



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**SCHOOL OF BUSINESS AND ECONOMICS**  
**UNIVERSITY EXAMINATION FOR DEGREE OF BACHELOR OF BUSINESS**  
**ADMINISTRATION**  
**4<sup>th</sup> YEAR 2<sup>nd</sup> SEMESTER 2016/2017 ACADEMIC YEAR**  
**KISII CAMPUS**

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COURSE CODE: ABA 444

COURSE TITLE: CONTRACTS AND DISPUTE MANAGEMENT

EXAM VENUE: LR \_\_\_\_\_

STREAM: (BBA) WITH I.T.

DATE: \_\_\_\_\_

EXAM SESSION: \_\_\_\_\_

TIME: 2.00 HOURS

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**Instructions:**

1. Answer question **ONE** (compulsory) and **ANY** other **TWO** 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 (30MKS)**

- a) In relation to contracts and dispute management, write short and concise notes on the following;
- i) Quasi contracts (2 marks)
  - ii) Void and voidable contracts (3 marks)
  - iii) Offer and invitation to treat (3 marks)
  - iv) Executed and executory contracts (3 marks)
  - v) Unitary, Bilateral and multilateral contracts (3 marks)
- b) (i) Define arbitration in your own words (2 marks)  
(ii) Explain the advantages of arbitration over the litigation process for the business people. (4 marks)
- c) Outline the disadvantages of arbitration (4 marks)
- d) Discuss and explain the essentials of a valid contract (6 marks)

**QUESTION TWO (20MKS)**

- a) Explain the main types of contractual agreements made between customers and suppliers (7 marks)
- b) Analyze the applications of commercial negotiations in the work of procurement and supply (7 mark)
- c) Discuss the conditions and warranties which are applied in a contract of sale of goods by the sale of goods ACT cap 31 LoK (6 marks)

**QUESTION THREE (20MKS)**

- a) Explain the documentations that can comprise a commercial agreement for the supply of goods and services. (6 marks)
- b) Assess the legal issues that relate to the creation of commercial agreements with customers or suppliers (7 marks)
- c) Outline various strategies of dispute management in relation to contracts and dispute management (7marks)

**QUESTION FOUR (20MKS)**

- a) Explain the main variables that can be used in a commercial negotiation (10 marks)
- b) Define a contract and discuss various ways on how a contract can be terminated. Illustrate each mode of discharge by decided cases or examples. (10 marks)

**QUESTION FIVE (20MKS)**

- d) Explain the stages of a commercial negotiation (7 marks)
- e) Explain the economic factors that impact on commercial negotiation (7 marks)
- f) Discuss the sources of conflict in contract management and resolution (6 marks)