



PAN AFRICA CHRISTIAN UNIVERSITY
SCHOOL OF LEADERSHIP, BUSINESS & TECHNOLOGY
END OF SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELOR OF BUSINESS LEADERSHIP
BACHELOR OF COMMERCE
BACHELOR OF BUSINESS INFORMATION TECHNOLOGY &
ALL DIPLOMAS
SEPTEMBER-DECEMBER 2019

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS STUDIES

COURSE CODE: BUS2223 | BCM209 | BIT211 | DSM201 | DENT0131

COURSE TITLE: BUSINESS LAW

EXAM DATE: THURSDAY 5th DECEMBER 2019

DURATION: 2 HOURS

TIME: 2:00PM-4:00PM

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- Write your **STUDENT NUMBER** in the Answer Booklet given
- *Write clearly and legibly.*
- This exam script consists of **Six (6)** questions.
- Answer **ALL questions in SECTION A (compulsory)** and **Any other three (3)** questions from **SECTION B**
- *ALL PAC University's examination rules and regulations apply*

SECTION ONE ANSWER ALL THE QUESTIONS {30 MARKS}

QUESTION ONE

Read the Case Study and answer the questions that follow

- a. Mr Abuko put up an advertisement on a local newspaper for a sale for a motorcar Ksh. 400,000. He gave a number through which interested persons could reach him. Y called on the following day and said that he accepted to buy the car at the stated amount. In the meantime, however Mr. Abuko had changed his mind and decided to give the car to the niece as a gift. However, he's yet to transfer the car to the niece Carol on the basis of the promise. Carol has offered to sell the car to Reuben for 250,000.
- i. Advice the parties as to any legal issues arising [10 Marks].
- b. Explain Five essential elements of a valid contract [10 Marks].
- c. Describe the composition and jurisdiction of the following:
- i. The court of Appeal of Kenya. [5marks]
- ii. The high court of Kenya. [5marks]

SECTION TWO; ANSWER ANY THREE QUESTIONS EACH 10 MARKS

QUESTION TWO

- a. Distinguish between Executed and executory contract [4 Marks].
- b. Explain THREE advantages of registered companies [6 Marks].

QUESTION THREE

- a) Distinguish between law and morality [2 Marks].
- b) Explain the process of law making in Kenya. [8 Marks].

QUESTION FOUR

- a) If the plaintiff wishes to establish a case under the rule of Ryland Vs Fletcher, he must prove certain essential elements. Discuss [4 Marks].
- b) Succession law provides that no written will shall be valid unless certain conditions are met. Discuss THREE conditions that makes a will valid [6 Marks].

QUESTION FIVE

- a) Describe TWO sources of Kenyan laws [4 Marks].
- b) Explain THREE kinds of domicile recognized by law [6 Marks].

QUESTION SIX

- a) Distinguish between testate and intestate succession [4 Marks].

b) Explain THREE duties of an agent under the law of agency

[6 Marks].