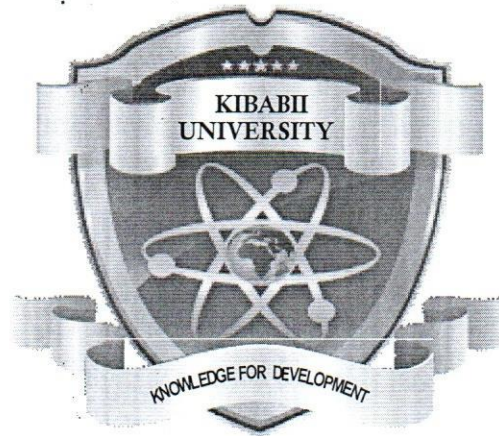


KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS
SPECIAL/SUPPLEMENTARY EXAMINATION
2017/2018 ACADEMIC YEAR
FIRST YEAR SECOND SEMESTER
FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION

COURSE CODE: MBA 812

COURSE TITLE: BUSINESS LAW

DATE: 18/10/2018

TIME: 11.30 – 2.30PM

INSTRUCTIONS TO CANDIDATES

- Answer question **ONE** (compulsory) and any other **THREE** questions
- Question **ONE** attracts 40 marks
- Time allowed is **THREE** hours
- All other questions attract equal marks (**20** marks)

QUESTION ONE

- A) Explain the remedies that are available to an investor who has been induced to take shares by false statements made in a Company prospectus (10 marks)
- B) A contract without consideration is void. Discuss the exceptions to this rule (10 marks)
- C) Discuss the general defenses under law of torts (10 marks).
- D) Discuss the remedies available to an aggrieved party in case of breach of a contract (10 MARKS).

QUESTION TWO

- A) Discuss the circumstances under which a banker is justified in not honouring a customer's cheque.
(10 MARKS)
- B) Discuss the procedure of forming a public company and highlight the documents that must be delivered to the registrar of companies. (10 MARKS)

QUESTION THREE

- a) Examine the distinguishing characteristics between a public company and a partnership (10 marks).
- b) Explain circumstances under which the court may disregard the separate legal personality of a company (10 marks).

QUESTION FOUR

- a) Build a case for arbitration as a mode of settling disputes (10 marks).
- b) Explain the statutory rights of an employee (10 MARKS).

QUESTION FIVE

- a) James owns a restaurant. Andrew has supplied James' restaurant with vegetables for 20 years. They have fallen out after customers complained about the quality of the vegetables. Discuss the methods of alternative Dispute Resolution (ADR) that would be open to Andrew and James (10 marks).
- b) Explain the statutory rights of an employee (10 Marks).