

1903/204    1922/204  
1906/204    1923/204  
1909/204    1924/204  
**BUSINESS LAW**  
**July 2016**  
**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 PROJECT MANAGEMENT**  
**CRAFT CERTIFICATE IN CLERICAL OPERATIONS**  
**CRAFT CERTIFICATE IN INVESTMENT MANAGEMENT**  
**MODULE II**

**BUSINESS LAW**

**3 hours**

**INSTRUCTIONS TO CANDIDATES**

*This paper consists of TWO sections; A and B.*

*Answer ALL the questions in section A and any other 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. State **four** branches of law that fall under civil law. (4 marks)
2. Highlight **two** circumstances under which the authority of an agent cannot be revoked. (2 marks)
3. State **four** unities that must exist in joint tenancy. (4 marks)
4. State **four** offences that are tried in a court martial. (4 marks)
5. In relation to the law of tort, state **four** acts of conversion. (4 marks)
6. Outline **three** types of contracts that bind an infant. (3 marks)
7. Distinguish between a devise and a bequest. (2 marks)
8. Highlight **three** grounds that may render a misrepresentation fraudulent. (3 marks)
9. State **four** circumstances under which a judge may be removed from office. (4 marks)
10. State **two** Acts of Parliament that may be applied in a contract of employment. (2 marks)

**SECTION B: (68 marks)**

Answer any **FOUR** questions from this section.

11. (a) Explain **six** ways in which an offer may be terminated. (9 marks)
- (b) Explain **four** reasons that make parliament delegate the law-making authority to other persons or bodies. (8 marks)
12. (a) Outline **six** circumstances under which an agent may incur personal liability. (9 marks)
- (b) Explain **four** functions of the National Assembly. (8 marks)

13. (a) Explain **six** factors that a court of law may consider when making an order for provision to dependants. (9 marks)
- (b) Juma Leva's car was stolen at gun point. After the incident, he placed an advertisement in a daily newspaper, offering Ksh. 10,000 to whoever would find the car and report to the police. Purity Mwande, a friend who had not seen the advertisement, found the car abandoned by the roadside. With the knowledge that the car had been stolen, she immediately rang Juma. She later saw the advertisement and claimed the Ksh. 10,000 from Juma. Juma has refused to pay and Purity intends to seek legal redress.  
Explain the legal principles involved in this case. (8 marks)
14. (a) Explain **six** jurisdictions of the High Court of Kenya. (9 marks)
- (b) In relation to the law of property, explain **four** rights of a tenant. (8 marks)
15. (a) Explain **six** duties of an employer to the employees. (9 marks)
- (b) Jones Rwaba, an occupier of Cleanex premises, carried on the business of washing clothes at the premises. A notice warning about slippery floor and the need to take care was strategically placed at the entrance. Claire, holding her clothes, walked into the premises but after a few steps, fell down and broke her leg. As a result, she incurred a huge hospital bill. She intends to sue Jones for damages suffered.  
Explain the legal principles applicable in this case. (8 marks)

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