

1903/204 1922/204
1906/204 1923/204
1909/204
BUSINESS LAW
November 2016
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

CRAFT CERTIFICATE IN SUPPLY CHAIN MANAGEMENT
CRAFT CERTIFICATE IN BUSINESS MANAGEMENT
CRAFT CERTIFICATE IN ROAD TRANSPORT MANAGEMENT
CRAFT CERTIFICATE IN PROJECT MANAGEMENT
CRAFT CERTIFICATE IN CLERICAL DUTIES

MODULE II

BUSINESS LAW

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of **TWO** sections; A and B.*

*Answer **ALL** the questions in section A and any **FOUR** questions from section B in the answer booklet provided.*

Candidates should answer the questions in English.

This paper consists of 3 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed and that no questions are missing.

SECTION A (32 marks)

Answer ALL the questions in this section.

1. State **two** types of contracts that may bind an infant. (2 marks)
2. State **four** types of precedents. (4 marks)
3. Outline **three** grounds of invalidating a will. (3 marks)
4. List **four** duties of an employee to his employer. (4 marks)
5. Outline **three** defences to trespass on land. (3 marks)
6. Name **three** arms of the government. (3 marks)
7. Outline **four** characteristics of an easement. (4 marks)
8. Outline **three** circumstances under which co-ownership may be terminated. (3 marks)
9. List **four** issues covered by the Kadhi courts. (4 marks)
10. State **two** ways of appointing an agent. (2 marks)

SECTION B (68 marks)

Answer any FOUR questions from this section.

- ✓1. (a) Explain **six** conditions that African customs should meet to be considered as a source of law in Kenya. (9 marks)
- (b) Explain the meaning of each of the following terms, as used in the law of property:
- (i) Real property;
 - (ii) Chose in action;
 - (iii) Tenancy at sufferance;
 - (iv) Easement.
- (8 marks)
12. (a) Linda Mwaria, a neighbour to Betty Kiriti, accused Betty of interfering with her family affairs. A heated argument followed between the two and Linda slapped Betty on the face. Betty, in return, picked a piece of wood from the ground and struck Linda on the head. Linda was rushed to hospital and was treated for the head injury sustained in the fight. Linda intends to sue Betty for the hospital bill she incurred. Explain the legal principles applicable in this case. (9 marks)

- (b) Explain **four** remedies available to an aggrieved party for breach of contract. (8 marks)
13. (a) Explain **six** ways in which a lease may be terminated. (9 marks)
- (b) In relation to the law of tort, outline **four** differences between slander and libel. (8 marks)
14. (a) Explain **six** duties of an agent to the principal, in relation to law of agency. (9 marks)
- (b) Outline **four** reasons that may render the office of the president vacant. (8 marks)
15. (a) Explain **six** advantages enjoyed by tribunals over ordinary courts. (9 marks)
- (b) Explain **four** ways in which a will may be revoked. (8 marks)

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