



KIBABII UNIVERSITY COLLEGE

(A Constituent College of Masinde Muliro University of Science Technology)

P.O. Box 1699-50200 Bungoma, Kenya

Tel. 020-2028660/0708-085934/0734-831729

E-mail: enquiries@kibabiiuniversity.ac.ke

FACULTY OF EDUCATION & SOCIAL SCIENCES

UNIVERSITY REGULAR EXAMINATIONS

1ST YEAR 3RD SEMESTER 2013/2014 ACADEMIC YEAR

FOR THE DIPLOMA IN BUSINESS MANAGEMENT

(ACCOUNTING OPTION)

COURSE CODE:DAB 101

COURSE TITLE: BUSINESS LAW

DATE: 19TH AUGUST, 2014

TIME:2:00P.M.-4:00P.M.

INSTRUCTIONS

Answer all questions in section A and any other Three in section B

SECTION A

QUESTION ONE

- a) Differentiate between law and ethics (5 Marks)
- b) State and explain five characteristics of a valid contract (10 Marks)

QUESTION TWO

Explain 5 powers of a Rent Tribunal (10 Marks)

SECTION B

QUESTION THREE

- a) Explain the advantages of statute law (5 Marks)
- b) State and explain stages that a bill undergoes before finally becoming a law (10 Marks)

QUESTION FOUR

- a) Explain the concept of “Caveat Emptor” under the sale of good contract (5 Marks)
- b) Explain the rights of a Bailee under a Bailment contract (5 Marks)
- c) Differentiate between void and voidable contracts (5 Marks)

QUESTION FIVE

- a) State and explain 5 sources of law in Kenya (10 Marks)
- b) Discuss two types of Judicial procedure in Kenya (5 Marks)

QUESTION SIX

- a) Discuss five circumstances under the sale of good contract can be terminated (10 Marks)
- b) Outline the purpose of civil law in Kenya (5 Marks)

QUESTION SEVEN

- a) Summarize FIVE maxims of equity law (10 Marks)
- b) Explain the circumstances under which a seller can institute the right of lien (5 Marks)

QUESTION EIGHT

- a) Explain the purpose of crossing cheques (5 Marks)
- b) Highlight FOUR situations under which an agency ceases (5 Marks)
- c) Discuss the legal obligations of a pawnee and pawnor (5 Marks)