



(The University of Choice)

**MASINDEMULIROUNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)
KISUMU CAMPUS**

**EXAMINATIONS
2015/2016 ACADEMIC YEAR**

FIRST YEAR SECOND SEMESTER EXAMINATIONS

**FOR DIPLOMA
IN
IN BUSINESS MANAGEMENT**

COURSE CODE: DAB 101

COURSE TITLE: BUSINESS LAW

DATE: JUNE 2016 TIME: 2 HOURS

INSTRUCTIONS TO CANDIDATES

Answer question One and any other Two questions

QUESTION ONE

- (a) Define the term law. (2 MARKS)
- (b) Write explanatory notes on the following. (6 MARKS)
 - (i) Public law
 - (ii) Private law
 - (iii) Criminal law
 - (iv) Civil law
 - (v) Procedural law
 - (vi) Substantive law
- (c) Explain the stages that a bill must go through before it becomes a law. (6 MARKS)
- (d) Explain the main kinds of insurance. (4 MARKS)
- (e) A prostitute bought a horse-drawn carriage on hire purchase terms from the plaintiff. The plaintiff was aware of the fact that she intended to use the carriage for attracting customers for immoral purposes. She refused to pay her contractual payments and the plaintiff sued her for the arrears. Will the plaintiff succeed? Explain. (5 MARKS)
- (f) What is a negotiable instrument? (2 MARKS)

QUESTION TWO

- (a) Explain the essential of agency. (5 MARKS)
- (b) Discuss six essentials of a valid contract. (12 MARKS)
- (c) Explain the forms of intellectual property. (8 MARKS)

QUESTION THREE

- (a) Explain five types of partners. (10 MARKS)
- (b) Explain the meaning of *nemo dat quod non habet* rule as stipulated in the sale of goods Act. (3 MARKS)
- (c) Explain the duties of partners. (12 MARKS)

QUESTION FOUR

- (a) The primary function of torts is to compensate persons injured by the civil wrongs of others by compelling the tortfeasor to pay for the damage occasioned by his tort. Explain four other functions of a tort. (8 MARKS)
- (b) Discuss five modes of creation of agency. (10 MARKS)
- (c) Define a contract. Explain five rights of a partner. (7 MARKS)

QUESTION FIVE

- (a) Discuss the implied terms in a hire purchase agreement. (10 MARKS)
- (b) Explain five rights of a partner. (10 MARKS)
- (c) Define the following terms: (5 MARKS)
 - (i) Contract of affreightment
 - (ii) Bill of lading
 - (iii) Ship owner's lien
 - (iv) Bankruptcy
 - (v) Arbitration

