



Kasarani Campus  
Off Thika Road  
Tel. 2042692 / 3  
P. O. Box 49274, 00100  
NAIROBI  
Westlands Campus  
Pamstech House  
Woodvale Grove  
Tel. 4442212  
Fax: 4444175

**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY  
UNIVERSITY EXAMINATION, 2020/2021 ACADEMIC YEAR  
THIRD YEAR, FIRST SEMESTER EXAMINATION  
FOR THE DEGREE OF BACHELOR OF SCIENCE  
(BUSINESS ADMINISTRATION)**

Date: 11<sup>th</sup> December, 2020

Time: 2.30pm – 4.30pm

**KBA 301 - BUSINESS LAW**

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

- a) Law can be classified with reference to the subject matter of the case – criminal law and civil law. A person who steals another's property may be prosecuted for theft and sued by the owner of the property, either for the recovery of the property itself or paid for damages. Using examples, differentiate between civil law and criminal law. (10 Marks)
- b) Girls-up collections is a retail shop dealing with beauty products. They are now selling their products at half price so as to clear stocks. Explain how the offer can be terminated through lapsing. (8 Marks)
- c) Person A (a minor) promised to sell an item to Person B. Justify non-existence of a contract between A and B by explaining the essentials of a valid contract. (12 Marks)

**QUESTION TWO (20 MARKS)**

- a) Cheques, Bills of exchange and promissory notes are negotiable instruments used in Commercial transactions. Explain the characteristics of negotiable instruments. (10 Marks)
- b) Using examples, explain five purposes of the law. (10 Marks)

**QUESTION THREE (20 MARKS)**

- a) Using examples provide a clear distinction between a contract and a tort. (10 Marks)
- b) Explain five disadvantages of the law. (10 Marks)

**QUESTION FOUR (20 MARKS)**

- a) It is imperative to understand the content of a contract and its implications. Under what circumstance can a contract be rendered void or voidable. (10 Marks)
- b) An agent is engaged to bring about a contract between the principal and the third party; hence it is vital that both possess contractual capacity. Discuss the five different types of agents (10 Marks)

**QUESTION FIVE (20 MARKS)**

- a) Dissolution of partnership can occur without any order of the court. Explain the specific circumstances in which this can be considered. (12 Marks)
- b) Explain four differences between sale and an agreement to sell. (8 Marks)

