

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

**2021/2022 ACADEMIC YEAR
SECOND YEAR FIRST SEMESTER
SPECIAL/SUPPLEMENTARY EXAMINATION**

**FOR THE DIPLOMA OF BUSINESS MANAGEMENT
COURSE CODE: DBA 101**

COURSE TITLE: BUSINESS LAW

DATE: 19/07/2022

TIME: 8.00AM – 10.00AM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE (COMPULSORY)

- a) Write short notes on
- i) Written Law and Unwritten Law [4 Marks]
 - ii) Natural person and Artificial person [4 Marks]
 - iii) Public Law and Private Law [4 Marks]
- b) State any **FIVE** main functions of law in Kenya [5 Marks]
- c) Give any **FIVE** classification or types of Law in Kenya [5 Marks]
- d) Explain the factors that undermine the rule of Law [8 Marks]

QUESTION TWO

- a) A Corporation is an association of persons recognized as a legal entity. It is an independent legal existence that has own rights and is subject to obligations. It has capacity to own property, contract, sue or be sued and perpetual succession. In reference to this statement, define what a corporation is and discuss the types of Corporations that legally exist. [12 Marks]
- b) List and Explain **FOUR** Features of a corporation [8 Marks]

QUESTION THREE

- a) Define the term 'TORT' as used in Business Law [2 Marks]
- b) What are the main Distinctions between a 'Tort' and a 'Contract'? [8 Marks]
- c) 'A defamatory statement is one which has a tendency to injure the reputation of the person to which it refers. The statement is judged by the standards of the ordinary right thinking members of the society and the test is an objective one.' Explain the Requirements for the defense of Defamation case. [10 Marks]

QUESTION FOUR

- a) Identify **FIVE** elements of a contract [5 Marks]
- b) What is an 'Offer' as used in contract law? State **SIX** characteristics of an offer. [8 Marks]
- c) State the ways under which a contractual offer may be terminated [7 Marks]

QUESTION FIVE

- a) The Sale of Goods Act implies both conditions and warranties in contracts of Sale of goods unless a different intention appears. Explain the conditions under this Act. [10 Marks]
- b) Long before statutory intervention, courts had declared money contracts illegal for being contrary to public policy. Explain the Contracts declared illegal by courts of law [10 Marks]