



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
SCHOOL OF BUSINESS & ECONOMICS
UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS
ADMINISTRATION WITH IT
1ST YEAR 2ND SEMESTER 2019/2020 ACADEMIC YEAR

COURSE CODE: ABA 106

COURSE TITLE: BUSINESS LAW

EXAM VENUE:

STREAM: (BBA)

DATE:

EXAM SESSION:

TIME: 2 HOURS

Instructions:

- 1. Answer questions ONE and ANY other 2 questions**
- 2. Candidates are advised not to write on the question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room**

QUESTION ONE.

- a) Explain the meaning of the following terms as used in the business law.
- (i) The constitution.
 - (ii) The criminal law.
 - (iii) The civil law. (5 marks)
- b) Explain five essential elements of a valid contract. (10 marks)
- c) Outline five ways in which an agency relationship would be terminated by operation of the law. (10 marks)

QUESTION TWO.

- a) (i) Define the term 'doctrine of equity' (2marks)
- (ii) State three contributions of equity to the rules of common law. (3 marks)
- b) Explain any five kinds of civil wrongs. (10 marks)

QUESTION THREE.

- a) Discuss the argument for and against delegated legislation. (10 marks)
- b) Describe the composition and jurisdiction of the following:
- (i) The supreme court of Kenya.
 - (ii) The high court of Kenya. (5marks)

QUESTION FOUR.

- a) In relation to the law of contract, explain the elements that a party alleging misrepresentation by the other party has to prove in order to be assisted in avoiding the contract. (8 marks)
- b) On Monday last week Onyango received a written offer from Kamau for sale of Kamau's car for sh.250,000 and on the following day Onyango posted a letter acceptance but never reached Kamau. On Wednesday Kamau posted a letter to Onyango withdrawing the offer since he had sold the car to another customer for ksh.300, 000. Now Onyango is aggrieved and has approached you for legal advice.
- (i) Explain the legal principles applicable in this case.
 - (ii) Advice Onyango.

(7 marks)

QUESTION FIVE.

- a) In relation to the doctrine of legal personality distinguish a public company from a private company and explain the advantages of a private company over the public company. (10 marks)
- b) Outline the circumstances under which a judicial precedent may not be binding in subsequent cases. (5 marks)

QUESTION SIX.

- (a) Distinguish between the actual authority and the ostensible authority of an agent. (4marks).
- (b) Explain the circumstances under which a contract of agency cannot be revoked. (11marks).