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# KIBABII UNIVERSITY



## UNIVERSITY EXAMINATIONS

**2022/2023 ACADEMIC YEAR  
SECOND YEAR FIRST SEMESTER  
MAIN EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF SCIENCE IN CO-  
OPERATIVE AND ENTERPRENUERSHIP MANAGEMENT**

**COURSE CODE: CMP 313**

**COURSE TITLE: COOPERATIVES LAW**

**DATE: 14 DEC 2022**

**TIME: 9:00-11:00AM**

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### 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**

Mr. Kamau who is a dairy farmer has approached you and explained to you that himself and his other colleagues (10) intends to register a Co-operative Society. He wants some advice from you. Advise him on;

- a) The procedure they will use to register their cooperative society (10 marks)
- b) The legal consequences of registering a co-operative society (5 marks)
- c) The qualification for membership to a cooperative society as provided under section 5 of the cooperative societies Act of 1997 as amended in 2014 (5 marks)
- d) The various ways in which one can become a member to a cooperative society in Kenya (5 marks)
- e) Various documents/materials required during registration (5 marks)

### QUESTION TWO

- (a) Discuss the sources of cooperative law in Kenya (10 marks)
- (b) The management committee of Mwalimu Sacco want to hold an Annual General Meeting and they seek your legal advice on the following
  - a) The procedure for calling such a meeting (5 marks)
  - b) The items to be discussed in the meeting in accordance with the Act (5 marks)

### QUESTION THREE

- a) Mugambi who is aspiring to become a management committee member of Biashara cooperative society is seeking to know the qualifications one must have to become a committee member.
- i. Advise him on how to become a committee member (5 marks)
  - ii. Explain to him the powers of the management committee (5 marks)
- b) What is liquidation in co-operative societies and list four powers of a liquidator? (10 marks)

### QUESTION FOUR

- a) List five privileges each granted to:
  - i. A registered co-operative society
  - ii. A member of co-operative society (10 marks)
- b) Explain five factors that may lead to disputes in a co-operative society (10 marks)

### QUESTION FIVE

- a) Give a brief meaning of the following terms used under the co-operative law
  - i. Co-operative law (2 marks)

- ii. By-laws (2 marks)
  - iii. Surcharge (2 marks)
  - iv. Liquidation (2 marks)
  - v. Management committee (2 marks)
- b) What is amalgamation under co-operative law and does amalgamation has any benefit?  
(10 marks)