



(University of Choice)

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

**UNIVERSITY MAIN EXAMINATIONS  
2018/2019 ACADEMIC YEAR EXAMINATIONS  
FOR DIPLOMA  
IN  
BUSINESS ADMINISTRATION**

**COURSE CODE: DBA 101**

**COURSE TITLE: BUSINESS LAW**

**DATE: TUESDAY, MAY 28<sup>TH</sup> 2019      TIME: 2:00PM – 4:00PM**

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**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. "In the development of our sale of goods laws, two principles have striven for mastery. The first is for the protection of property, no one can give a better title than he himself possesses. The second is for the protection of commercial transactions; the person who buys goods in good faith and for value without notice of any defective title should get a good title."

(Justice Nyangumi in Nakumatt limited v. Bedi Investments limited NK HCCC 20 of 2005)

Discuss. (10 marks)

b. What is judicial precedent? Examine its benefits. (10 marks)

c. Identify the purpose of law of tort. (5 marks)

d. Explain five ways of acquiring citizenship in Kenya. (5 marks)

### QUESTION TWO

a. Outline the essentials of defamation. (4 marks)

b. Distinguish between libel and slander (6 marks)

c. Using illustrations distinguish between an offer and invitation to treat. (4 marks)

d. Explain the composition and jurisdiction of the High court of Kenya. (6 marks)

### QUESTION THREE

a. Identify and explain five grounds for termination of employment other than by summary dismissal. (10 marks)

b. Equity is a mere gloss on the common law. Discuss the contributions made by equity. (10 marks)

### QUESTION FOUR

a. Discuss the implied terms in a hire purchase contract. (10 marks)

b. Using illustrations discuss the vitiating factors under law of contract. (10 marks)

### QUESTION FIVE

a. In relation to law of partnerships examine the;

i. Essentials of a partnership (5 marks)

ii. Classification of partners (5 marks)

b. State and explain the rights of an agent. (10 marks)