



**JARAMOGI OGINGA ODINGA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

Oasis of Knowledge

SCHOOL OF INFORMATICS AND INNOVATIVE SYSTEMS

BEB 9303: BUSINESS LAW – EXAMINATION

QUESTION ONE –COMPULSORY [30 Marks]

[a] A,B, C and D wish to form a business organization where they can share both profits and liabilities on the strength of their monetary contributions. [i] Advise them on the nature of the business organization [s] they could form.

[5 Marks]

[ii] Give them an outline of the features of the business organization[s] **[10 Marks]**

[b] The Constitution as a source of law creates *interalia* the Judiciary. State and explain five principles that guide the Judiciary in the exercise of judicial power in Kenya. **[10 Marks]**

[c] What limitations exist in the application of customary law in Kenya? **[5 Marks]**

QUESTION TWO

[a] Draw a pyramid showing sources of law in Kenya. **[10 Marks]**

[b] What is the distinction between a private company and a public company? **[10 Marks]**

QUESTION THREE

[a] One of the ways of termination of an offer is through revocation. State five rules of revocation of an offer . **[10 Marks]**

[b] Explain five ways of discharging a bill of exchange **[10 Marks}**

QUESTION FOUR

[a] A recent edition of the Standard newspapers described Komu, an aspiring MP for Kamu Constituency, as a corrupt and immoral personality. The truth is that Komu was convicted of stealing money from a company he previously served as an accountant. He was also caught red handed in bed with a number of married women. Komu wishes to sue the Standard and approaches you for legal advice. Briefly advise him on the defences the newspaper may raise. [10

Marks]

[b] Explain five debt collection skills

[10 Marks]

QUESTION FIVE

Write concise notes on any **FOUR** of the following:

[20

Marks]

[a] Voidable contract

[b] Distinction between counter-offer and cross-offer

[c] What is the distinction between a tort and contract?

[d] The general rule in *Salmon v. Salmon*

[e] Invitation to treat