



GRE TSA UNIVERSITY - THIKA

**UNIVERSITY EXAMINATIONS
MAY - AUGUST 2018 SEMESTER**

BACHELOR OF COMMERCE

COURSE CODE: BCBA 104

COURSE TITLE: BUSINESS LAW I

DATE: 9 AUGUST 2018

TIME: 8.00 AM – 11.00 AM

INSTRUCTIONS TO CANDIDATES

1. SECTION A IS **COMPULSORY**.
2. SECTION B: ANSWER ANY OTHER **THREE** QUESTIONS.
3. **DO NOT** WRITE ANYTHING ON THIS QUESTION PAPER AS IT WILL BE AN EXAM IRREGULARITY.
4. ALL ROUGH WORK SHOULD BE AT THE BACK OF YOUR ANSWER BOOKLET AND CROSSED OUT.

CAUTION: *All exam rooms are under CCTV surveillance during the examination period.*

SECTION A: COMPULSORY

Question One

The Law is as old as humanity. In 1754 BC, Hammurabi “The Law Giver” as is popularly known wrote a well-preserved Babylonian code of law of ancient Mesopotamia. It is one of the oldest deciphered writings of significant length in the world. The code is inscribed in the Akkadian language, using cuneiform script carved into the stele. In modern democracies, the “Rule of Law” is not a choice but a necessity to good governance and hence stability of any country. No Country can survive on the “Law of the Jungle”. In business for instance, no meaningful business transactions can take place without following the applicable law. With the realization of the above, attempt the following questions;

- a) Discuss the significance of Law in Business. **[5 marks]**
- b) Discuss the key advantages of law. **[5 marks]**
- c) Discuss the qualification needed for a person to be appointed a Judge of the High Court of Kenya. **[5 marks]**
- d) Some corporations end their names with the word “Limited” (Ltd). Discuss the concept of limited as used by corporations. **[5 marks]**
- e) Discuss the various types of Bills of Exchange. **10 marks]**
- f) Discuss the advantages of arbitration as a method of solving disputes. **[10 marks]**

SECTION B: ANSWER ANY THREE QUESTIONS

Question Two

- a) Under the law of contract discuss the key essentials of a valid contract. **[10 marks]**
- b) Under the law of partnerships, discuss the various types of partners. **[10 marks]**

Question three

- a) Using and appropriate table differentiate between a cheque and a bill of exchange. **[10 marks]**
- b) Explain the doctrine of separation of powers in governance. **[10 marks]**

Question Four

- a) Insurance is an important aspect of any business. Under the law of insurance, discuss the principles of insurance. **[10 marks]**
- b) Under the law of sale of goods, discuss the doctrine of caveat emptor and the various exceptions. **[10 marks]**

Question Five

- a) Many families and even individual quarrel over trespass. Under the law of torts, discuss the doctrine of trespass to land. **[10 marks]**
- b) The Kenyan Constitution 2010 is hailed as one of the best in the world especially because of the human rights chapter. Discuss ten human rights as contained in Kenya Constitution 2010. **[10 marks]**