13. Organization formed mainly by traders and manufacturer to cater for the interest of their member is called
- A. trade union
 - B. cooperative society
 - C. trade association
 - D. chamber of commerce
14. The highest financial institution in a country which carryout monetary policy of the government is called
- A. Commercial bank
 - B. Central Bank
 - C. Saving bank
 - D. Merchant bank
15. An auxiliary to trade which ensures that people gain access to fact pertaining goods is
- A. communication
 - B. advertising
 - C. tourism
 - D. transportation
16. Firms wishing to defend established products as well as launch new one will make use of
- A. Franchising
 - B. Products differentiation
 - C. Branding
 - D. Advertising
17. When consumers are unaware of the quality of a product the best advertising technique to use is
- A. informative advertising
 - B. direct advertising
 - C. persuasive advertising
 - D. indirect advertising
18. One disadvantage of advertising to consumer is that it
- A. brings confusion on the choice of goods
 - B. increase in demand
 - C. persuade the public to buy
 - D. decrease the cost of goods
19. Which of the following is an insurance principles?
- A. endowment
 - B. premium
 - C. proximate cause
 - D. surrender value
20. The principle of subrogation imposes obligations on the insurance to
- A. disclose all materials information

- B. have financial risk
 - C. collect compensation
 - D. surrender legal right after compensation
21. Fidelity guarantee is an insurance cover against loss arising from
- A. trade debt
 - B. personal accident
 - C. dishonest staff
 - D. fire disaster
22. In insurance, the term "uberrimae fidel" stands for
- A. utmost good faith
 - B. surrogation
 - C. insurance interest
 - D. proximate cause
23. Which of the following advertising media combines the advantages of better sight and sound?
- A. Television
 - B. Radio
 - C. Neon sign
 - D. Bill board
24. A commercial situation which perform various financial activities is called
- A. insurance
 - B. warehousing
 - C. bursary
 - D. bank
25. The practice by which an insurance company accepts a very large risk and later shares it with other insurance companies is called
- A. subrogation
 - B. contribution
 - C. indemnity
 - D. Re-insurance
26. The main purpose of insurance is to
- A. aid business to survive and grow
 - B. ensures that facilities are available for operation
 - C. accept risk and extend credit to policies holder
 - D. spread individual losses over all covered participants
27. Shipping services rendered by Nigerian to the Gambia would be classified by the Gambia as
- A. invisible imports
 - B. invisible export
 - C. visible import
 - D. visible export
28. If karamu who lives in Gambia imports goods and sells in Guinea Bissau, Laramie is engages in
- A. multilateral trade
 - B. barter trade
 - C. counter trade
 - D. entreport trade
29. Which of the following auxiliary services make it possible for goods to be available where they are required?
- A. Banking
 - B. Transportation
 - C. Communication
 - D. Insurance.
30. The selling of articles from place to place on foot is
- A. mail order
 - B. itinerant trading
 - C. barter
 - D. self service
31. Mobile shopping involves selling
- A. from city

- B. at a particular spot in the city
 - C. in multiple shop only
 - D. from vending machines
32. One roof containing a number of shop is
- A. tied shop
 - B. Mail order firm
 - C. departmental store
 - D. chain Store
33. Which of the following describes the reasons for international trade?
- A. Balance of payment
 - B. Comparative cost advantages
 - C. Absolute cost advantages
 - D. balance of trade
34. A place where dutiable goods are kept until duties on them are paid is known as
- A. private warehouse
 - B. public warehouse
 - C. bonded warehouse
 - D. manufacturer warehouse
35. The police and the army are engaged in
- A. direct services occupation
 - B. primary occupation
 - C. indirect service occupation
 - D. industrial occupation
36. Exchange is facilitated by
- A. taxation
 - B. quotas
 - C. specialization
 - D. good supervision
37. A business that is independent of its owner is a
- A. sole proprietorship
 - B. partnership
 - C. limited liability company
 - D. cooperative society
38. The charges imposed by the government on locally manufactured goods is called
- A. customs duties
 - B. exercise duties
 - C. tariffs quota
 - D. Import duties
39. The process of making goods attractive and easy to handle is
- A. branding
 - B. merchandising
 - C. packaging
 - D. labelling
40. Which of the following shows the quality of money?
- A. ability to represent small and large value
 - B. used for deferred payment
 - C. used as a unit of account
 - D. serving as a store of wealth
41. Notes and coins are legal tender because they are
- A. printed by the Central Bank
 - B. backed by law
 - C. backed by gold
 - D. issue by all bank
42. When a country's total visible and invisible export are more than its visible and invisible export, it has
- A. favourable balance of payment
 - B. favourable balance of trade
 - C. unfavourable balance of balance of trade
 - D. unfavourable balance of payment
43. A consignment note is used when
- A. goods are wrapped and labeled for easy identification

- B. goods are dispatch to agent through transporter
 - C. damage goods are being returned
 - D. there is over invoicing
44. Which of the following is an example of itinerant trading?
- A. Mobil shop
 - B. Stall holding
 - C. Mail order business
 - D. Selling from kiosk
45. The exchanges of good for goods in foreign trade is known as
- A. visible trade
 - B. smuggling
 - C. counter trade
 - D. entreport trade
46. Which of the following is not a function of port authority?
- A. ensuring safe movement of ship
 - B. collecting import and export duties
 - C. providing warehouse services
 - D. ensuring law and order in the harbours
47. If a counting wish to discourage import, the country should
- A. remove quotas
 - B. encourages free trade
 - C. imposes tariffs
 - D. subsidizes export
48. The aid to trade responsible for the preservation of perishable items is
- A. warehousing
 - B. insurance
 - C. advertising
 - D. transportation
49. The term legal tender refers to
- A. coins and cheques
 - B. coins and bank notes
 - C. cheque and bank notes
 - D. postal and money orders
50. The distribution and exchange of goods and services for the satisfaction of want is concern of
- A. production
 - B. utility
 - C. industry
 - D. commerce

SECTION B: THEORY

Answer any four (4) questions.

Question number one (1) is compulsory

- 1a. List five (5) types of Business units in Nigeria.
- b. State and explain four (4) types of Cooperative Society.
- 2a. In what ways does transportation aids trade?
- b. State five (5) differences between ocean and tramp liners.
- 3a. What is communication?
- b. State three (3) advantages of courier services over public postal service.
- c. Explain four (4) advantages of rail transport system.
- 4a. What is advertising medium?
- b. State two (2) arguments against advertising.
- c. State eight (8) examples of advertising media.
- 5a. State five (5) functions of chamber of commerce.
- b. Explain five (5) functions of a trade association.