

1903/204 1922/204
1906/204 1923/204
1909/204 1924/204
BUSINESS LAW
July 2017
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
CRAFT CERTIFICATE IN INVESTMENT MANAGEMENT
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**.*

Write your answers 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 as indicated and that no questions are missing.

SECTION A (32 marks)

Answer **ALL** questions from this section.

1. State **four** examples of written law in Kenya. (4 marks)
2. State **three** remedies available to an aggrieved person in nuisance under Law of Tort. (3 marks)
3. In relation to the Law of Contract, highlight **three** exceptions to the rule of illegality. (3 marks)
4. State **three** areas of jurisdiction that are covered by the Kadhi Courts. (3 marks)
- marriage making law
5. Outline **three** circumstances under which a principal is not bound to remunerate the agent. (3 marks)
6. Explain **two** limitations of the principle of separation of powers. (4 marks)
7. State **three** characteristics of a will. (3 marks)
8. Explain the difference between choses in action and choses in possession. (4 marks)
chose in action: depositive, chose in possession: real
9. State **two** types of consideration. (2 marks)
single, condition
10. State **three** particulars that should be contained in a letter of appointment for employment. (3 marks)
*- time
- gender
- charges*

SECTION B (68 marks)

Answer any **FOUR** questions from this section.

11. (a) Explain **four** types of bills that may be passed by parliament. (8 marks)
Bill of exchange
- (b) Explain **six** factors that a court may consider when making an order for provision to dependants. (9 marks)
12. (a) Highlight **six** functions of the judiciary. (9 marks)
appointing or approving or discussing the budget - approving or the organ
- (b) Explain **four** ways in which agreement discharges a contract. (8 marks)
13. (a) Explain **six** duties of an employee under a contract of employment. (9 marks)
- control E O R E T

- (b) Wakan made an offer to sell his premises worth Ksh. 2.5 m to Kimax. Kimax made a call to Wakan saying that he would buy the premises at Ksh. 2.3 m which was rejected by Wakan. Two days later, Kimax rang Wakan saying that he would buy the premises at the original price of Ksh. 2.5 m. The premises had already been sold to another person. Kimax is aggrieved and insists that he still has a contract with Wakan.

Explain the legal principles applicable in this case. (8 marks)

14. (a) Explain **five** rights of a tenant as against the landlord. (9 marks)

- (b) Malique found a dead dog thrown in a thicket on his land. He recognised it as that of his neighbour Mwadi. He then requested the neighbour to remove it but Mwadi refused to do so. By the third day, the stench from the dog's carcass was so unbearable that Malique could not work in his land. As a result, he now intends to bring action against Mwadi.

Explain the legal principles applicable in this case. (8 marks)

15. ~~(a)~~ Explain **six** conditions necessary for agency by ratification to arise. (9 marks)

- (b) Explain **four** orders that the High Court of Kenya may make to a subordinate court or to an administrative body. (8 marks)

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