



# MASENO UNIVERSITY

## UNIVERSITY EXAMINATIONS 2012/2013

### THIRD YEAR FIRST SEMESTER EXAMINATIONS FOR THE DIPLOMA IN HOSPITALITY MANAGEMENT (CITY CAMPUS)

#### SEH 0166: BUSINESS LAW

*Date: 24<sup>th</sup> July, 2013*

*Time: 2.00 – 4.00 p.m.*

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**SEH 0166: BUSINESS LAW**  
**DIPLOMA YEAR THREE SEMESTER ONE**  
**(KISUMU CITY CAMPUS)**

**SECTION A (40 MARKS)**

Answer **ALL** the questions from this section in the answer booklet provided

1. Define the following terms as used in business law (5 marks)
  - a) Tort
  - b) Contributory Negligence
  - c) Vicarious liability
  - d) Agency
  - e) Contract
  
2. Differentiate between the following classifications of laws (6 marks)
  - a) Private law and Public law
  - b) Criminal law and Civil law
  - c) Substantive law and Procedural law
  
3. Using the legal pyramid, illustrate the various sources of law in Kenya. (5 marks)
  
4. Explain four elements of negligence. (4 marks)
  
5. Briefly explain the need for delegated legislation in Kenya. (4 marks)
  
6. State five principles or maxims of equity. (5 marks)
  
7. Outline and explain three negotiable instruments that can be applied in the hospitality business. (3 marks)
  
8. Explain four ways by which agency relationship may come into existence. (4 marks)
  
9. Outline eight (8) transactions that resemble Sale of Goods contract but are not a sale of goods contract. (4 marks)

**SECTION B (30 MARKS)**

Answer **QUESTION TEN (10)** and any other question in the answer booklet provided.

10. Describe any five types of business torts including the elements of proof that a complainant may use or present as a justification in the court of law. (10 marks)
11. Define contract. Discuss the essential elements of a valid contract. (20 marks)
12. Define acceptance. Explain the rules regarding a valid acceptance. (20 marks)