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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR**  
**THIRD YEAR, FIRST SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: 10<sup>th</sup> August, 2023

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)**

**ABC ENTERPRISES LIMITED**

ABC Enterprises Limited has been operating for over a decade and has experienced significant growth in its industry. However, as the company expanded its operations and entered into new markets, it faced several legal hurdles that impacted its business operations and profitability. The key legal issues encountered by ABC Enterprises Limited include:

- i) Intellectual Property
- ii) Property Infringement as the management discovered that a competitor was producing and selling products that closely resembled its patented designs. This infringement posed a threat to the company's market share and brand reputation.
- iii) Contract Disputes as ABC Enterprises Ltd entered into a major contract with a supplier to procure raw materials. However, the supplier failed to deliver the agreed-upon quantities and quality, resulting in production delays and financial losses for the company.
- iv) On Employment Law Compliance, ABC Enterprises Ltd faced allegations of violating labor laws and failing to provide a safe working environment. These allegations led to investigations and potential legal consequences, including fines and reputational damage.

Other key business issues faced by ABC enterprise ltd included but not limited to:

- i) Protecting Intellectual Property: ABC Enterprises Ltd safeguarded its intellectual property rights to maintain a competitive advantage in the market. Failure to protect its patents, trademarks, and copyrights could lead to revenue loss and erosion of market share.
- ii) Contract Management: Efficient management of contracts was crucial in ensuring smooth business operations. The company needed to develop robust contract review processes, clearly define terms and conditions, and establish mechanisms for resolving disputes promptly.
- iii) Compliance with Employment Laws: Adhering to labor laws was essential for maintaining a

healthy work environment and avoiding legal repercussions. ABC Enterprises ltd had to ensure compliance with employment regulations, such as safety standards, fair labor practices, and non-discrimination policies.

ABC Enterprises ltd encountered significant hurdles related to intellectual property infringement, contract disputes, and employment law compliance. By prioritizing intellectual property protection, strengthening contract management processes, and ensuring compliance with employment laws, ABC Enterprises ltd can address its challenges. Proactive legal strategies will not only protect the company's interests but also enhance its reputation, mitigate financial risks, and promote long-term success.

### **Required**

- a) ABC Enterprises Limited faced various legal issues in its quest to remain afloat, provide three recommendations to its management of what needs to be done to address them. (6 Marks)
- b) Explain how do protecting intellectual property rights contributed to enhanced competitive advantage at ABC Enterprises Limited. (6 Marks).
- c) Give ABC Enterprises Ltd. management advice on the necessity of hiring a lawyer for any legal skills and direction in order to ensure compliance with the law and reduce legal risks. (6 Marks)
- d) To increase employee efficiency, ABC Enterprises Ltd.'s human resource manager is responsible for formalizing all employment contracts. Give examples of employment contracts that can be used to formally establish an employee-employer relationship. (6 Marks)
- e) Explain to the management of ABC Enterprises Ltd how media relations can boost its organizational performance. (6 Marks)

### **QUESTION TWO (20 MARKS)**

- a) In tort law, the defendant has a number of defences at their disposal to lessen their responsibility for the allegedly wrongful act. Explain the general defenses that are frequently employed in the law of tort. (8 Marks).
- b) The Kenyan Employment Act of 2007 establishes various rights and benefits for employees in Kenya. Explain the key provisions regarding employee rights and benefits under the Act. (6 Marks)
- c) Evaluate the measures that can be taken to reduce workplace accidents. (6 Marks)

### **QUESTION THREE (20 MARKS)**

- a) The fundamental elements and characteristics that give a contract legal force and effect are referred to as its nature. Explain the essential elements of a legal and valid contract. (8 Marks)
- b) Evaluate the principle guidelines of acquisition of property in Kenya. (6 Marks)
- c) Assess the insurance principles that provide the foundation for how insurance works and the relationship between the insured and the insurer. (6 Marks)

### **QUESTION FOUR (20 MARKS)**

- a) Workplace discrimination is not just unethical, but it is also prohibited in many jurisdictions. Describe the various forms of discrimination in the workplace in line with this affirmation. (8 Marks)
- b) Explain the mitigating measures for challenges experienced when formulating laws in Kenya. (6 marks)
- c) Point out the areas covered by consumer protection laws in Kenya. (6 Marks).

### **QUESTION FIVE (20 MARKS)**

- a) Examine the numerous ways in which a job may be terminated in a working relationship.

- (8 Marks).
- b) Evaluate the various types of sales contracts that are commonly used in commercial transactions. (6 Marks)
- c) Explain the functions of the major courts in Kenya. (6 Marks)