

 W1-2-60-1-6

**JOMO KENYATTA UNIVERSITY**

**OF**

**AGRICULTURE AND TECHNOLOGY**

 **UNIVERSITY EXAMINATIONS 2014/2015**

**YEAR II SEMESTER I EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE**

**HBC 2206: BUSINESS LAW**

**DATE: AUGUST 2015 TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS. DO NOT WRITE ON THE QUESTION PAPER**

**SECTION A: COMPULSORY (30 MARKS)**

**QUESTION ONE**

1. Define the following words and give illustrations of each;
2. Proxy [2 marks]
3. Del credere agent [2 marks]
4. A tort [2 marks]
5. Delegated legislation [2 marks]
6. Promissory note [2 marks]
7. Slander [2 marks]
8. Bill of exchange [2 marks]
9. (i) State the effects of non-registration of a firm and its exceptions [6 marks]

(ii) Discuss any SIX main characteristics of a company [6 marks]

(iii) What are the defenses of an action of libel? [4 marks]

**SECTION B: SELECT ANY TWO (2) QUESTIONS (40 MARKS)**

**QUESTION TWO**

1. State any THREE elements of a tort. [4 marks]
2. Outline the essential features of a promissory note [8 marks]
3. State the limitations to the Doctrine ratification in an agency relationship [8 marks]

**QUESTION THREE**

1. What are the main sources of law in Kenya? [10 marks]
2. Discuss the essentials of a valid contract. [10 marks]

**QUESTION FOUR**

1. State the duties of an agent to the principal [10 marks]
2. State any five negotiable instruments recognized by usage or custom [5 marks]
3. Discuss FIVE models of creation of an agency. [5 marks]

**QUESTION FIVE**

1. State any SIX grounds which can lead a court to dissolve a partnership [6 marks]
2. Outline any SIX grounds to discharge a contract. [6 marks]
3. Distinguish between:-
4. Substantive and adjective law [4 marks]
5. Public and private law [4 marks]