



KIBABII UNIVERSITY COLLEGE (KIBUCO)

MAIN CAMPUS

**UNIVERSITY EXAMINATIONS
2014 /2015 ACADEMIC YEAR**

FIRST YEAR FIRST SEMESTER EXAMINATIONS

MAIN EXAMINATION

DIPLOMA

IN

BUSINESS MANAGEMENT AND ADMINISTRATION

COURSE CODE: DAB 101

COURSE TITLE: BUSINESS LAW

DATE: 13th January 2015

TIME: 2.00-4.00 p.m

INSTRUCTIONS TO CANDIDATES:

Answer Question ONE and any other Two Questions

TIME: 2 Hours

SECTION A

1. a) Define the word 'Law' (2 marks)
- b) Discuss any five (5) purposes and five (5) primary characteristics of a good law (25 marks)
- c) Distinguish moral laws and the laws of a state (3 marks)

SECTION B

2. Discuss any five (5) functions of law of government (20 marks)
3. Discuss any five (5) elements or essentials of a valid contract (20 marks)
4. a) Define the term "Negotiable instrument" (3 marks)
- b) State any three (3) examples of a negotiable instrument (3 marks)
- c) Discuss any five (5) characteristics of a negotiable instrument (15 marks)
5. a) State and explain any six (6) duties of an agent under the law of agency (12 marks)
- b) State and explain any two (2) duties of a principal under the law of agency (4 marks)
- c) State any two (2) ways through which the relationship of a principal and agent may be terminated (4 marks)
6. a) Discuss any five (5) advantages of arbitration over litigation. (10 marks)
- b) Explain any two (2) disadvantages of arbitration (0)
- c) Explain any three (3) duties of arbitrators (6 marks)