



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND
TECHNOLOGY (MMUST)**

MAIN CAMPUS

UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

SECOND YEAR SECOND SEMESTER

MAIN EXAMINATIONS

FOR THE DEGREE

OF BACHELOR OF SCIENCE IN ECONOMICS

COURSE CODE: ECO 208

COURSE TITLE; LEGAL SYSTEMS AND METHODS

DATE: FRIDAY, 29th APRIL 2022 TIME: 15:00-17:00

INSTRUCTIONS TO CANDIDATES

- 1. ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**
- 2. DO NOT WRITE ANYTHING ON THE QUESTION PAPER**

TIME: 2 HOURS

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over.

QUESTION ONE

a. Posky Transporters employed Deryl as a driver to transport passengers from Nairobi to Mombasa. While on the way, Deryl drove the bus at a high speed while negotiating a sharp corner. As a result, he lost control of the bus and caused an accident. A total of twenty passengers were injured while three died on the spot.

Jean, who sustained head injury and was hospitalized, has sued for compensation but Posky Transporters have denied liability.

i. In reference to Vicarious liability and negligence in the law of Tort, Discuss the legal principles that Jean may rely on in her suit against Posky Transporters. (10 marks)

ii. Explain the defenses available to Deryl (4 marks)

b. Differentiate between a company and a partnership (6 marks)

c. Explain five classifications of law highlighting examples of each law (5 marks)

d. Describe the composition, jurisdiction and appeal system of the Kadhi's court (5 marks)

QUESTION TWO

a. A, B and C were partners in a firm. By his wilful neglect and misconduct B caused serious loss to the business of the firm. After several warnings to B, A and C passed a resolution expelling B from the firm. B objects to his expulsion. Is he legally entitled to do so? (2 marks)

b. Assuming B was to be expelled explain the legal provisions governing expulsion of a partner (5 marks)

c. With the aid of practical examples describe FIVE the grounds for wrongful dismissal (10 marks)

d. Explain three reasons for use of delegated legislation as a source of law (3 marks)

QUESTION THREE

a. Ali and Blake are shareholders in their newly formed company. They had made transactions with Chris before incorporating the company. Chris wants to be paid for goods he had supplied then when they were trading as sole proprietors. They are insisting that it is the company which is liable because they were acting on behalf of the company.

i. Decide the above dispute. (2 marks)

ii. Explain the meaning of ratification and proceed to give the requirements of a valid ratification. (8 marks)

b. State and explain the rights and duties of the principal (10 marks)

QUESTION FOUR

a. Identify and explain the grounds for judicial review. (12 marks)

b. Under what circumstances will a gift made in contemplation of death "donatio mortis causa" take effect? (4 marks)

c. Distinguish between;

i. Testate and intestate succession (2 marks)

ii. Executor and administrator (2 marks)

QUESTION FIVE

a. A person who is a party to a contract is said to be privy to the contract and can benefit from it or have obligations imposed on him by it. He is also the only person who can sue or be sued under the contract.

Required:

Discuss the exceptions to this rule. (10 marks)

b. For an agreement to constitute a contract the parties to the agreement must have intended it to create legal relations. Explain this statement with suitable examples (4 marks)

c. Certain types of mistakes in the formation of a contract may affect the validity of the contract. Examine the mistakes of fact (6 marks)

