

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS
EMBU /THARAKA**

EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE

BCOM 202: BUSINESS LAW 1

STREAMS:

TIME: 2 HOURS

DAY/DATE:

INSTRUCTIONS:

- **Answer question one and any other two questions**
1. (a) You have newly been appointed as the chief legal officer of Msafiri enterprises. Explain to the staff the importance of drafting and documenting a set of rules for the enterprise. [10marks]
 - (b) Explain the advantages of an Act of parliament . [8marks]
 - (c) Jack offered to sell her vehicle to Noel for ksh 800,000. Noel wrote back to back agreeing to buy the car for ksh 400,000/=. Is there a contract between Jack and Noel for the sale of the vehicle for 400,000/= ? Xplain. [6marks]
 - (d) XYZ company ltd holds an auction of its furniture at which D,Y and Z bid. The highest bid of ksh 10,000 is made by Z. The company refuses to sell .Advise Z. [6marks]
 2. A contract is said to be discharged when the obligations created cease to bind the parties that are now freed from performance. Discuss the various ways in which a contract can be discharged. [10marks]
 - (b) Discuss the legal essentials of a cortuous act that qualifies the plaintiff to institute civil proceedings against the wrongdoer. [10marks]
 3. (a) With reference to the law governing legal personality, distinguish between a natural person' and a legal person. [6marks]

(b) Explain two ways in which a legal person can be created. [4marks]

(c) Describe the implied authority of a partner in every partnership business. [10marks]

4. Write explanatory notes on the following ;

(i) Domicil [4marks]

(ii) Citizenship by naturalization [4marks]

(iii) Testamentary succession [4marks]

(iv) Intestate succession [4marks]

(v) Doctrine of judicial precedent. [4marks]

