



BUS2223 | BCM 209 | BIT211 – BUSINESS LAW (Degree)

Instructions

- i) This exam paper contains SIX questions containing 10 marks each.**
- ii) Answer Question 1 (COMPULSORY) and any other THREE questions**
- iii) Read each question carefully before attempting.**

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QUESTION 1

Read the Case and answer the questions that follow

Mrs. A made an offer to sell her car to Y at Ksh. 600,000. Y called confirming to buy the car at Ksh 500,000 to which A accepted. A instead changed her mind and gave the car to her niece as a gift. Y now wants to sue A for breach of contract.

- a) Discuss **TWO** legal implications of Mrs. A's actions (4 Marks)
- b) Advise Y on any **THREE** legal remedies that he would get from this transaction. (6 marks)

QUESTION 2

- a) Discuss **THREE** conditions under which an agency relationship may be terminated. (6 Marks)
- b) Explain **TWO** conditions that a written will must fulfill for it to be considered valid (4 Marks)

QUESTION 3

Making of legislative laws in Kenya involves a number of stages. Discuss the first **FIVE** stages in this process. (10 marks)

QUESTION 4

- a) As a legal officer, ABC Limited has requested you to draft and register a hire purchase agreement under the Hire Purchase Law of Kenya. Discuss **TWO** implications of non-registration of this agreement (4 Marks)
- b) Describe **THREE** ways through which a partnership may be dissolved without the courts. (6 marks)

QUESTION 5

In the law of Torts, it is the duty of the plaintiff to prove the essential elements of the tort in question.

- a) Using examples, describe **TWO** elements of a Tort (4 Marks)
- b) Discuss **THREE** defenses which when presented will prevent an action from being actionable in courts (6 Marks)

Question 6

With reference to the law of persons

- a) Define the term corporation (2 Marks)
- b) Explain **FOUR** features of a corporation (8 Marks)