

1903/204 1922/204 1926/204
1906/204 1923/204
1909/204 1924/204
BUSINESS LAW
November 2021
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 PROJECT MANAGEMENT
CRAFT CERTIFICATE IN CLERICAL OPERATIONS
CRAFT CERTIFICATE IN INVESTMENT MANAGEMENT
CRAFT CERTIFICATE IN HUMAN RESOURCE MANAGEMENT

MODULE II

BUSINESS LAW

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists TWO sections; A and B.
Answer ALL the questions in section A.
Answer any FOUR questions from section B.
Maximum marks for each part of a question are as indicated.
Write your answers 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 **three** classifications of state law. (3 marks)
2. State the **four** steps of instituting a matter in the Rent Restriction Tribunal. (4 marks)
3. List **four** fundamental rights and freedoms that are not limited, as stipulated in the Constitution of Kenya. (4 marks)
4. State **three** instances when a person is deemed to be a holder in due course of a bill of exchange. (3 marks)
5. State **three** circumstances under which payment for goods and services to an agent discharges the third party. (3 marks)
6. List **three** characteristics of tort. (3 marks)
7. State **three** factors considered by the court when making an order for provision for a dependant out of a deceased's estate. (3 marks)
8. List **three** differences between private property and public property. (3 marks)
9. In relation to the Employment Act, state **three** reasons that may make an aggrieved party lodge a complaint to the labour officer. (3 marks)
10. State **three** ways in which the judiciary has integrated Information Communication Technology (ICT) in judicial proceedings. (3 marks)

SECTION B (68 marks)

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

11. (a) In exercise of its jurisdiction, the Employment and Labour Relations Court shall have power to make certain orders. Outline six such orders. (9 marks)
- (b) No proceedings against the government shall be instituted until a notice in writing in the prescribed form has been served on the government in relation to those proceedings. Outline the particulars included in such notice. (8 marks)
12. (a) Explain six reasons why parliament delegates law making powers to other persons and bodies. (9 marks)
- (b) Outline **four** occasions when a publication is absolutely privileged. (8 marks)
13. (a) Agency by ratification arises where the principal adopts an **unauthorized** act of his agent as his own. Outline six requisites of such ratification. (9 marks)
- (b) Explain **four** remedies that may be available to a mortgagee where a contract is breached. (8 marks)
14. (a) Explain six duties of an employee implied in a contract of employment. (9 marks)
- (b) Wambe offered to sell his five acre piece of land to Mato at Ksh. 5 million. Mato offered to purchase the piece of land at Ksh. 4.5 million but Wambe declined. After two weeks, Mato called Wambe, informing him that he was now willing to purchase the land at the original price of Ksh. 5 million. However, Wambe had changed his mind and was no longer selling the land. Mato is aggrieved and intends to sue Wambe for breach of contract. Explain the legal principles applicable in this case. (8 marks)
15. (a) Explain six benefits of making a will. (9 marks)
- (b) Explain **four** instances when specific performance in a breach of contract may not be granted. (8 marks)

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