



PAN AFRICA CHRISTIAN UNIVERSITY
SCHOOL OF LEADERSHIP, BUSINESS AND TECHNOLOGY
END OF SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELOR OF COMMERCE
BACHELOR OF BUSINESS LEADERSHIP
BACHELOR OF BUSINESS INFORMATION TECHNOLOGY
JANUARY – APRIL 2019

CAMPUS: ROYSAMBU DAY

DEPARTMENT: BUSINESS

COURSE CODE: BCM209 | BUS2223 | BIT211

COURSE TITLE: BUSINESS LAW

EXAM DATE: WEDNESDAY 10TH APRIL 2019

TIME: 2.00PM-5.00PM

INSTRUCTIONS

- Read all questions carefully before attempting.
- Write your **student number** on the answer booklet provided.
- Question **One** Is **Compulsory**; Attempt Any Other **FOUR** Questions Of Your Choice.
- *Write clearly and legibly.*
- *ALL PAC University's examination rules and regulations apply*

QUESTION ONE: COMPULSORY**(40 MARKS).**

- a) Mr. Ricky put up an advertisement on a local daily for a sale of a tractor at KShs3.8m. He gave a number through which interested parties could reach him. Z called the following day and said he accepted to buy the tractor at the stated amount. In the meantime however, Ricky changed his mind and decided to give the tractor to his old man as a gift on his 80th birthday. He is yet to transfer the tractor on the basis of the promise and the old man wishes to sell the tractor to his youngest son, Eli at half the price. Advise the parties as to any legal issues that may arise.

(10 Marks).

- b) Under Kenyan constitution, explain five functions of the chief justice.

(10 Marks).

- c) Distinguish between law and morality

(4 Marks).

- d) Explain three reasons for delegated legislations

(6 Marks).

- e) Discuss five functions of law in Kenya

(10 Marks).

QUESTION TWO**(15 Marks).**

- a) Explain the following terms;

i. Ration Decidendi.....(2 Marks)

ii. Obiter Dicta.....(2 Marks)

iii. The literal Rule.(2 Marks)

iv. The golden Rule.(2 Marks)

v. The mischief rule.....(2 Marks)

- b) Outline FIVE methods in which an offer may be terminated

(5 Marks).

QUESTION THREE**(15 Marks).**

- a) Outline five factors undermining the rule of law

(5 Marks).

- b) If the plaintiff wishes to establish a case under the rule of Ryland Vs Fletcher, he must prove certain essential elements. Discuss five principle exceptions to this rule.

(10 Marks).

QUESTION FOUR**(15 Marks).**

- a) Outline five powers of the attorney general as outlined in the Kenyan constitution.

(5 Marks).

- b) Explain the process by which a bill becomes law.

(10 marks).

QUESTION FIVE**(15 Marks).**

- a) A will may be revoked or altered by the maker of it at any time when he is competent to dispose of his free property by will. Describe three ways in which a will may be revoked

(5 Marks).

- b) Explain five ways in which an agency relationship comes into existence

(10 Marks).

QUESTION SIX**(15 Marks).**

- a) Outline five contents of memorandum of association

(5 Marks).

- b) Explain five advantages of incorporations in business.

(10 marks).