

1903/204 1922/204
1906/204 1923/204
1909/204 1926/204
BUSINESS LAW
November 2018
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

CRAFT CERTIFICATE IN SUPPLY CHAIN MANAGEMENT
CRAFT CERTIFICATE IN BUSINESS MANAGEMENT
CRAFT CERTIFICATE IN ROAD TRANSPORT MANAGEMENT
CRAFT CERTIFICATE IN CLERICAL DUTIES
CRAFT CERTIFICATE IN PROJECT MANAGEMENT
CRAFT CERTIFICATE IN HUMAN RESOURCE MANAGEMENT

MODULE II

BUSINESS LAW

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of **FIFTEEN** questions in **TWO**; Sections **A** and **B**.*

*Answer **ALL** the questions in Section **A** and any **FOUR** questions from Section **B** in the answer booklet provided.*

Candidates should answer the questions in English.

This paper consists of 3 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

SECTION A (32 marks)

Answer ALL the questions in this section.

1. List **four** essentials of a valid contract of employment. (4 marks)
2. List **two** duties of a principal to the agent. (2 marks)
3. State **two** cases of injuria sine damnum. (2 marks)
4. State **four** classifications of operative mistake. (4 marks)
5. State **four** categories of magistrates who preside over Resident Magistrates Court. (4 marks)
6. State **two** reasons that make the independence of the judiciary important. (2 marks)
7. Outline **three** qualifications that are necessary for one to be elected president of Kenya. (3 marks)
8. In relation to the law of property, state **four** matters that comprise land. (4 marks)
9. State **three** grounds on which a will may be invalidated. (3 marks)
10. List **four** maxims of equity. (4 marks)

SECTION B (68 marks)

Answer any FOUR questions from this section.

11. (a) Explain **six** reasons that may make parliament delegate its law making authority to bodies and persons. (9 marks)
- (b) In relation to the law of property, outline **four** duties of a tenant. (8 marks)
12. (a) Highlight **six** circumstances under which an agent may delegate his duties to a sub-agent. (9 marks)
- (b) In relation to the law of succession, explain four formalities of a will. (8 marks)

13. (a) Explain **six** advantages of settling disputes through administrative tribunals. (9 marks)
- (b) Lucie made an offer to sell her car to Meshack at the beginning of the month of June. Meshack was at that time short of cash. Meshack then gave Lucie Ksh 20,000 in agreement that she holds the car until the end of June. Lucie, however, sold the car to Julie before the end of the month of June. Meshack is aggrieved and intends to sue Lucie in a court of law.
Explain the legal principles applicable in this case. (8 marks)
14. (a) Outline **six** functions of the Chief Justice of Kenya. (9 marks)
- (b) Explain **four** circumstances under which the termination of the services of an employee would be lawful. (8 marks)
15. (a) Explain **four** defences that may be available for the defence of defamation. (8 marks)
- (b) Outline **six** rules of making an offer. (9 marks)

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